

**MINES ADVISORY GROUP**  
**(A company limited by guarantee and not having a share capital)**

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 June 2012**

# MINES ADVISORY GROUP CONTENTS

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**MINES ADVISORY GROUP**  
**LEGAL AND ADMINISTRATIVE INFORMATION**

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**Board of Trustees:**

Michael H Taylor (Chair)  
Paul Nielsen (Treasurer)  
Colin Rowe (Deputy Chair)  
Steve Wright  
Bill Cooke (resigned 3 February 2012)  
Gillian Miller  
Paul Bell (Audit and Finance Committee)  
Claire Marles (Audit and Finance Committee)  
Christopher Bates (appointed 25 July 2011)  
Tapera Knox Chitiyo (appointed 20 July 2012)  
Diane Reid (appointed 20 July 2012)  
Vanessa Forbes (appointed 20 July 2012)

**The Executive Team:**

Nick Roseveare – Chief Executive (from 21 November 2011)  
Dougal Freeman – Director of Finance  
Rob White – Director of Operations

**Auditors:**

Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Manchester  
United Kingdom

**Bankers:**

The Royal Bank of Scotland plc  
36 St Andrew Square  
Edinburgh  
EH2 2YB

**Solicitors:**

Bates Wells & Braithwaite  
2-6 Cannon Street  
London  
EC4M 6YH

**Registered and Principal Office:**

68 Sackville Street  
Manchester  
M1 3NJ

**Company Number:**

4016409

**Registered Charity Number:**

1083008

**MINES ADVISORY GROUP**  
**LETTER FROM THE CHAIR AND CHIEF EXECUTIVE**  
**For the year ended 30 June 2012**

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**A LETTER FROM THE CHAIR**

I am delighted to present this report from the Mines Advisory Group (MAG) Board of Trustees for the financial year ending 30 June 2012. This has been a year of positive developments for MAG, not least with the appointment of Nick Roseveare as our new Chief Executive. MAG has once again seen twelve months of expansion in the field, which we have been careful to support by initiating processes of review that will strengthen our internal systems and performance.

At Board level we have examined our approach to Governance, refreshing and revising the membership of the Board by recruiting new Trustees and bringing in new skills and specialisms. We have also increased transparency with regard to tenure and succession.

Elsewhere, we have taken initiatives to strengthen MAG's internal processes, underline our commitment to becoming even more effective and efficient, and provide a solid foundation from which MAG can continue to deliver the very best programmes for the benefit of the conflict-affected communities that we serve. A review of Human Resources will ensure that we continue to attract and retain staff of the highest quality in a competitive and specialised jobs market. Evaluations of our Supply Chain Management and our approach to Business Development will start to reap rewards in the forthcoming business year. We have also sharpened our approach to the management of Corporate Risk, and re-tendered for corporate services including audit and insurance.

During the past year we have focused attention on compliance across a range of issues and countries. This will give even higher levels of confidence to myself and the Board that MAG is operating to, and set to exceed its long standing professional standards.

In conclusion I would like to thank my fellow Trustees and all members of staff in the UK and overseas as MAG continues to grow year-on-year, delivering high impact programmes that consolidate MAG's position as one of the leading organisations in a highly specialised field.

My particular thanks to all our donors whether individual, institutional or corporate. Without your generous support our work on behalf of communities at risk in some of the world's most vulnerable countries simply would not be possible.

Yours sincerely



**Chair of the Board of Trustees**

**16<sup>th</sup> November 2012**

**MINES ADVISORY GROUP**  
**LETTER FROM THE CHAIR AND CHIEF EXECUTIVE**  
**For the year ended 30 June 2012**

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**A LETTER FROM THE CHIEF EXECUTIVE**

**Having joined MAG in November, mid-way through this business year, I'm pleased to have this opportunity to reflect on and take stock of the tremendous achievements and challenges the organisation has risen to throughout the last twelve months.**

MAG's work in the field of Humanitarian Mine Action and unexploded ordnance disposal continues to be the firm foundation upon which we build. Complementing this, our groundbreaking work on Physical Security and Stockpile Management and on Small Arms and Light Weapons has seen MAG making an increasing positive contribution to stabilisation and conflict recovery.

One Sunday morning in central Brazzaville, capital of the Republic of Congo, more than 280 people died, 1,500 were injured and around 14,000 people made homeless all in a matter of minutes. As in Libya, Lebanon and Gaza in the past, MAG's proud record of rapid and effective responses to emergency situations was illustrated after these devastating explosions of munitions storage sites in Brazzaville on 4 March 2012. MAG's country team on the ground responded swiftly to this terrible tragedy and immediately expanded our programme working with the national authorities to secure the area (enabling safe access and training for Red Cross emergency teams), to carry out technical assessments, to conduct risk education for tens of thousands of local residents and to begin safe clearance activities. Work in Brazzaville has now moved into a new post-emergency phase, with increasing focus on explosive ordnance clearance and disposal, and continuing education through schools and community structures.

Elsewhere, emergency response programmes have also continued to move forward into new phases. MAG's work in Libya started in early April 2011 during the conflict, and this year developed into a wider and well-established programme helping to build stability and trust in Libya by providing continued clearance operations to reduce the threat to citizens, the assessment and securing of old stores to reduce the chance of weapons falling into the wrong hands, and risk education that keeps people safe when living amongst the lethal debris of conflict. MAG's end-to-end approach not only saves lives, but truly builds futures.

Externally, MAG has renewed and deepened its collaborative work with professional peers to ensure that we not only contribute MAG's own knowledge to our sector for the greater good but also learn from our respected peers. We redoubled our commitment to work with and inform policymakers and decision-makers to ensure the right international policy frameworks are in place for the needs of people affected by conflict to be met as effectively as possible with the limited resources available. In this respect MAG has worked hard to raise awareness and understanding amongst UK Members of Parliament (through support for the new All Party Parliamentary Group on Landmines), and also in international negotiations and processes developing the Arms Trade Treaty (ATT) and the United Nations Program of Action (UNPoA) on small arms and light weapons and other key processes.

Finally, I was pleased that 95 per cent of staff responded to MAG's first ever staff survey in May. MAG staff are some of the most expert and experienced in their respective fields, and know best how the organisation can do

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better. Effectively harnessing this will enable MAG to rise to the great challenges of coming years as we further develop the systems and infrastructure to support continued growth. This will require hard work and imagination, but that is not new to MAG and I'm confident that with the support of the Trustee Board, we will meet and exceed the expectations of our supporters, our donors and (mostly importantly) those for and with whom we work to save lives and build futures in communities affected by conflicts and violence.



**Nick Roseveare,**  
**Chief Executive**

**16th November 2012**

**MINES ADVISORY GROUP  
TRUSTEES' REPORT  
For the year ended 30 June 2012**

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**TRUSTEES' REPORT**

The Trustees of Mines Advisory Group (MAG) present their annual report and the audited financial statements for the year ended 30 June 2012.

**Objects**

The objects of the charity, as set out in the governing document, are:

- a) the relief of suffering and distress throughout the world, in particular in areas where conflict causes human fatality or injury, due to the presence of the debris of war, such as land mines, unexploded ordnance, stockpiles of weapons and ordnance and other residual contamination; and to deliver such relief by (but not limited to):
  - the provision of training and assistance in clearance and reconstruction;
  - undertaking any preventative measures that improve human security including (but not limited to) safely managing, storing, destroying or reducing the availability of stockpiles of ammunition, arms and weapons;
  - providing necessary medical support and education needed; and
- b) to carry out research into solving the problems faced by those whose lives have been affected by conflict and to disseminate any useful results of such research for the public benefit.

MAG is an independent, neutral and impartial humanitarian organisation. We see the practical expression of our charitable aims as the clearance of the remnants of conflict from current and former conflict zones for the benefit of affected communities worldwide, whilst educating people about the dangers surrounding leftover ordnance and weapons. Activities are concentrated where the humanitarian impact is greatest in order to:

- enable safe access to water, shelter and food for remote communities, and assist the safer return of refugees and internally displaced persons to their homes;
- make land safe for wide-scale agricultural developments and farming, as well as cash-crops, orchards and individual gardens;
- open up safe access routes between villages and communities, creating the potential for new or renewed trade;
- make land safe for construction or reconstruction of housing, schools, health centres and other infrastructure;
- destroy illicit caches of munitions and small arms and light weapons, and assist authorities in managing legitimate stocks to prevent them falling into the wrong hands and jeopardising peace; and
- boost the local economy through the training and employment of national staff from amongst affected communities.

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TRUSTEES' REPORT  
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## **1. ACTIVITIES**

MAG's distinctive approach makes a concrete contribution to human security, poverty reduction and long-term development, through positive impact on sustainable livelihoods, armed violence reduction and early recovery from conflict. In achieving the targets and objectives set out in last year's report MAG has initiated moves towards identifying new income streams and putting in place strategies for multi-year funding for programmes. The latter approach was successful in securing funding from the Dutch Government for programmes running in DR Congo, Iraq, Lebanon, Libya and South Sudan. Additionally, the reviews of systems initiated to support and drive operational efficiency and effectiveness will start to reap benefits throughout the forthcoming business year and beyond.

In setting out our activities each year we have regard to the Charity Commission guidance on public benefit. The Trustees recognise their responsibility to ensure that the programmes we undertake are in line with our charitable objects and aims as set out in the governing document. Details and examples of this can be found in the country programme reviews below.

During the past 12 months, MAG has worked in a total of 16 countries or territories (Angola, Burundi, Cambodia, Chad, Democratic Republic of the Congo, Iraq, Lao PDR, Lebanon, Libya, Pakistan, Puntland State of Somalia, Republic of Congo, Southern Sudan, Sri Lanka, Sudan and Vietnam). All output statistics reported in the following paragraphs relate to the year ended 30 June 2012.

Our programmes operate broadly in the following areas to work towards achieving **our vision of a safe and secure future for men, women and children affected by armed violence and conflict.**

### **Humanitarian Mine Action**

MAG has been a world leader in the clearance of landmines and other explosive debris of conflict for more than 20 years, identifying these as deadly threats to both physical safety and development. MAG's pioneering approach to working with communities on the clearance of land for release to be safely used for food production, human settlement or infrastructure is essential in sustaining development after conflict.

### **Weapons Disposal and Security**

Finding and destroying unsecured and often unstable stockpiles of small arms, light weapons and ammunition is an integral part of MAG's mission. Working with national authorities to develop Physical Security and Stockpile Management (PSSM) strategies, MAG destroys surplus and out-dated weaponry that threatens not only surrounding communities, but also local and regional stability. MAG provides training to security and police forces in weapons management and storage, improving security and reducing the risk of misuse and misappropriation.

### **Education for Life**

MAG works with communities affected by conflict to identify safe strategies to reduce the daily risk of accidental injury and death. MAG develops and delivers tailored safety messages on the ground for those most at risk.

### **Future Capacity**

MAG cannot be present forever and actively seeks opportunities to work with local and national partners (both Non-Governmental Organisations and national authorities) to build capacity for the future. MAG passes on its expertise by, amongst others, training local women and men to internationally recognised standards in the identification and safe destruction of landmines and other ordnance.

