

MINES ADVISORY GROUP

(A company limited by guarantee and not having a share capital)

**TRUSTEES ANNUAL REPORT and
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 June 2015

MINES ADVISORY GROUP
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MINES ADVISORY GROUP
LEGAL AND ADMINISTRATIVE INFORMATION

Board of Trustees:

Lord Michael Williams (Chair)
Mr Paul Nielsen, ACIB (Treasurer)
Mr Colin Rowe (Legal Officer & member of Governance, Nominations and Review Committee)
Ms Gill Miller, MA PGCE (resigned 15/05/2015)
Dr Paul Bell, CMIIA, CFE, ACFS (Audit and Finance Committee)
Colonel Christopher Bates (Governance, Nominations and Review Committee)
Ms Diane Reid (Governance, Nominations and Review Committee)
Dr Tapera Knox Chitiyo
Mr Neil Turton (Audit and Finance Committee)
Ms Kathy Peach (Board Security Focal Point & member of Health, Safety & Security Committee)
Mr Matthew Sherrington
Mr John Shinnick (Audit and Finance Committee)

The Management Team:

Nick Roseveare – Chief Executive
Richard Holmes – Director of Programmes (resigned 10/11/2014)
Llewelyn Jones – Director of Programmes (appointed 23/02/2015)
Mick Darby – Director of Finance
Samantha Wakefield – Director of Human Resources
Darren Cormack – Director of Business Development
Chris Loughran – Director of Policy and Evaluation

Auditors:

Deloitte LLP
2 Hardman Street, Manchester, M3 3HF
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 LLP
10 Queen Street Place
London
EC4R 1BE

Registered and Principal Office:

Suite 3A
South Central
11 Peter Street
Manchester
M2 5QR

Company Number:

4016409

Registered Charity Number:

1083008

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STATEMENT FROM THE CHAIR AND CHIEF EXECUTIVE OFFICER

As Chair and Chief Executive of the UK's only aid and development charity to have shared the Nobel Peace Prize, we know that MAG's good reputation and core strength are derived not only from MAG's longevity (which is significant) nor from its size (which is substantial), but also from what we achieve, and how we achieve it.

We are proud that MAG's reputation and strength is founded on the quality of MAG's work, the lasting impact of it on the lives of those trapped in poverty and fear by landmines and explosive remnants of war, and on the integrity with which MAG operates at all levels. Quality, impact and integrity are hallmarks of MAG's approach.

In 2014/15 MAG continued to vigorously invest in quality. As its own strongest critic, MAG learned from its weaknesses and developed a Quality Assurance approach. We reorganised our technical advisory capacity to ensure all MAG programmes are systematically supported in the achievement of the highest standards. We demand high standards not only in the management of our funds and our people, but in the most efficient and effective operational approaches to survey, prioritisation and clearance of land. We are constantly aware of the need to innovate and challenge ourselves to achieve the very greatest possible impact with the limited resources available. Mindful of the contexts in which MAG staff must work, MAG undertook an audit (in accordance with international standards) of its Security Management, and has strengthened it accordingly. MAG now considers its performance in this critical area to be in line with the best practices of many much larger organizations, and continues to invest in it.

The lives and limbs saved by finding and destroying landmines, securing weapons stockpiles, and educating people how to live safely alongside these threats until they've been cleared, satisfies many as the justification for MAG's work. However, legitimate questions are increasingly asked about 'lasting impact' and 'return on investment' of aid funds. In 2014/15 MAG has worked at analyzing and sharing its understanding of impact. It has focused on measuring how mines and unexploded ordnance hold back the household economy, how fear of their own land holds families back, and how the future production potential for the local economy is unlocked by 'investing' in the clearance the land.

Over the past year charities have continued to come under intense scrutiny. MAG is committed to maintaining and demonstrating its integrity and transparency and is pleased to be open about fundraising methods, overheads, executive pay and benefits and internal pay differentials, and our governance costs and volunteer trustees. Many of these areas have been re-examined during the past year.