### **Conflict and Poverty**

*One and a half billion people live in countries affected by armed violence, conflict and instability. Poverty rates are 20 per cent higher in countries affected by repeated cycles of violence over the last three decades. No low income, fragile or conflict-affected country has yet achieved a single Millennium Development Goal. People living in countries currently affected by armed violence and conflict are twice as likely to be undernourished, 50 per cent more likely to be impoverished and their children are three times as likely to be out of school<sup>1</sup>.*

For these reasons MAG works to tackle the destructive legacy of violence and conflict, to release land for food production, to increase safe access to vital resources like water, education and health services, and to build a better future for women, men and children alike.

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<sup>1</sup> *The World Development Report 2011: Conflict, Security and Development.* The World Bank

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**MAG's Outputs Worldwide**

Land Released <sup>1</sup>	<b>65,844,338m<sup>2</sup></b>
Land Cleared <sup>2</sup>	<b>23,664,506m<sup>2</sup></b>
Landmines Cleared and Destroyed	<b>6,689</b>
Unexploded Ordnance Cleared and Destroyed	<b>1,181,467</b>
Armouries Surveyed and/or Rehabilitated	<b>169</b>
Weapons Destroyed <sup>3</sup>	<b>16,965</b>

**AFRICA**

**Angola**

*Programme Summary*

*"After Luzi market was cleared and made safe I was able to set up a small restaurant in order to provide for my family."* Julia Likumbi from Luzi.

Throughout the year MAG Angola focused operations on two sites in Lucusse and Luzi Commune, Moxico Province. The Road Operations Unit (ROU) worked mainly in the Léua area, releasing the roads from Cangamba to Muie, and from Lumai to Luio. Community Liaison (CL) teams supported land release activities and assessed 57 Suspected Hazardous Areas (SHAs). In addition the teams delivered 189 Risk Education (RE) sessions to high-risk individuals and provided training to community focal points with the static population as well as with returnees and those internally displaced. The Rapid Response Team continued to respond to a high volume of spot task requests throughout the Province with 1,235 Explosive Ordnance Disposal (EOD) tasks being undertaken. MAG further integrated Handheld Standoff Mine Detection Systems (HSTAMIDS) into the programme, improving the quality and efficiency of HMA activities and supporting the rollout of this advanced technology, which should lead to sustainable and systemic change in its programming. The programme also continued to train and accredit MAG national staff in the use of the HSTAMIDS and its approach. MAG continued to collaborate closely with the national mine action authority, CNIDAH - (National Intersectoral Commission for Humanitarian Assistance and Demining) at both provincial and national level and assisted with the formulation of the Article 5 Ottawa Treaty extension request. MAG provided extensive support to CNIDAH to update the Landmine Impact Survey (LIS) information dating from 2007 through the deployment of CL teams to reassess SHAs and define newly reported areas.

*Future Plans*

Dwindling funding opportunities remains a key challenge for the programme. A number of donors ceased funding commitments to Angola and subsequent project closures meant cuts in capacity and a reduced programme. MAG is meeting this challenge by considering alternative funding sources in both the public and private sector. A corporate fundraising event at the Luanda International School in early 2012 proved to be a great opportunity to raise the profile of MAG within the private sector, and the continuing development of these relationships, along with a further fundraising event, is planned for the forthcoming year.

**Burundi**

*Programme Summary*

Perhaps the greatest achievement for Burundi in the last 12 months was to declare itself 'landmine free', following a clearance project implemented with MAG. At the beginning of 2011, MAG trained a team from the Burundian Civilian Defence who then cleared the contaminated areas that remained following the decade-long civil war, mainly in the north-west of the country around the Kibira Forest. This area is now used for cultivation and grazing, a vital achievement in a country where land is so scarce. Clearance also took place close to health centres, schools and

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<sup>1</sup> Land cancelled as a result of non-technical and technical surveys after being assessed as not representing a risk from mines and Explosive Remnants of War (ERW)

<sup>2</sup> Land searched either visually or electronically with all items of ERW removed or destroyed

<sup>3</sup> Small arms and light weapons definitively put beyond use, cannibalisation or repair, through cutting, crushing or other destruction methodologies

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pathways and the land around eight electricity pylons was rendered safe, allowing maintenance on this main electricity supply line. Thanks to MAG's training and supervision, the Civilian Defence now has a national Explosive Ordnance Disposal (EOD) team able to respond to any future threats. Following a survey of military Small Arms and Light Weapons (SALW), which identified the risk posed by ageing and unstable ammunition and surplus weapons, MAG started working with the Force de Defence Nationale (FDN, Burundian Army) to destroy these items. From December 2011 to June 2012, ammunition and weapons were removed and safely destroyed from the stocks by a team of military staff trained and supervised by MAG. This significantly reduced the risks of an accidental depot explosion and reduces the risk of firearms leakages.

*Future plans*

This SALW project will continue in 2012-2013. Additionally MAG is looking for funding to implement other Physical Security and Stockpile Management (PSSM) activities to train armourers and ammunition keepers and rehabilitate armouries and depots. The programme continues to pursue its research into ways to recycle the scrap metal originating from weapon destruction by collaborating with a French Technical University to set up a small eco-foundry run by ex-combatants.

**Chad**

*Programme Summary*

Throughout the year, the programme operated a Rapid Intervention Team and ran manual clearance activities along the Kike Road, and continued working on the national survey. All MAG's projects assist the Chadian Government in achieving the objectives set in the Ottawa Convention. The survey in particular, which recommenced towards the end of the business year, will play a key role in enabling the Government to determine future mine action plans and define priorities. The Rapid Intervention Team played a vital role in supporting humanitarian agencies responding to the influx of returnees from Libya in the north. Meanwhile, the clearance along Kike Road had national significance as mines have blocked this important trade route since the 1980s. The once bustling market town of Fada has been struggling economically, as larger food and goods providers stopped passing through due to the potential danger. MAG's clearance operations will contribute to socio-economic development of the region. Clear progress was made in maintaining and stabilising the programme as a Humanitarian Mine Action (HMA) operator, continuing to develop relationships with stakeholders to raise awareness of MAG's work and identifying, evaluating and pursuing opportunities that extend MAG's presence within the country. Relationships with all stakeholders and donors, especially with United Nations agencies and the National Demining Authority (the CND), remain excellent. A number of challenges were encountered during the year. These involved delays in contract approval by donor agencies, poor quality of equipment from supporting agencies (for example CND vehicles), a lack of technical support within partner agencies and inadequate funding for international positions in the programme. MAG has planned to mitigate most of these problems in future contracts, but slow grant approval processes mean that the funds have not been available to implement all improvements yet.

*Future Plans*

The programme is currently waiting to begin a one-year clearance project with three teams, two based in Tibesti and one based in Eastern Chad. Key objectives for the new business year include the completion of survey activities with the United Nations Development Programme (UNDP), final procurement of a mechanical asset to assist the clearance around Fada and development of Physical Security and Stockpile Management (PSSM) strategies.

**DR Congo**

*Programme Summary*

*"I thank the men and women who work for MAG, for protecting the people of Likbanda. Now, land is now being used for cassava and the proceeds from the sales will fund the reconstruction of buildings destroyed during the war."* A local Abbot from South Equateur.

Throughout the year, operations focused on maximising developmental outcomes. A range of innovative tools, including a critical humanitarian needs database, have been designed to share socio-economic information collected by teams in remote areas working with other development organisations. MAG also piloted the inclusion of an additional hygiene message within Risk Education sessions, and is working with Italian non-governmental partner organisation the International Committee for the Development of People (CISP) to design livelihoods projects on cleared land. The approval of a National Mine Action Strategy in September 2011 marked a key milestone. As part of this strategy, the National Red Cross (NRC) was identified as the preferred national partner for all Community Liaison (CL) capacity building activities. MAG will therefore be focusing on building NRC capacity in line with this

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recommendation. MAG's commitment to strengthening national technical capacity continued, with the ongoing deployment of Forces Armées de la République Démocratique du Congo (FARDC) teams to conduct minefield clearance. Rapid response activities further supported the reconstruction of key infrastructure, including spot tasks at Kinshasa international airport; the clearance of items blocking road rehabilitation between Dongo town and Dongo airstrip; and the destruction of 48 mortars threatening a school under reconstruction in North Equateur. Cluster munition clearance operations in South Equateur have also contributed to improved livelihood opportunities, and provided the security for long-term development. MAG continues to be at the forefront of Physical Security and Stockpile Management (PSSM) innovation in the country. Following assessments of 121 armouries in Kinshasa and Bas Congo, the programme installed the country's first prefabricated armoury units at the Makala Central Prison in Kinshasa in November. A total of five units were produced, designed to reduce the risks posed to vulnerable communities by the leakage of weapons. This work was also expanded into the east, where weapons securitisation is essential in light of a recent resurgence in conflict. The main challenge for the programme related to security concerns surrounding Presidential Elections in November. As a result operations stood down from mid-November until early January. The lack of national infrastructure also presents ongoing problems, posing logistical constraints and difficulties with travel to remote sites. The reduction of support staff due to decreased funding represents a different challenge, however MAG continues to witness improvements in logistic and financial procedures.

#### *Future Plans*

Looking ahead, securing four years of Dutch funding will ensure the continuity and geographic reach of Humanitarian Mine Action (HMA) operations. There also remain significant opportunities for the expansion of PSSM activities, which MAG will continue to pursue using its innovative and responsive approach.

## **Libya**

#### *Programme Summary*

Over the last 12 months MAG has established itself as a key actor for Mine Action and Physical Security and Stockpile Management (PSSM) in Libya, conducting activities in Tunisia, the Western Mountains, Benghazi, Ajdabiya, Misrata, Ras Lanuf, Brega and Sirte. The programme coordinated closely with the United Nations Mine Action Service-led Joint Mine Action Coordination Team throughout the year. The Libya Mine Action Centre was established in December 2011 and has received international support. However a national mine action coordination and strategy has not been decided and published to date. MAG therefore currently coordinates with both organisations and other local authorities throughout the country. At the end of the 2011/12 year MAG had seven Mine Action Teams (MATs) in Zintan and Misrata, with four more in training. In June 2012 MAG, along with other International Non-Government organisations (INGOs), was requested by the local Security Council to leave Sirte due to the deteriorating security situation. The recruitment and retention of national staff has also provided a steep learning curve for the programme. Initially, many Libyans joined humanitarian agencies to assist their country, however as the situation has stabilised, citizens have returned to the jobs they held prior to the conflict. Activities have focused on Explosive Ordnance Disposal (EOD) spot tasks, Battle Area Clearance (BAC) and Risk Education (RE). Additionally, BAC has been undertaken in Ammunition Supply Areas (ASAs) to clear the widespread contamination scattered as a result of the damage to their structures and explosive contents during the conflict. Access to ASAs for PSSM activities has not been permitted to date. Community Liaison teams delivered 1,237 RE sessions.

#### *Future plans*

In the current context, MAG Libya's future lies in PSSM, with links to Security Sector Reform. Discussions with donors indicate their support for these sectors with the caveat that other actors need to be supportive of MAG being engaged in these activities. MAG will pursue ongoing BAC to contribute to national recovery efforts, as well as the delivery of RE messages to populations living in proximity to ASAs, increasing awareness of the threat posed by unexploded ordnance and small arms. Capacity building of national staff as they gain seniority and experience will also be a key component of the programme's future plans.