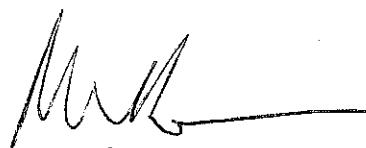
MAG exercises greatest influence by being transparent. It is important to protect our individual identity, but not our ego. This year MAG openly published, for the benefit of the demining sector, its experience and knowledge on 'Efficiency and Effectiveness in Mine Action': much of MAG's intellectual property. Likewise, MAG developed a multi-million pound partnership at field level with a competitor demining organisation to achieve better value for money and performance in our operations – often so much more can be achieved in alliance with others.

Finally, MAG worked hard in 2014/15 to continue to develop and to stay relevant to the changing nature of the threats faced by those affected by conflicts. In the aftermath of the Libyan revolution, and subsequent return to conflict, MAG has shared its experience by leading the Practical Disarmament Initiative discussions amongst states, the UN and NGOs on management of weapons stockpiles and preventing diversion in the Sahel and West Africa. Likewise, as MAG staff worked to clear booby traps and improvised landmines from the town of Kobane and surrounding villages in northern Syria for refugees to return home in safety, MAG also convened meetings in London for government departments, and others, to increase understanding of the humanitarian challenges of improvised explosive devices.

We appreciate the generous support of our many donors, and the tremendous dedication and professionalism of MAG teams in UK and in our country programmes.



Lord Michael Williams
Chair of Trustees



Nick Roseveare
Chief Executive

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TRUSTEES REPORT

1. OBJECTS AND ACTIVITIES

1.1 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.

1.2 Activities

MAG core activities are mine action and arms management and destruction, with the goal of reducing the impact of, and potential for, conflict and armed violence.

Humanitarian Mine Action (HMA):

Mine Action covers landmines and explosive remnants of war in conflict and post-conflict contexts. Primary activities delivered by MAG are:

- Survey and clear land contaminated by landmines and cluster munitions
- Destroy unexploded and abandoned ordnance
- Deliver Mine Risk Education (MRE) sessions to at-risk communities
- Support states to destroy stockpiles

Arms Management and Destruction (AMD):

The scope of this work depends on humanitarian need and the context in which MAG is operating. It can support various initiatives, such as security sector reform, rule of law, armed violence reduction and prevention, and the reduction of risk and civilian impact following Unplanned Explosions at Munitions Sites (UEMS). Primary activities delivered by MAG are:

- Address and mitigate immediate humanitarian risk resulting from Unplanned Explosions at Munitions Stores (UEMS) and similar events
- Destruction of small arms and light weapons
- Promote safe and secure state storage and management of weapons and munitions
- Destruction of small arms ammunition
- Destruction of surplus and obsolete munitions
- Construction and rehabilitation of armouries and explosive stores
- Build capacity to strengthen the resilience of communities to conflict or armed violence
- Development of national standards and approaches

Public Benefit

In setting out our activities each year we have regard to the Charity Commission guidance on public benefit.

The target beneficiaries of MAG's work are those whose lives are endangered by, or whose development is blocked by, the explosive remnants of war. The greater public, in the locations where MAG works, are the general beneficiaries of its work, as indeed are future generations in those locations where the threats to life and the obstacles to development are removed by MAG. In 2014/15 MAG records gathered at field level show that some 1.24 million people have directly benefitted from MAG interventions.

The Trustees recognise their responsibility to ensure that the programmes MAG undertakes are in line with our charitable objects and aims as set out in the governing document.

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2. STRATEGIC REPORT

2.1 Programme Review

2.1.1 Outputs

The outputs data below, whilst representing a significant achievement, only reflects one measure of the value of MAG's activity. A single landmine (or indeed the fear of one) on one plot of agricultural land, is just as much an obstacle to the development of that land as the confirmed presence of many more landmines would be. Equally, the impact of clearance of many thousands of square metres of inaccessible or unusable land, may have much less impact than the clearance of smaller areas in densely populated locations where pressure on land is high. Outputs data alone, without contextualisation and the responsible setting of priorities by MAG teams on the ground in response to the information received from affected communities, can only ever tell part of the story, and must not be taken alone as the measure of either efficiency or effectiveness.