## **Puntland State of Somalia**

#### *Programme Summary*

*"It was exactly what we needed. Thank you very much and we need more of this training like this."* Colonel Ahmed Ali Mahamed, Head of Training

MAG Somalia has continued to provide technical support and other expertise for disarmament and stabilisation efforts through its Physical Security and Stockpile Management (PSSM), Police Explosive Ordnance Disposal (EOD) teams and Risk Education (RE) projects. In 2011-2012, the programme faced a number of challenges, with severe drought

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and famine affecting much of East Africa and continued fighting and heightened security risks affecting operational areas. In July 2011, MAG implemented an Emergency RE project in response to the unfolding humanitarian crisis caused by severe drought and famine in East Africa. This had forced many people into Internally Displaced Persons (IDP) camps and refugee settlements in Somalia as well as in Kenya and Ethiopia. In response many Non-Governmental Organisations (NGOs) began to scale up their operations and send additional staff into the field. To support these operations, MAG developed a programme to educate NGO workers on the dangers presented by Explosive Remnants of War and provide practical advice on how to increase safety in the field. In addition to providing Emergency RE to NGOs and other humanitarian agencies located in target areas, CL teams have been providing RE to at-risk IDPs and refugees as well as to nomadic populations travelling across areas of suspected contamination. In total these came to 25,905 sessions. Building on successful activities in Puntland - MAG established a PSSM project with the Somaliland Police and Maritime Police, providing comprehensive armourer training to Police armourers and Maritime Police armourers as well as refurbishing weapon stores and Police and Maritime Police armouries. Additionally, in March 2012, Puntland's new Minister of Interior and Police Commissioner invited MAG to assess the main police armouries including armouries situated in Garowe and North Galkayo. Security remained the biggest challenge to the teams throughout the year. MAG ensured that prior to every deployment, detailed checks were carried out and throughout the deployment regular liaison was conducted with United Nations Department of Safety and Security (UNDSS), the NGO Safety Programme, local authorities and other local contacts on the ground. However, MAG was forced to stand down operations in South Central for three months following the kidnap of two international staff from the Danish Demining Group (DDG) on in October. Operations restarted in February, however after a number of further high security threats in 2012 the decision was taken to move out of South Central.

*Future Plans*

MAG Somalia will consolidate its operations over the next 12 months, building on and developing the success of its PSSM initiatives.

**Republic of Congo**

*Programme Summary*

*"Our full appreciation to MAG for what you are doing. Collecting munitions scattered in our school and making students aware of the risks from unexploded ammunition has been crucial. We wish you success and assure you our full support."* Mr Georges Nguembili, Pierre Ntsieté School Director

MAG's programme was scheduled to close at the end of March 2012, following the successful implementation of a project to clear unexploded ordnance (UXO) from a site adjacent to Brazzaville International Airport. However, following a series of explosions at the ECRRRAMU munitions depot in Brazzaville at the start of March, MAG launched immediate Emergency Response operations. In 2011 and early 2012, MAG concluded a 14-month European Union-funded project to clear the Maya-Maya 'Poudrière' site in Brazzaville. This involved Battle Area Clearance (BAC) and Community Liaison (CL) activities surrounding a former munitions depot adjoining Brazzaville International Airport, which had been littered by large quantities of ordnance following its shelling in 1997. MAG removed dangerous items from the area; provided training and capacity building for twelve seconded members of the Congolese Armed Forces (FAC) and delivered Risk Education (RE) to 4,176 members of the local community to warn them of the dangers and how to manage this risk. Following a series of explosions at the ECRRRAMU munitions depots in Brazzaville on 4 March 2012, MAG was the first operator to respond, deploying an emergency response capacity to secure the central contaminated area. A six-month project was subsequently developed, to conduct visual search of the blast site, supported by CL and RE activities within affected neighbourhoods. Four Explosive Ordnance Disposal (EOD) teams, composed of FAC-seconded staff, were deployed, and conducted 239 spot tasks in adjacent residential areas, reducing the risk of unexploded munitions to local communities. A CL capacity was deployed in parallel, delivering 14,744 safety briefings and 1,358 RE sessions, through which 93,071 people benefited from safety messages. The most vulnerable groups, including children in 38 schools and evacuees housed in eight Internally Displaced Person (IDP) camps, were specifically targeted.

*Future Plans*

MAG expects to conduct further clearance until the end of 2012, providing specific technical expertise to clear the epicentre of the explosions and facilitating vital reconstruction works.

**South Sudan**

*Programme Summary*

*"Before, I did not allow my family to move about, even if it meant we were hungry. Now [following MAG's clearance]*

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*we are able to move safely, prepare and cultivate a larger area of land and graze our cattle. We are happy.”* Charles Chati, Chief of Isalaro Village in Eastern Equatoria

Operations continued to be successful throughout this crucial year in the history of South Sudan, which coincided with the first year of its independence. Between July 2011 and June 2012, the programme conducted 700 Explosive Ordnance Disposal (EOD) spot tasks. Additionally, Risk Education (RE) activities were delivered to more than 210,000 individuals across four states by eight Community Liaison (CL) teams. To facilitate wider humanitarian activities RE was provided to 900 Non-Governmental Organisations (NGO) and United Nations staff. In early 2012 more than 170,000 refugees fled to Unity and Upper Nile States to escape fighting in Blue Nile and South Kordofan. MAG received emergency response funding to deploy two new teams to Upper Nile and provide RE in refugee camps housing more than 100,000 individuals. Developing partnerships with several NGOs operating in refugee camps in Upper Nile MAG provided RE to 8,000 children in partnership with the Save the Children UK-sponsored 'Child Friendly Spaces' initiative. CL trained Oxfam Hygiene Education Volunteers and Relief International-trained Community Police Volunteers in the delivery of safety messages. Training was also provided for 120 teachers and a partnership was developed with the UN Department for Safety and Security to provide RE to UN and NGO staff in Safety and Security Approaches to Field Environments (SSAFE) workshops.

#### *Future Plans*

MAG operated in Jonglei State during 2011, however due to continued inter-community violence between the Nuer Lou and Murle tribes, teams were re-deployed to Greater Equatoria. An assessment is planned for the next business year, and it is anticipated that a capacity will be redeployed there, security permitting. The programme developed strong relations with Security Sector Reform organisations and has conducted research into Armoury Control and Armed Violence Prevention and Reduction. A decision was made not to pursue funding during the year until further comprehensive planning and consultation takes place. Funding and activities are expected to be pursued in the forthcoming year. MAG continues to develop the capacity of its national staff as well as that of its national partner Operation Save Innocent Lives (OSIL). During the year two grants were secured which will primarily focus on continuing both technical and organisational capacity building support to this partner.

## **Sudan**

#### *Programme Summary*

*“On behalf of the community, we appreciate MAG’s work. When I visited the site to see how the work was progressing I was impressed by the professionalism and confidence with which the minefield was being cleared. You do a highly significant job.”* Ali Tolab, Head of Basal Committee.

In its most productive year to date, MAG operated eight Manual Clearance Teams and six Community Liaison (CL) teams, supported by one mechanical team. All activities were carried out in coordination with the National Mine Action Centre (NMAC) who assumed responsibility for the management and coordination of mine action this year. Teams conducted technical and non-technical survey, Battle Area Clearance (BAC), Explosive Ordnance Disposal (EOD) spot tasks, manual and mechanical clearance, and CL activities in Kassala State, and CL activities in Blue Nile and South Kordofan States. Risk Education (RE) was delivered to 55,901 beneficiaries overall. A key achievement was the clearance of a large minefield outside the village of Hamash Korieb, northern Kassala. It lay just 300m from the village on a route regularly used by nomadic herdsman. The minefield was vast – an estimated 370,000m<sup>2</sup> – however the team set to work in November 2011 and completed clearance in May. Two of MAG’s clearance teams were led by Wajdi Agrab and Aladdin Mohamed, who were accredited as National Technical Field Managers (TFMs) at the beginning of 2012 and more than 70 per cent of staff have been seconded from the National Demining Units (NDUs). Training began for four NDUs on using the Minewolf and fifteen future leaders commenced training to become TFMs. All MAG’s CL and RE activities were carried out in collaboration with national partner JASMAR, with the management of two teams being handed over to them, representing a huge step forward in MAG’s aim to build a sustainable national demining capacity.

#### *Future Plans*

Unfortunately from April 2012 MAG faced increasing difficulties in gaining travel permits, and on 31 May was notified by the Humanitarian Aid Commission (HAC) that it was closing all projects in Kassala State. However the NMAC continued to advocate on MAG’s behalf, and in early July, gained HAC permission to issue MAG a letter revoking the closure notice. MAG is now finalising arrangements for remobilisation, and intends to restart operations with a slightly smaller capacity in November 2012. Having invested heavily in developing strong partner relations, all of MAG Sudan’s core donors have shown support during this challenging time.

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## **MULTI-COUNTRY AFRICAN PROJECTS**

### **Institute Security Studies**

#### *Project Summary*

During the year MAG continued to provide support and oversee the weapons marking and tracing project being implemented by partner organisation the Institute of Security Studies (ISS) in Southern Africa. The project, initially scheduled to run until October 2011, was extended until the end of April 2012 to allow all planned activities to be implemented. Under this project, ISS procured and distributed twelve weapons marking machines to ten SARPCCO (Southern African Regional Police Chiefs Cooperation Organisation) member states. Three day-long training sessions on the use and benefits of the machines were also provided in order to fully prepare member states to begin marking state-owned weapons in their possession. A total of ten workshops were conducted in Namibia, Lesotho, Zimbabwe, Botswana, Mauritius, Swaziland, Zambia, Malawi, Mozambique and Angola. MAG staff attended three of these sessions (in Namibia, Swaziland and Malawi) to conduct monitoring and evaluation and identify opportunities for future collaboration. Following the training, upon the request of member states, an additional set of equipment was distributed to each country to facilitate a shorter per-weapon marking time period. Feedback from participants attending regional meetings indicates that weapons marking is underway in most member countries, demonstrating the success of the project.

### **East African Community**

#### *Project Summary*

From July to December 2011 MAG conducted a regional Stockpile Management Training and Support Project for police forces across Kenya, Tanzania and Uganda. This was primarily the information-gathering phase so that road maps could be produced for each country indicating gaps between the present situation and improvements needed to meet the obligations of the Nairobi Protocol and United Nations Programme of Action. Key activities included: a workshop with Small Arms and Light Weapons National Focal Points from each country; trips to Kenya and Tanzania to meet all key stakeholders and visit a selection of armouries; development of an armoury questionnaire to be filled out by a range of armourers in each country; and production of assessment reports, road maps and stockpile management training materials. Through this project MAG was able to identify priority areas for intervention, including comprehensive training and simple storage improvements such as the installation of secure doors, windows, metal gun racks and lock boxes. This is the first step in supporting the states to prevent leakage of state-owned stocks into civilian hands, therefore contributing to regional armed violence reduction.

## **MIDDLE EAST**

### **Iraq**

#### *Programme Summary*

MAG Iraq, now in its 20<sup>th</sup> year of operations, has continued to respond to the needs of at-risk communities. The programme integrates manual and mechanical clearance and, this year, has expanded its Mine Detection Dog (MDD) capacity, introducing two new dogs and deploying a new international staff member to develop this resource. Supporting the country's development goals by clearing land assists in the diversification of its economy to include a strong agricultural and tourism base. The programme supports a localised mine action capacity by training community leaders, teachers and this year has started training local health care workers in the delivery of Risk Education (RE) within their own communities. To this end MAG has created robust working relationships with the Ministry of Education and Ministry of Health and maintained an excellent relationship with the regional mine action authorities, working with both the Iraqi Kurdistan Mine Action Agency and the General Directorate of Mine Action. This year these became one entity, known as the Iraqi Kurdistan Mine Action Agency responsible for the entire Kurdish region. Following the start of the Syrian uprising in March 2011, an increasing number of Iraqis living in Syria and ethnic Kurds have abandoned their homes and sought refuge in the Northern Iraq Governorate of Dohuk. At the request of the Directorate of Displacement, Migration and Internally Displaced Persons, a Mine Action Team and Conventional Weapons Destruction team based at the Dohuk operations base were deployed to clear a total of 151,590m<sup>2</sup> of suspected hazardous land where 200 tents for the refugees were installed immediately after the clearance. *"During the clearance, our teams safely removed 48 dangerous items,"* said Wirya Mustafa – MAG's Field Operations Manager. *"These items were destroyed in a safe demolition far from the camp."* MAG's Community Liaison (CL) teams continue to provide RE to the refugees in Domez camp.

#### *Future Plans*

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Looking ahead MAG Iraq will continue to implement operations in support of peace-building initiatives, including exploring opportunities to work with local authorities in stockpile management. With the closure of Sulaimaniya base this year due to reductions in overall funding, the programme will face the dual challenge of continuing to operate at high capacity while striving to meet staff cost needs in an increasingly competitive environment. The programme is looking to meet this challenge with a thorough salary review and restructure.

## **Lebanon**

### *Programme Summary*

*"My dream came true and I am able to plant my land again since it's finally safe. MAG brought hope to me again with every new metre they cleared...without them I would have abandoned my land forever."* Abdalah Mahdy, farmer in Zawter East village

Working to support the Lebanon Mine Action Centre (LMAC) strategy of releasing cluster bomb unit strikes by 2016 and dangerous areas and minefields by 2021, MAG cleared priority land for housing and areas adjacent to houses for agricultural land. Post-clearance survey results show that land is put into use immediately after release in more than 97 per cent of tasks. MAG's manual clearance teams, supported by mechanical assets cleared land in 14 villages. Some of these tasks required innovative approaches due to the nature of their terrain, in certain cases including rappelling down rocky slopes in mountainous areas to locate and remove dangerous items. MAG Lebanon made significant steps towards nationalisation within the programme, creating a structured capacity development plan, which will reduce the number of international staff over the next two years. To meet this goal, MAG has developed a technical leadership and management training plan to build the capacity of national staff. This plan is recognised and supported by the Regional Mine Action Centre (RMAC) who will accredit successful candidates enabling them to become Field Operations Officers and ultimately replace the international Technical Field Managers. To date, nine Lebanese site supervisors have received training for the Field Operations Officer position; three site supervisors have passed the exam with one successfully accredited and two others awaiting accreditation. In addition MAG's Mechanical Field Operations Officer was accredited by the RMAC during this year, replacing the International Mechanical Technical Field Manager, and the programme has recruited a national Programme Officer who replaced the international member of staff in June 2012. Another notable success has been the recruitment, training and deployment of seven female Battle Area Clearance (BAC) operators; recognising that increasing women's roles in operations plays an important role within the wider issue of gender mainstreaming. Additionally, MAG has identified methodologies for pre-clearance impact assessment in order to better prioritise clearance tasks, gaining LMAC approval to deploy a non-technical survey team to conduct a trial in a designated area to test these methodologies.

### *Future Plans*

Going forward, MAG Lebanon will continue to work closely with the LMAC and RMAC clearing priority areas for the benefit of communities in central and southern Lebanon and will develop and implement appropriate methodologies to ensure the ensure tasks are prioritised according to need.

## **Pakistan**

### *Programme Summary*

MAG Pakistan successfully completed the delivery of its European Commission Humanitarian Aid Office (ECHO) funded project. This project, which began in March 2010 to deliver Risk Education (RE) to conflict-affected communities in northwest Pakistan (benefiting 142,392 individuals), continued MAG's relationship with Sustainable Peace and Development Organisation (SPADO) a local Pakistani Non-Governmental Organisation (NGO). This year, MAG and SPADO were able to extend their geographical reach and deliver RE to a wider geographical area, reaching conflict-affected individuals who had been displaced from the centre and south of the Federally Administered Tribal Areas (FATA) to neighbouring province Khyber Pakhtunkhwa (KP). The team worked closely with SPADO to ensure that the delivery remained focused on building the local capacity through training and ongoing monitoring and evaluation of the project's risk educators - 30 national field staff employed by SPADO. MAG also worked with support staff, including the Chief Executive and Finance Manager to ensure compliant administrative, Human Resources and financial systems were established and maintained. In addition, MAG developed new RE materials specific to the context in Pakistan that were shared with a variety of risk education stakeholders. In the context of ongoing conflict and instability in the region and through its work on the ground with communities and local authorities, MAG concluded that there was a continued need for its expertise in Pakistan. In addition to RE for vulnerable communities, new initiatives were researched and developed to tackle the proliferation of Small Arms Light Weapons (SALW) and build the capacity of the local security and police forces to respond to contamination and proliferation problems.

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Eventually, due to the prevailing complex operating and funding environment, sufficient funding could not be secured to continue existing operations or to look at new project areas. The programme therefore demobilised in January 2012 when funding came to an end. MAG took the opportunity to profile the successful implementation of this project and share lessons learned from working in a difficult operating environment with a national partner. An end of project workshop was held in Islamabad, attended by a variety of national and international stakeholders, and the project was also profiled in a dedicated side session at the 11th Meeting of States Parties in Cambodia in November 2011.

**SOUTH EAST AND SOUTHERN ASIA**

**Cambodia**

*Programme Summary*

*"If all the mines and other dangers are removed from my land and my village then I will be very happy, and my family will see a big change when we can plant more crops and there are wells and safe roads...We deserve to have no more mine accidents in our future."* Mr Bun Thoeun from Kork Chhor.

Entering its 20<sup>th</sup> year of operations, MAG Cambodia has continued to be at the forefront of innovation, rolling-out technologies and approaches to improve effectiveness, including land release methodology and the ongoing use of Handheld Standoff Mine Detection System (HSTAMIDS) technology and mechanical assets. MAG has strategically reprioritised its Community Liaison (CL) teams to Non-Technical Survey activities to further assist clearance teams. CL teams still deliver Risk Education (RE), but upon request; there is less need for broad delivery of RE to communities who have been receiving this information for two decades. MAG's focus is now to link with development partners who adopt innovative approaches to livelihood development. In this context MAG helps address the causes of continued unsafe behaviour. In the village of Kork Chhor, MAG used its 'toolbox' approach to deploy a Mine Detection Dog (MDD) Team with mechanical Ground Preparation Team (GPT) support to clear 38,882m<sup>2</sup> of farmland.

*Future Plans*

MAG Cambodia has yet to receive funding to return Explosive Ordnance Disposal (EOD) teams to the East and North East, but have partnered with Care to design development-focused Humanitarian Mine Action (HMA) projects in the region.

**Lao PDR**

*Programme Summary*

Two thirds of the rural population are either food insecure, or live on the edge of food security, with every second child in rural areas malnourished. The high prevalence of unexploded ordnance (UXO) has a significant impact on food security, demonstrated by the poorest districts of Lao PDR also being those most highly contaminated. MAG's work continues to contribute to the country's Millennium Development Goals by removing the impact UXO has on the delivery of government poverty reduction plans. By linking UXO clearance with development activities and supporting the government's commitment to the principles set out in the International Convention on Cluster Munitions and the key objectives contained within the UXO sector strategy of the National Regulatory Authority, 'The Safe Path Forward II, (2010-2020)', MAG's impact and benefit to the rural poor can be maximised. MAG works in two of the poorest and most UXO-contaminated provinces, Khammouane and Xieng Khouang, deploying 12 clearance teams (including two all-female teams), two EOD response teams, and 26 Community Liaison (CL) teams, employing more than 400 local people. During the year, MAG cleared land, destroyed items of UXO, directly benefitting people. Cleared land has since been used for agriculture and other development project activities, such as health and educational facilities, irrigation, and water systems. *"We were very happy when the Education Department said they would fund the building of the new school, this is much needed for our children's future. We were afraid though that during construction one of us would be injured by UXO. Thankfully MAG have helped us and the school can now be built and the children can attend in safety."* – Mr. Sivilay, Chief, Na Chud village, Boualapha district, Khammouane province. MAG cleared and destroyed 19 items of UXO from the construction site. *"We are very happy that ChildFund [an Australian Non-Governmental Organisation (NGO) and MAG partner] provided us with this assistance. We are very grateful that MAG cleared the UXO. Everyone was safe while laying the pipe for the water system. This will supply clean and sufficient water to the entire village and will greatly reduce the labour of women and children who had to previously collect water far away from home."* - Mr. Chayear Ha, Chief of Namkonngua village, Nonghet district, Xieng Khouang province. MAG destroyed 265 items of UXO and helped 1,604 people to secure access to clean water.

*Future Plans*

There were no major challenges to operations this year, and during 2012-2013, MAG will continue to implement responsive and impact-driven clearance solutions working in partnership with our development partners to maximise

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impact and enable people and communities affected by UXO to live safely and develop their futures.

## **Sri Lanka**

### *Programme Summary*

MAG continued to support the Government of Sri Lanka's (GoSL) resettlement process of planned mine clearance activities in accordance with National Mine Action Plan and, in coordination with the National and Regional Mine Action Centres in the Northern and Eastern Provinces of Sri Lanka. Most Community Liaison (CL) teams developed Outcome Assessment Reports for three main districts of the Northern Province detailing priorities of remaining Confirmed Hazardous Areas, providing an invaluable tool for the mine action community. Operations in the Eastern Province were completed by December 2011 with all operations since running from Vavuniya Central Operating Base. A smaller base in Mullaitivu is due to open in July 2012, following a Government request to concentrate resources in that area to enable resettlement. During the year several changes were made to capacity; the Mechanical fleet was increased by four machines, three Mine Action Teams were stood down, and three CL Teams were dissolved due to completion of their project. MAG was also the first International Non-Governmental Organisation to introduce Mine Detection Dog teams to Sri Lanka, to serve as quality assessors for the Regional Mine Action Office and United Nations Development Programme and conducting clearance in Sri Lankan Army Humanitarian Demining Unit tasks. Due to MAG's successful track record, available assets, technical expertise and experience, it became the first agency to be deployed back to Puthukudiyiruppu in March 2012, and has since been focusing resources on tasks in this division, enabling accelerated land release and resettlement.

### *Future Plans*

Looking ahead it is anticipated that in August 2012, MAG will gain approval from the National Mine Action Centre to deploy some of its capacity to Jaffna Regional Mine Action Office area of responsibility, where it has previously not worked. This area is crucial to the continued rapid resettlement of IDPs remaining in the Menik Farm camp in Vavuniya or presently living with friends and family since their displacement. An Explosive Ordnance Disposal Level 3 training course, to build capacity of Sri Lankan Humanitarian Demining Unit personnel, will be completed by October 2012.