Humanitarian Mine Action outputs¹:

	Jul-Dec 2014	Jan-Jun 2015	Total
Land cancelled through Non-Technical Survey (m ²)	16,555,740	27,062,437	43,618,177
Land released through Technical Survey and clearance (m ²)	9,330,928	15,961,328	25,292,256
Road Cleared (m)	33,000	2,000	35,000
Landmines destroyed (Anti-Personnel and Anti-Tank consolidated)	2,410	5,691	8,101
Cluster Munitions destroyed	7,869	13,316	21,185
UXO/AXO destroyed	17,490	49,485	66,975
Mine Risk Education sessions delivered	11,741	13,404	25,145

Arms Management and Destruction outputs²:

	Jul-Dec 2014	Jan-Jun 2015	Total
Technical assessments undertaken ³	0	92	92
Armouries/explosives stores built	19	23	42
Armouries/explosives stores rehabilitated	6	36	42
Small arms ammunition destroyed (below 14.5mm) ⁴	565,692	729,670	1,295,362
Small arms and light weapons destroyed	17,917	7,068	24,985
Training courses conducted ⁵	0	19	19

Beneficiaries

A 'direct beneficiary' is a person that directly benefits from MAG's activities as described above. This information is gathered and reported by our field teams. 'Indirect beneficiary' numbers are also collected but may be less robust and so are not reported here. Gender and age disaggregated data is recorded at field level, and will be reported centrally in future.

	Jul-Dec 2014	Jan-Jun 2015	Total
Direct beneficiaries of both HMA and AMD work	417,422	825,071	1,242,493

¹ MAG's output data is gathered through an organisation-wide monthly reporting system. In the course of the year the level of detail in outputs was increased therefore the outputs are split to reflect this difference

² In the course of the year the level of detail in outputs data gathering was increased therefore the data in these tables is split to reflect the different approaches that were in use before and after the change.

³ Only reported since January

⁴ Jan-Jun all items under 20cm are classed as SAA

⁵ Only reported since January

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2.1.2 Programme Results

East and Southern Africa

MAG's programmes in the East and Southern Africa region are undertaking both HMA and AMD activities. In **Angola** and **South Sudan** MAG's work provides life-saving MRE, access to safe routes and cleared land for residents and returnees to conduct socio-economic activities. The combined land release for the region amounts to a total of **11,909,132m²** (84.4% Angola and 15.6% South Sudan) and **1031** spot tasks (calls to address individual items or sites) were cleared. In **Somalia**, the programme implements armoury/ explosive store house (ESH) refurbishment projects to secure weapons stockpiles, contributing to regional and national security by reducing the risk of theft and diversion. Across the region **242,930 people** benefitted as a result of MAG's work (47% male and 53% female).

In early 2015, the teams in **South Sudan** were able to deploy to the conflict-affected state of Warrap where assessments in uncharted areas were undertaken. Successful coordination with UNMAS has helped implementation of activities in these new areas while other areas remain unreachable. In **Angola**, NTS teams have resurveyed a total 124 sites cancelling a **9,687,919m²**. Although much work remains with regard to resurveys, the process has made a huge contribution to the national mine action effort in Angola increasing overall efficiency and progress toward a mine-free Angola.

MAG's Arms Management and Destruction (AMD) activities in **Somalia** have made a substantial contribution to the Federal Government of Somalia's (FGS), and Puntland and Somaliland regional governments' progress against strategic security objectives under the New Deal Somali Compact and Somaliland Special Arrangement. MAG's Small Arms Light Weapons Risk Reduction (SALW RR) and Mine Risk Education (MRE) programming has assisted communities in managing daily risks across Puntland and South Central.

"After the government collapsed in the early 1990s, I was among the many people who kept weapons at home to protect myself and my family. This was not safe because weapons were within reach of my children, but what else could I do? When MAG constructed a civilian armoury in my community I put my weapon there, and now my children are safer." Mohammed, a community elder in the Puntland State of Somalia

Middle East

Throughout the financial year 2014/2015, the Middle East programme countries – **Lebanon, Iraq and Syria** - responded to the regional humanitarian crisis. Responses ranged from the need to ensure the clearance of land occupied by both formal refugee camps and communities enlarged by their hosting of refugees, to clearance of areas affected by the conflict but to which displaced communities now wished to return safely to re-establish their lives, and finally the major continuing task of 'legacy clearance' for the local populations who are living with the threat of landmine, cluster bomb and ERW contamination from former conflicts in Lebanon and Iraq. All MAG's work is underpinned with Risk Education for communities also.