## **Vietnam**

### *Programme Summary*

This year has been very positive for MAG Vietnam as the programme re-established itself as one of the leading Humanitarian Mine Action (HMA) organisations in the country. Highlights included securing long term funding for Quang Tri province, strengthening strategic partnerships and achieving significant operational milestones. After a decrease in capacity in the previous year due to a drop in funding, MAG Vietnam has now restored a strong operational presence. The programme now hopes for a period of relative stability, forming a solid foundation until 2013. Partnerships with provincial authorities are key to achieving the greatest impact, ensuring that clearance is linked with development plans. In June the relationship with authorities was consolidated with the signing of new Memoranda of Understanding with both Provincial People's Committees (Quang Tri and Quang Binh), providing MAG with a secure operating environment until 2014. Partnerships with development Non-Governmental Organisations (NGOs) continue to be actively pursued. MAG maintained a focus on mobile operations; the systematic clearance of dangerous areas in accordance with a village priority list issued by the provincial authorities. In addition, MAG cleared static sites that benefited entire communities. For example, in 2010 Quang Tri provincial authorities were successful in securing funding through the US Embassy to build a new school in Hoa Ly village. Before construction could take place, the school needed to be cleared of unexploded ordnance (UXO). MAG worked closely with the authorities to prioritise the site for clearance and allow the construction of the school to commence. At the end of June 2011 the programme reached a significant milestone when it removed its 100,000<sup>th</sup> item of UXO from Quang Tri province. During 2011-2012, the programme removed a total of items of UXO. MAG has also undertaken a major commitment to introduce Impact Monitoring into the programme. Impact Assessment Toolkits will be developed and are on schedule to be completed and fully implemented by the end of 2012.

### *Future Plans*

Looking ahead, MAG Vietnam plans to establish a new area of operation in Quang Nam province in 2012-13. Initial assessments have been made and dialogue with the authorities is ongoing, with the hope that the programme can secure the necessary funds to begin operations.

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## **2. GOVERNANCE AND MANAGEMENT**

### **Structure**

MAG became an incorporated charity (limited by guarantee) on 16<sup>th</sup> June 2000. As a charitable company, MAG is governed by Charity law and Company law.

### **Governance**

The Board of Trustees is responsible for the strategic direction of the organisation. Operational decision-making is delegated by the Board to the Chief Executive and the Executive Team who coordinate and direct MAG's work worldwide. The current composition of the Board is set out on Page 1 of this document.

The Board holds formal scheduled meetings at least four times a year as well as a number of other ad hoc meetings. The Audit and Finance sub-committee (AFC) meets six times a year and other sub-committee meetings are held as required. An Annual Meeting of the Trustees is also held during which items such as the Annual Report and Accounts; appointment/retirement of trustees and the auditor are dealt with annually.

In recruiting new Board members MAG seeks a range of expertise and knowledge that will assist and support the organisation in its development. All new appointments follow a formal recruitment process including meetings with the Executive Team and the Chairman and/or other Board members prior to interview and appointment by the full Board. A formal induction programme for new Trustees has been prepared and all new Trustees receive various documents detailing the legal obligations of Trustees alongside the Articles of Association; key policy documents; the Annual Report and Accounts and details of the organisational structure of MAG. Trustees also undertake overseas visits to operational programmes as part of their induction to MAG.

All Trustees give their time freely and receive no remuneration or financial benefit. Details of Trustee expenses are disclosed in note 9 to the accounts. Trustees are required to declare all relevant interests and MAG maintains a register of interests as an internal record of Trustee interests.

### **Management**

Led by the Chief Executive, the Executive Team is made up of the Director of Operations and Director of Finance. The Executive Team recommend strategy to the Board and provide day-to-day management including accountability and oversight for all legal, contractual and financial responsibilities relating to the Charity's business. The Executive Team are responsible for the stewardship of the organisation's human resources, assets and equipment. They also provide senior representation both at national and international level.

Day-to-day activities are structured around five core functions: Operations; Finance; Business Development; Finance & Support Services; and Human Resources. The Business Management Team (BMT) comprises the heads of these functions, bringing together all the key areas of the organisation. The BMT ensures the coordination of MAG's activities and represent the organisation at key levels with other stakeholders. They play a role in developing policy and procedures and ensure compliance with these and the organisation's contractual obligations. They are responsible for the performance and management of all staff in the UK and overseas through appropriate line management. The BMT and the Executive Team forms the Senior Management Team (SMT). The SMT are the decision making body within MAG and meet regularly to review policy and monitor risks.

The organisation has an International Development and Evaluation Team (IDET), who work outside the country management structure and report directly to the Chief Executive. IDET monitor MAG's programmes and projects according to contractual obligations and planned activities, as well as ensuring compliance to safety and technical standards and best practice. The team plays a key role in developing new programmes and projects, and assists in the evaluation of new technologies, bearing in mind cost-effectiveness, practicality and safety.

Overseas projects and programmes are normally managed by a Country Director (CD) or Project Manager (PM), depending on the scale of operations, and are supported by a Finance Manager (FM) and Technical Operations Manager (TOM). The CD is responsible for all national and international staff within the programme along with safety

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and welfare, standards and good practice, all disciplinary matters while ensuring adherence to the laws and customs of the country in which they are operating. They also represent the organisation at a country level with stakeholders. CDs report to the Head of Operations in the UK and provide monthly management reports with key operational and financial data. The structure of individual MAG programmes or projects differs according to the size and complexity of the country operations.

### **Employees**

The work of MAG overseas and in the UK relies on the commitment and hard work of its valued staff.

As of 30 June 2012, MAG employed 2,993 staff overseas, the majority of which were local national staff from the programme countries with 118 who were international (expatriate, not including IDET staff). This means that both skills and salaries remain within local economies. MAG drew its international staff this year from 40 different nations, bringing a diverse cultural and linguistic mix, adding to the organisation's skills and expertise. A total of 58 staff worked at MAG's headquarters in the UK.

Overseas staff fill a range of technical, managerial, administrative and support positions and all receive appropriate equipment, training and supervision to relevant international and local standards. Additionally, MAG actively aims to employ mine survivors, supporting the provision of metal-free prosthetic limbs. In the UK MAG also has a cultural mix of staff and operates an internship programme with successful candidates carrying out three-month stints with the Operations department.

MAG strives to be an equal opportunity employer and has policies and procedures in place to prevent all forms of unlawful and unfair discrimination. Any such policies have been developed in compliance with the Equality Act 2010 which provides employees, clients and stakeholders with protection from discrimination on the basis of nine protected characteristics, one of which is disability.

Recruitment and Selection policies ensure that any decisions are made on the basis of merit alone. Decisions will be made objectively without undue consideration to physical impairment. Furthermore, the same objective consideration will be given to any decisions involving career progression, training opportunities or terms and conditions, thereby ensuring that disabled employees have equal access to all opportunities before and during their employment with MAG.

If any employee becomes disabled during the course of their employment with MAG, reasonable adjustments will be made to ensure their continued employment. This could involve a modification to their existing role or terms and conditions or appointment to a new, more suitable position within the organisation.

MAG recognises the importance of ensuring effective and meaningful communication and consultation with all staff. A variety of methods are used to ensure that staff working in 18 countries around the world are kept up-to-date of key developments and future plans. These methods include:

- A weekly all-staff email detailing key updates and staff movement for the coming week;
- Regular emails are sent by MAG's CEO that are designed to consult and inform staff on a wide range of matters that may potentially affect their current and future interests.
- An Annual Staff Survey is used to solicit staff opinion on a variety of subjects including communication, work-life-balance and understanding of MAG's mission and ethos.

### **3. STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also directors of the Mines Advisory Group for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom 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;

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- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the 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

#### **Provision of information to the auditor**

Each of the persons who are trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 148 of the Companies Act 2006.

#### **4. RISK MANAGEMENT**

The Board have identified the major risks to the organisation, these include significant reductions in funding, material shifts in foreign currency values and the ability to attract and retain technically experienced staff across MAGs global operations. A corporate risk register is maintained, detailing the major strategic and operational risks faced and how they are being managed. The key risks are considered by the Trustees at every Board meeting and the Senior Management Team (SMT) continually reassesses the risks throughout the year. The Board are satisfied that systems are in place to monitor, manage and mitigate MAG's exposure to major risks, including those risks related to bribery.

The Board of Trustees and senior management of MAG recognise that bribery is contrary to fundamental values of integrity, transparency and accountability and undermines organisational effectiveness.

MAG is committed to establishing a culture across the organisation in which bribery is unacceptable.

#### **5. DECLARATION OF INTERESTS**

All members of the Board and Executive Team declare relevant interests on an annual basis. These are recorded in note 18 on page 37.

#### **6. RESERVES**

The majority of MAG's operational work is funded from restricted funds. MAG retains unrestricted reserves to fund programme continuity and to ensure it has the capacity to respond to international emergencies. Unrestricted reserves are also used to support short term working capital needs. The Trustees continue to adopt a risk based approach in calculating reserves and the Board currently consider £1.75m to be the target level of reserves required.

#### **7. INVESTMENT**

To date the funding of the charity's activities and the resultant need to access cash flow have not required long-term investments and MAG currently only invests funds in short-term deposits providing a market rate of interest.

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## **8. FINANCIAL OVERVIEW**

Incoming resources have increased to £39.9m (2011: £37.9m), with resources spent directly on charitable activities increasing to £38.8m (2011: £37.5m). The increase in grant and contract income in the year reflects the strong position that MAG continues to hold in the sector and its commitment to delivering high quality, cost effective interventions across the globe. MAG has drawn funds from a wide range of institutional donors, all of which have made a significant contribution towards the delivery of MAG's operational programme.

Voluntary income has fallen to £553k (2011: £820k), largely due to a reduction in income generated from overseas and UK community led events. The surplus on Voluntary income/expenditure of £233k has been fully utilised to aid the delivery of charitable activities overseas and whilst relatively small in value, represents important leverage for MAG's programmes.

Unrestricted fund balances stand at £1.4m and are short of the board's target reserves balance of £1.75m. The board and management have developed robust financial strategies to ensure that the required levels of unrestricted reserves are earned and maintained.

Cash balances stand at £5.3m and are largely attributable to grant/contract payments received in advance of disbursement, the majority of which are held in UK accounts, where MAG's global treasury management is carried out. Funds are transferred to overseas programmes to cover the short-term (around 15 days) working capital needs.

Deferred Income of £8.8m, (2011: £10.2m) represents the balance of billed grants/contracts which are to be delivered in future periods.

## **9. GOING CONCERN**

The trustees consider MAG to be operating on a going concern basis due to the number, value and financial viability of contracts secured through to at least November 2013, in addition to prudent assumptions on the anticipated level of business throughout this period. MAG has adequate resources to continue in operational existence for the foreseeable future, cash headroom has been analysed and is appropriate to current and forecast business levels. In addition, MAG has the operational capacity, knowledge and expertise to continue to be at the forefront of the post conflict recovery sector for the foreseeable future.

## **10. FUTURE PLANS**

MAG is well placed to respond to contextual and sectoral challenges and opportunities in 2012/13. In general terms MAG plans to support growth and diversification in its portfolio of operations ensuring that growth is sustainable and resourced. MAG will continue to develop competitive, quality responses to tenders and submit proposals that are needs-based, meet donor policy interest, contractual requirements and represent value for money.

MAG also aims to work with donors, stakeholders and policy-makers to ensure that policies draw on MAG's operational implementation experience. Within the various sectors in which MAG works, the organisation will continue to raise its profile, enhance its reputation and develop its track record, while both supporting and leading innovation.

### **Thanks**

We are very grateful to all our donors for their continued and new support. The following organisations and supporters provided grants and/or contracts that contributed to MAG's success in the last year:

ACE; Act for Peace; Actiefonds Minjnen Ruimen (AMR); Action for Southern Africa; AusAID; Belgian Ministry of Foreign Affairs; British Embassy; Canadian International Development Agency (CIDA); Canadian Department For Aid and International Trade (DFAIT); CHF; Dutch Ministry of Foreign Affairs; European Commission – ECHO; European Commission – EuropeAid; Find a Better Way; Finn Church Aid; Finnish Ministry of Foreign Affairs; Flemish Investments Burundi; Foreign & Commonwealth Office (United Kingdom); Fonderie 47 (via MAG America); German Federal Ministry of Foreign Affairs; Glow; Good Gifts; Guernsey Overseas Aid Commission; International Organisation for Migration; Irish Aid; Japanese Government; Life With Dignity; Manx Landmine Action; Medico; Ministry of Foreign Affairs of Finland; Norwegian Ministry of Foreign Affairs; PA Resources; QPSW Relief Grant; Seattle Rotary Service

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Foundation; SIDA; Spanish Government AECID; Stichting Vluchteling; Swiss Government; The Allan and Nesta Ferguson Charitable Trust; The Austin and Hope Pilkington Trust; The Focus Foundation; The Hurvis Foundation; The Kirby Laing Foundation; The Rainbow World Fund; The Rowan Charitable Trust; UK Department For International Development (DFID); UNDP; UNHCR; UNICEF; Unicorn Grocery Ltd; United Kingdom Ministry Of Defence; UNMAS; UNOPS; USAID; US Department of State Office of Weapons Removal and Abatement and MAG America; World Vision.

**Auditor**

Deloitte LLP were appointed as auditor during the year and have expressed their willingness to continue in this regard for the next financial year.



**Michael H Taylor**  
**Chair of the Board of Trustees**

**16<sup>th</sup> November 2012**

**TO THE TRUSTEES OF MINES ADVISORY GROUP**  
**INDEPENDENT AUDITOR'S REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2012**

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We have audited the financial statements of Mines Advisory Group for the year ended 30 June 2012, which comprise the statement of financial activities, the balance sheet, the cash flow statement and the related notes 1 to 19. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom 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. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body 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, the trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on 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**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**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 30 June 2012 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 United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**MINES ADVISORY GROUP  
INDEPENDENT AUDITOR'S REPORT  
FOR THE YEAR ENDED 30 JUNE 2012**

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**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 requires us to report to you if, in our opinion:

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



**William Smith MA ACA (Senior Statutory Auditor)**

**For and on behalf of Deloitte LLP**

Chartered Accountants and Statutory Auditor

Manchester, United Kingdom

**16<sup>th</sup> November 2012**

**MINES ADVISORY GROUP**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**(including income and expenditure account)**  
**For the year ended 30 June 2012**

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2012 £	Total Funds 2011 £
<b>INCOMING RESOURCES</b>					
Incoming resources from generated funds:					
Voluntary income	3	342,582	210,561	553,143	819,781
Investment income	2	44,239	4,145	48,384	14,265
Incoming resources from charitable activities	4	-	38,542,771	38,542,771	36,260,531
Other incoming resources	5	782,349	19,667	802,016	824,524
<b>Total incoming resources</b>		<u>1,169,170</u>	<u>38,777,144</u>	<u>39,946,314</u>	<u>37,919,101</u>
<b>RESOURCES EXPENDED</b>					
Costs of generating funds:					
Costs of generating voluntary income					
	6	319,819	-	319,819	336,577
Charitable activities	6	4,179,644	34,654,738	38,834,382	37,526,521
Governance costs	6	217,772	-	217,772	313,327
<b>Total resources expended</b>		<u>4,717,235</u>	<u>34,654,738</u>	<u>39,371,973</u>	<u>38,176,425</u>
<b>Net (outgoing)/incoming resources before transfers</b>		(3,548,065)	4,122,406	574,341	(257,324)
Transfer between funds	13	3,962,541	(3,962,541)	-	-
<b>Net incoming/(outgoing) resources after transfers</b>		<u>414,476</u>	<u>159,865</u>	<u>574,341</u>	<u>(257,324)</u>
Total funds brought forward	13	<u>1,033,345</u>	<u>16,884</u>	<u>1,050,229</u>	<u>1,307,553</u>
<b>Total funds carried forward</b>	13	<u><u>1,447,821</u></u>	<u><u>176,749</u></u>	<u><u>1,624,570</u></u>	<u><u>1,050,229</u></u>

The statement of financial activities includes all gains and losses recognised in the period. All incoming resources and resources expended derive from continuing activities.

The notes on pages 26 to 37 form part of these accounts.

**MINES ADVISORY GROUP**  
**BALANCE SHEET**  
**As at 30 June 2012**  
**Company registration number: 4016409**

	Note	2012		2011	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	10		81,029		153,554
<b>CURRENT ASSETS</b>					
Debtors due within one year	11	6,488,791		3,731,498	
Cash at bank and in hand		3,844,254		8,323,883	
Investments – cash on deposit		<u>1,432,417</u>		<u>-</u>	
		11,765,462		12,055,381	
<b>CREDITORS</b>					
Amounts falling due within one year	12	<u>(10,221,921)</u>		<u>(11,158,706)</u>	
<b>NET CURRENT ASSETS</b>			<u>1,543,541</u>		<u>896,675</u>
<b>NET ASSETS</b>			<u><u>1,624,570</u></u>		<u><u>1,050,229</u></u>
<b>FUNDS</b>					
Unrestricted funds	13		1,447,821		1,033,345
Restricted funds	13		<u>176,749</u>		<u>16,884</u>
<b>TOTAL FUNDS</b>	14		<u><u>1,624,570</u></u>		<u><u>1,050,229</u></u>

The notes on pages 26 to 37 form part of these accounts.

These accounts were approved by the Board of Trustees and authorised for issue on 16 November 2012.

Signed on behalf of the Board of Trustees



**Michael H. Taylor**  
Chair

**MINES ADVISORY GROUP**  
**CASH FLOW STATEMENT**  
For the year ended 30 June 2012

	2012		2011	
	£	£	£	£
<b>Reconciliation of operating surplus to net cash inflow/(outflow) from operating activities</b>				
Net incoming / (outgoing) resources	574,341		(257,324)	
Depreciation	1,057,026		2,308,157	
(Increase) / Decrease in debtors	(2,757,293)		921,620	
(Decrease) / Increase in creditors	(936,785)		3,619,639	
Bank interest received	(48,384)		(14,265)	
<b>Net cash (outflow) / inflow from operating activities</b>		(2,111,095)		6,577,827
<b>Returns on investments and servicing of finance</b>				
Interest received		48,384		14,265
<b>Capital expenditure</b>				
Payments to acquire tangible fixed assets	(984,501)		(1,672,447)	
		(984,501)		(1,672,447)
<b>(Decrease) / Increase in cash</b>		(3,047,212)		4,919,645
<b>Net cash resources at 1 July</b>		8,323,883		3,404,238
<b>Net cash resources at 30 June</b>		5,276,671		8,323,883

The notes on pages 26 to 37 form part of these accounts.

**MINES ADVISORY GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2012**

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**1. ACCOUNTING POLICIES**

**1.1 BASIS OF PREPARATION**

The financial statements have been prepared on the going concern basis under the historical cost convention and in accordance with the Statement of Recommended Practice (revised 2005) "Accounting and Reporting by Charities", applicable accounting standards and the Companies Act 2006.

The trustees consider MAG to be operating on a going concern basis due to the number, value and financial viability of contracts secured through to November 2013, in addition to prudent assumptions on the anticipated level of business throughout this period. MAG has adequate resources to continue in operational existence for the foreseeable future, cash headroom has been analysed and is appropriate to current and forecast business levels. In addition, MAG has the operational capacity, knowledge and expertise to continue to be at the forefront of the post conflict recovery sector for the foreseeable future.

**1.2 INCOME RECOGNITION**

Voluntary income including donations, gifts, income arising from fundraising events, legacies and grants that provide core funding or are of general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Income from charitable activities, including income received under contracts and grants where entitlement to funding is subject to specific performance conditions, is recognised as earned (as the related goods or services are provided). Performance conditions may be stipulated explicitly by the client or donor, or may be implicit as per MAG's operational proposal. Grant income included in this category provides funding to support activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. 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. In the absence of any stipulation from the funder, multi-annual grants where there is entitlement to income to cover more than one year, are recognised in line with project activity.

Gifts in kind received are accounted for in the Statement of Financial Activities as soon as it is prudent and practicable to do so. They are valued as by the donor in the grant documentation.

Investment income is recognised on a receivable basis.

**1.3 RESOURCES EXPENDED**

Expenditure is analysed between the activities in furtherance of the charity's objects, cost of generating voluntary income and governance costs. Expenditure is recorded in the financial statements in the period in which it is incurred, adjusted for creditors and accruals where material, and is inclusive of any VAT which cannot be reclaimed.

Charitable activities include direct costs, salaries and overhead costs of assisting communities affected by conflict overseas. Costs of generating voluntary income include the salaries and overhead costs of UK staff involved in fund-raising and increasing public awareness.

Support costs comprise staff and head office costs. The majority of these costs support charitable activities and are so allocated. Support costs that are fully attributable to that activity are charged directly to that activity. Costs are apportioned to the activity based on the amount of staff time

**MINES ADVISORY GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2012**

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absorbed by each activity.

Governance costs comprise costs involving the public accountability of the charity and its compliance with regulation and good practice, as well as costs associated with the strategic direction of the organisation. These costs include costs related to statutory audit and legal fees.

**1.4 RESTRICTED AND UNRESTRICTED FUNDS**

Restricted funds represent income that has been received and recognised in the financial statements, which is subject to specific conditions imposed by the donor, client or grant making institution. Unrestricted funds are monies that have been received towards the general objectives of the charity as a whole to be spent at the discretion of the trustees. Where contracts accounted for within restricted funds include contributions toward support costs, an appropriate transfer is made between restricted and unrestricted funds.

**1.5 LEASING CONTRACTS**

Instalments under operating lease rentals are charged to the income and expenditure account as incurred. The charity does not acquire assets under finance leases or hire purchase agreements.

**1.6 FOREIGN CURRENCIES**

Transactions in foreign currencies are translated into sterling at average monthly rates. Assets and liabilities in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date. Any gain or loss arising on translation is included in the statement of financial activities.

**1.7 TANGIBLE FIXED ASSETS**

Tangible fixed assets in the UK are stated at cost less depreciation. Assets in the overseas programmes costing more than £2,500 are capitalised and depreciated in full in the year of acquisition. Any assets costing less than £2,500 are expensed.

Depreciation rates for HQ held assets are as follows;  
Fixtures, Fittings & Equipment – 20-33% straight line  
Motor Vehicles – 25% straight line  
Leasehold improvements – 20% straight line

**1.8 PENSION COSTS**

The company operates a defined contribution pension scheme. The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with FRS 17.

**1.9 TAXATION**

The charity has been granted exemption from tax under Section S478 of the Corporation Taxes Act 2010 on its charitable activities as a body established for charitable purposes only.

**1.10 CONSOLIDATION OF OVERSEAS PROGRAMMES**

MAG delivers programmes through a number of different legal entities in the countries in which it operates. MAG exercises full management control of all such entities and as such, all overseas branches and entities are incorporated within the accounts.

**MINES ADVISORY GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 30 June 2012

**1.11 INVESTMENTS**

Current asset investments represent monies invested in short-term money market instruments. Net cash resources in the cash flow statement consist of cash at bank and in hand and current asset investments – cash on deposit.

**2. INVESTMENT INCOME**

	<b>2012</b>	2011
	£	£
<b>Bank interest received</b>		
Restricted	4,145	-
Unrestricted	44,239	14,265
	<u>48,384</u>	<u>14,265</u>

**3. VOLUNTARY INCOME**

	Unrestricted	Restricted	Total	Total
	Funds	Funds	Funds	Funds
	2012	2012	2012	2011
	£	£	£	£
Regular Giving*	87,426	7,029	94,455	112,597
Legacies	9,487	-	9,487	43,119
Public Donations, Appeals and Fundraising Events*	220,159	103,642	323,801	607,101
Trusts, Foundations & Partnerships	25,510	99,890	125,400	56,964
	<u>342,582</u>	<u>210,561</u>	<u>553,143</u>	<u>819,781</u>

\*Includes gift aid

**MINES ADVISORY GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 30 June 2012

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**4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

<b>Incoming resources from charitable activities</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Act for Peace	50,152	53,378
Actiefonds Minjnen Ruimen (AMR)	33,042	17,155
AusAID	2,140,359	1,530,111
Belgian Ministry of Foreign Affairs	498,031	1,031,765
British Embassies	22,735	9,780
CIDA	539,205	1,221,931
Corporate	57,733	28,211
DFAIT (Dept Foreign Aid and Int'l Trade)	536,876	508,326
DFID	6,537,134	3,997,934
Dutch Ministry of Foreign Affairs	4,079,472	4,282,759
European Commission	1,676,419	1,223,096
EC - ECHO	1,709,945	1,548,574
Fibertek	566,820	470,532
Finn Church Aid Foundation	11,186	-
German Federal Ministry of Foreign Affairs	752,642	549,020
Good Gifts	22,675	-
Guernsey Overseas Aid Commission (GOAC)	51,308	6,932
Irish Aid	250,607	375,827
International Organisation for Migration	114,896	473
Japanese Government	-	293,119
Life with Dignity	190,432	80,769
Lutheran World Federation (LWF)	-	136,627
Ministry Of Defence	784,521	419,974
Medico International	16,841	12,884

**MINES ADVISORY GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 30 June 2012

**4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES (continued)**

MAG America	10,587,430	11,006,227
Marshall Legacy Institute	-	150,865
Miscellaneous Donors	125,198	10,646
Norwegian Ministry of Foreign Affairs	1,059,939	764,868
UNOCHA	-	768
PRENCO	-	12,569
SIDA	1,408,349	1,461,295
Spanish Government	1,214,171	800,326
Swiss Government	122,020	344,718
Stichting Vluchteling	333,716	287,259
Sterling International LLC	34,900	-
Terra Renaissance	-	628
Trusts & Foundations	28,603	18,856
USAID	53,882	169,943
UNHCR	232,586	-
UNMACC	-	70,450
UNICEF	69,490	204,472
UNMAS	-	53,183
United Nations OCHA	-	27,587
UNOPS	1,851,399	202,400
UNDP	748,453	2,624,830
World Vision	29,604	249,464
<b>Total</b>	<b>38,542,771</b>	<b>36,260,531</b>

Of the £10,587,430 (2011: £11,006,227) from MAG America, £10,572,157 (2011: £10,904,305) had the U.S. Department of State's Office of Weapons Removal and Abatement as the prime donor.

<b>5. OTHER INCOME</b>	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total Funds</b>	<b>Total Funds</b>
	<b>2012</b>	<b>2012</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Merchandise	25,215	7,893	33,108	29,767
Insurance Claims	345,520	-	345,520	421,235
Shared Services	16,465	-	16,465	29,231
Consultancy	1,808	-	1,808	-
Prior Year VAT refund	335,692	-	335,692	282,707
Other Income	57,649	11,774	69,423	61,584
<b>Total</b>	<b>782,349</b>	<b>19,667</b>	<b>802,016</b>	<b>824,524</b>

**MINES ADVISORY GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 30 June 2012

**6. RESOURCES EXPENDED**

	<b>Generating Voluntary Income 2012 £</b>	<b>Charitable Activities 2012 £</b>	<b>Govern- ance 2012 £</b>	<b>Total 2012 £</b>	<b>Total 2011 £</b>
<b>Direct costs</b>					
Assisting communities affected by conflict	504	34,749,754	-	34,750,258	33,150,875
<b>Support costs</b>					
Staff Remuneration & other staff costs	148,002	2,566,343	30,215	2,744,560	2,996,992
Insurance	5,694	94,026	33,415	133,135	125,581
Travel	5,188	248,257	4,418	257,863	268,889
Premises, IT & Communication	248	298,743	-	298,991	226,000
Fundraising Events & Advertising	148,129	19,645	-	167,774	203,945
Professional fees & other costs	12,054	1,304,836	149,724	1,466,614	927,505
Exchange (gain)/loss	-	(447,222)	-	(447,222)	276,638
<b>Total year ended 30 June 2012</b>	<b>319,819</b>	<b>38,834,382</b>	<b>217,772</b>	<b>39,371,973</b>	<b>38,176,425</b>
<b>Total year ended 30 June 2011</b>	<b>336,577</b>	<b>37,526,521</b>	<b>313,327</b>	<b>38,176,425</b>	

**7. NET INCOMING RESOURCES**

	<b>2012 £</b>	<b>2011 £</b>
The net incoming resources for the year are stated after charging/(crediting):		
Depreciation of tangible fixed assets owned by the company	1,057,026	2,308,157
Foreign exchange (gains)/losses	(447,222)	347,855
Operating lease rentals - Land and buildings	845,631	775,584
Fees payable to the Company's auditors for the audit of the company's annual accounts - (CCW)		
- (Deloitte)	23,437	34,720
- (Deloitte)	60,000	-
<b>sub-total audit of the annual accounts</b>	<b>83,437</b>	<b>34,720</b>
- other services (tax services) (CCW)	68,500	-
- other services (grant audits) (CCW)	56,457	13,788
<b>sub-total non audit fees</b>	<b>124,957</b>	<b>13,788</b>

**MINES ADVISORY GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 30 June 2012

**8. STAFF COSTS**

	<b>2012</b>	2011
	£	£
Salaries and wages		
- UK employees (including those working overseas)	7,196,118	7,119,558
- National employees at overseas locations	12,299,648	10,260,177
Social security costs	227,693	216,384
Pension contribution	92,189	95,874
	<u>19,815,648</u>	<u>17,691,993</u>

UK employee costs above include payments to temporary staff of £18,426 (2011: £17,298). These staff are not included in employee numbers outlined below

The average number of UK employees in the year was:

Overseas locations	131	121
Programme support and administration	62	64
Fund-raising information and education	4	5
	<u>197</u>	<u>190</u>

In addition to the UK employees stated above, the charity employs 2,894 (2011: 2,575) national staff in the overseas locations.

Number of employees whose annual emoluments were between:

£60,000 and £70,000	5	5
£70,000 and £80,000	2	-
£80,000 and £90,000	1	1
£100,000 and £110,000	-	1
	<u>-</u>	<u>1</u>

Pension costs of £20,590 (2011: £19,852) were paid in respect of the higher paid employees noted above.

**9. TRANSACTIONS WITH TRUSTEES**

Expenses reimbursed to trustees during the year amounted to £7,626 (2011: £6,494). No remuneration was paid to trustees during the year in their capacity as trustees. In 2012 and 2011 the trustees were covered by the overall company indemnity insurance; the costs relating specifically to the trustees were not separately identified.

**MINES ADVISORY GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 30 June 2012

**10. TANGIBLE FIXED ASSETS**

	Field Assets £	Equipment Fixtures & Fittings £	Total £
<b>Cost</b>			
At 1 July 2011	15,746,647	337,554	16,084,201
Additions	984,501	-	984,501
At 30 June 2012	<u>16,731,148</u>	<u>337,554</u>	<u>17,068,702</u>
<b>Depreciation</b>			
At 1 July 2011	15,746,647	184,000	15,930,647
Charge for the year	984,501	72,525	1,057,026
At 30 June 2012	<u>16,731,148</u>	<u>256,525</u>	<u>16,987,673</u>
<b>Net book value</b>			
At 30 June 2012	<u>-</u>	<u>81,029</u>	<u>81,029</u>
<b>Net book value</b>			
At 30 June 2011	<u>-</u>	<u>153,554</u>	<u>153,554</u>

**11. DEBTORS**

	2012 £	2011 £
Trade debtors	5,169,679	3,049,684
Prepayments and accrued income	1,180,873	343,461
Other debtors	138,239	338,353
Total	<u><u>6,488,791</u></u>	<u><u>3,731,498</u></u>

All of the above amounts fall due within one year. Grant income debtors include a provision for bad and doubtful debts of £nil (2011: £44,145).

**MINES ADVISORY GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 30 June 2012

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**12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2012</b>	2011
	£	£
Trade creditors	232,433	140,647
Deferred income (below)	8,760,950	10,156,067
Grants repayable	206,407	-
Other taxation and social security	140,911	93,190
Accruals	239,729	69,661
Other creditors	641,491	699,141
	<b><u>10,221,921</u></b>	<b><u>11,158,706</u></b>

<b>Deferred income</b>	<b>2012</b>	2011
	£	£
Balance as at 1 July	10,156,067	6,360,600
Amount released to incoming resources	(10,156,067)	(6,360,600)
Amount received and deferred in the year	<u>8,760,950</u>	<u>10,156,067</u>
Balance as at 30 June	<b><u>8,760,950</u></b>	<b><u>10,156,067</u></b>

Deferred income comprises of income for fundraising events occurring in future accounting periods and income for charitable activities to be spent in future periods.

**MINES ADVISORY GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 30 June 2012

**13. RESTRICTED/UNRESTRICTED FUNDS**

	1 July 2011 £	Incoming Resources £	Resources Expended £	Transfers £	30 June 2012 £
Afghanistan	-	4,018	(3,878)	(140)	-
Angola	9,012	2,841,826	(2,541,513)	(236,046)	73,279
Burundi	-	380,598	(344,105)	(36,493)	-
Cambodia	-	2,378,251	(2,104,006)	(220,363)	53,882
Chad	-	872,231	(802,764)	(69,467)	-
Colombia	-	9,405	(9,273)	(131)	1
Republic of Congo	-	782,927	(708,191)	(73,741)	995
Democratic Republic of Congo	78	4,014,859	(3,664,675)	(348,551)	1,711
Laos	30	2,443,045	(2,174,373)	(226,385)	42,317
Lebanon	5,620	2,981,513	(2,764,639)	(218,428)	4,066
Libya	-	2,741,516	(2,482,709)	(258,352)	455
North Iraq	-	5,616,993	(5,125,399)	(491,594)	-
North Sudan	-	2,485,349	(2,268,961)	(216,388)	-
Pakistan	-	422,604	(388,857)	(33,747)	-
Somalia	-	1,451,055	(1,313,223)	(137,832)	-
South Sudan	-	3,816,817	(3,462,146)	(354,637)	34
South Iraq	-	506,454	(409,718)	(96,736)	-
Sri Lanka	2,144	2,291,260	(2,080,580)	(212,824)	-
UK	-	981,910	(423,288)	(558,613)	9
Vietnam	-	1,754,513	(1,582,440)	(172,073)	-
<b>Restricted</b>	16,884	38,777,144	(34,654,738)	(3,962,541)	176,749
<b>Unrestricted</b>	1,033,345	1,169,170	(4,717,235)	3,962,541	1,447,821
<b>Total</b>	<u>1,050,229</u>	<u>39,946,314</u>	<u>(39,371,973)</u>	<u>-</u>	<u>1,624,570</u>

**MINES ADVISORY GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 30 June 2012

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**13. RESTRICTED/UNRESTRICTED FUNDS (continued)**

The restricted funds balance is the consolidation of individual grant and contract balances in MAG's country programmes that are being carried forward to next year in line with the individual terms and conditions of these grants and contracts. These restricted fund balances are consolidated by country to provide an appreciation of the level of activity being undertaken in each country of operation.

Transfers from restricted to unrestricted reserves include contributions by donors/clients who have agreed that a contractual element of their restricted funds can be allocated towards the organisation's unrestricted funds.

**14. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total 2012</b>	<b>Total 2011</b>
	£	£	£	£
Tangible fixed assets	81,029	-	81,029	153,554
Net current assets	<u>1,366,792</u>	<u>176,749</u>	<u>1,543,541</u>	<u>896,675</u>
Total net assets	<u><u>1,447,821</u></u>	<u><u>176,749</u></u>	<u><u>1,624,570</u></u>	<u><u>1,050,229</u></u>

**15. OPERATING LEASE COMMITMENTS**

At 30 June the company had annual commitments under non-cancellable operating leases as follows:

	<b>2012</b>			<b>2011</b>		
	<b>Within 1 year</b>	<b>2-5 years</b>	<b>Over 5 years</b>	<b>Within 1 year</b>	<b>2-5 years</b>	<b>Over 5 years</b>
	£	£	£	£	£	£
Land and buildings	241,196	174,687	-	290,012	178,370	10,400
Other	216,136	62,854	-	132,751	57,863	-

**MINES ADVISORY GROUP**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 30 June 2012**

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**16. PENSION CONTRIBUTIONS**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions of up to 5% for staff, and 10% for members of the Executive team. Contributions paid by the company to the fund amounted to £92,189 (2011: £95,874).

**17. CONNECTED COMPANIES**

MAG Response Ltd (Company Number 04030037) is a 100% subsidiary of Mines Advisory Group and has not traded since incorporation on 10 July 2000.

**18. RELATED PARTIES**

MAG's sister organisation, MAG America (<http://www.magamerica.org>), is a not-for-profit (501 (3)(c)) charitable organisation registered in the USA and raises awareness of the impact of landmines and ordnance, and funds to support MAG's work. Funding decisions are made by MAG America's Board of Directors, which is independent from that of MAG, and are regulated by contract. As such the accounts of MAG America are not consolidated within these financial statements.

The charity's Director of Operations, Rob White, sits on the Board in the role of Treasurer for Find a Better Way, a charity that aims to develop technology to accelerate the detection and safe removal of landmines. During the year the charity received income of £2,500 (2011: £nil) for the provision of office space and services to Find a Better Way.

Colin Rowe is a trustee of the charity and a Director of North West Notaries Limited. During the year the charity contracted Notarial services from North West Notaries Limited totalling £2,125 (2011: £746). At the balance sheet date, £1,140 was outstanding on this account and was settled 9<sup>th</sup> August 2012.

**19. COMPANY STATUS**

The company is a charitable company limited by guarantee and has no share capital.

In the event of winding up, the liability of the trustees drawn from the current board is limited to £1 each.

**MINES ADVISORY GROUP**  
**US DOLLAR ACCOUNTS**  
For the year ended 30 June 2012

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**APPENDIX 1 - PRO FORMA US DOLLAR ACCOUNTS**

The financial information presented within this appendix represents extracts from the financial statements presented in US Dollars and does not form part of the audited financial statements of the company. The following accounting policy has been applied in the preparation of the information in this appendix.

The assets and liabilities have been translated at the exchange rates prevailing at the balance sheet date. Income and expenditure items are translated at the average exchange rates for the period.

The following pages do not form part of the statutory accounts

**MINES ADVISORY GROUP**  
**US DOLLAR ACCOUNTS**  
For the year ended 30 June 2012

	Notes	Unrestricted Funds \$	Restricted Funds \$	Total Funds 2012 \$	Total Funds 2011 \$
<b>INCOMING RESOURCES</b>					
Incoming resources from generated funds:					
Voluntary Income		544,351	334,574	878,925	1,298,629
Investment income		70,294	6,586	76,880	22,597
Incoming resources from charitable activities		-	61,243,178	61,243,178	57,440,911
Other income		1,243,126	31,250	1,274,376	1,306,143
<b>Total incoming resources</b>		<u>1,857,771</u>	<u>61,615,588</u>	<u>63,473,359</u>	<u>60,068,280</u>
<b>RESOURCES EXPENDED</b>					
Costs of generating funds:					
Costs of generating voluntary income					
		508,182	-	508,182	533,178
Charitable activities		6,641,315	55,065,224	61,706,539	59,446,389
Governance Costs		346,032	-	346,032	496,345
<b>Total resources expended</b>		<u>7,495,529</u>	<u>55,065,224</u>	<u>62,560,753</u>	<u>60,475,912</u>
<b>Net incoming/ (outgoing) resources before transfers</b>		(5,637,758)	6,550,364	912,606	(407,632)
Transfer between funds		6,296,346	(6,296,346)	-	-
<b>Net movement in funds</b>		658,588	254,018	912,606	(407,632)
Total funds brought forward		1,661,114	22,509	1,683,623	1,961,593
Movement in Foreign Exchange		(70,834)	-	(70,834)	129,662
<b>Total funds carried forward</b>		<u>2,248,868</u>	<u>276,527</u>	<u>2,525,395</u>	<u>1,683,623</u>

The statement of financial activities includes all gains and losses recognised in the period.

All incoming resources and resources expended derive from continuing activities.

**MINES ADVISORY GROUP**  
**US DOLLAR ACCOUNTS**  
For the year ended 30 June 2012

	2012		2011	
	\$	\$	\$	\$
<b>FIXED ASSETS</b>				
Tangible assets		125,960		246,163
<b>CURRENT ASSETS</b>				
Debtors due within one year	10,086,826		5,981,964	
Cash at bank and in hand	8,202,585		13,344,018	
	18,289,411		19,325,982	
<b>CREDITORS</b>				
Amounts falling due within one year	(15,889,976)		(17,888,522)	
<b>NET CURRENT ASSETS</b>		2,399,435		1,437,460
<b>NET ASSETS</b>		2,525,395		1,683,623
<b>FUNDS</b>				
Unrestricted funds		2,248,868		1,661,114
Restricted funds		276,527		22,509
<b>TOTAL FUNDS</b>		2,525,395		1,683,623

**MINES ADVISORY GROUP**  
**EURO ACCOUNTS**  
**For the year ended 30 June 2012**

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**APPENDIX 2 - PRO FORMA EURO ACCOUNTS**

The financial information presented within this appendix represents extracts from the financial statements presented in Euros and does not form part of the audited financial statements of the company. The following accounting policy has been applied in the preparation of the information in this appendix.

The assets and liabilities have been translated at the exchange rates prevailing at the balance sheet date. Income and expenditure items are translated at the average exchange rates for the period.

The following pages do not form part of the statutory accounts

**MINES ADVISORY GROUP**  
**EURO ACCOUNTS**  
For the year ended 30 June 2012

	<b>Unrestricted Funds €</b>	<b>Restricted Funds €</b>	<b>Total Funds 2012 €</b>	<b>Total Funds 2011 €</b>
<b>INCOMING RESOURCES</b>				
Incoming resources from generated fund:				
Voluntary income	402,340	247,290	649,630	961,193
Investment income	51,956	4,868	56,824	16,726
Incoming resources from charitable activities				
	-	45,265,915	45,265,915	42,515,472
Other incoming resources	918,817	23,098	941,915	966,755
<b>Total incoming resources</b>	<b>1,373,113</b>	<b>45,541,171</b>	<b>46,914,284</b>	<b>44,460,146</b>
<b>RESOURCES EXPENDED</b>				
Costs of generating funds:				
Costs of generating voluntary income				
	375,606	-	375,606	394,638
Charitable activities	4,908,713	40,699,679	45,608,392	43,999,847
Governance costs	255,759	-	255,759	367,375
<b>Total resources expended</b>	<b>5,540,078</b>	<b>40,699,679</b>	<b>46,239,757</b>	<b>44,761,860</b>
<b>Net incoming/(outgoing) resources before transfers</b>	<b>(4,166,965)</b>	<b>4,841,492</b>	<b>674,527</b>	<b>(301,714)</b>
Transfer between funds	4,653,740	(4,653,740)	-	-
<b>Net movement in funds</b>	<b>486,775</b>	<b>187,752</b>	<b>674,527</b>	<b>(301,714)</b>
Total funds brought forward	1,144,783	22,441	1,167,224	1,601,622
Movement in Foreign Exchange	191,886	-	191,886	(132,684)
<b>Total funds carried forward</b>	<b>1,823,444</b>	<b>210,193</b>	<b>2,033,637</b>	<b>1,167,224</b>

The statement of financial activities includes all gains and losses recognised in the period.

All incoming resources and resources expended derive from continuing activities.

**MINES ADVISORY GROUP**  
**EURO ACCOUNTS**  
For the year ended 30 June 2012

	2012		2011	
	€	€	€	€
<b>FIXED ASSETS</b>				
Tangible assets		101,432		170,660
<b>CURRENT ASSETS</b>				
Debtors due within one year	8,122,669		4,147,187	
Cash at bank and in hand	6,605,337		9,251,163	
	14,728,006		13,398,350	
<b>CREDITORS</b>				
Amounts falling due within one year		(12,795,801)		(12,401,786)
<b>NET CURRENT ASSETS</b>		1,932,205		996,564
<b>NET ASSETS</b>		2,033,637		1,167,224
<b>FUNDS</b>				
Unrestricted funds		1,823,444		1,144,783
Restricted funds		210,193		22,441
<b>TOTAL FUNDS</b>		2,033,637		1,167,224