Overall, there were **498,408 direct beneficiaries** of MAG's Middle East programmes in 2014/15 (57% female; 43% male) and a further estimated 1.3 **million indirect** beneficiaries (87% male and 13% female).

In **Lebanon** and **Iraq** activities included clearance of agricultural and pasture lands for local farmers, potential residential tourism sites for developing businesses, and ensuring safe access to local infrastructure systems such as sewage and water treatment projects.

"The clearance that MAG is doing is one of the best things that happened in the town of Jezzine that is profusely contaminated with cluster bombs" says Mr. Michael Slim, the owner of a tourist complex in Lebanon "MAG contributed hugely in improving tourism and brought back investments in lands after they were cleared. This complex will add to the many attractions of the town and will benefit over a 1000 of the locals as employees ..."

"We feel secure and breathe well. We work in the field without being worried about being killed or losing a loved one. We are now able to use the land for grazing, agriculture and collecting wild plants."

- Mr Kanan Rasheed Hassan from Narujay Haji Jarjis village in Kirkuk Governorate, Iraq.

Large numbers of Syrian refugees seeking safety in Lebanon, yet living in known contaminated areas benefited from

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clearance activities of hazardous areas next to informal settlements in the West Bekaa region, making MAG the first, and so far the only, mine action organization to address these priority protection needs of Syrian refugees in Lebanon. Mine Risk Education (MRE) sessions were delivered to 5,242 of the most vulnerable communities, including Syrian refugees and Lebanese people living in former conflict areas. In total 34,762 Lebanese community members benefited from MAG's work.

In Iraq, MAG's response to the refugee and Internally Displaced Persons influx into northern Iraq included delivery of MRE to both mobile communities and host communities; sessions have been delivered in formal camps, at access routes and in any other areas where people gather.

In 2015, MAG also faced new challenges resulting from the current conflict in the region and new methodologies were developed to face the fact that the majority of the contamination was in urban environments and, in addition to conventional unexploded ordnance, much of the contamination was from homemade landmines and other improvised items used in the conflict. In formerly contested parts of both Syria and Iraq MAG enabled the safe return of local populations to their villages or towns to resume their daily lives by clearing the contamination left behind in their houses and on their land. In one (of many) poignant case(s) in northern Syria, the clearance by MAG enabled one family to return to their home to retrieve and bury their dead within the religiously prescribed timeframe, without further deaths being sustained in the process.

Sahel and West Africa

Across the region **184,464 people directly benefitted** from MAG's interventions (49% female, 51% male) and a further 8,420 indirect beneficiaries were identified (53% female and 47% male). Through mine and Explosive Remnants of War clearance in the region 650,336m² of land were released, removing over 10,000 mines and UXO facilitating safe access to roads and land for livelihoods and socio-economic facilities.

As described by Mr Vumba the Kabalo Territory Administrator, in DRC:

"The closure of the road has had a terrible impact on the social and economic life of the population in Kakuyu, where the provision of agricultural products was made impossible." Now that the route has been cleared, villagers will be able to work the fields again and transport crops to the local Kabalo market and beyond. "The opening of the Kabwela-Kakuyu road is the result of a great effort by MAG's technical team – please receive our profound gratitude."

In Chad clearance has increased safety for collection of firewood, access to safe water sources, improved livestock opportunities and safe access to school for children in Tibesti and N'Djamena.

In Sahel and West Africa MAG's programming has also focused on the development of extensive HMA work (**Chad, Mali and DRC**) and AMD work (**Chad, Mali, Burkina Faso, DRC** and via a subcontract in **Niger**). By helping national authorities to improve management of state-owned weapons and ammunition, MAG contributes to the national and regional security through reducing the risk of illicit proliferation of weapons and ammunition. MAG also contributes to increasing safety for the civilian population by reducing the likelihood of unplanned explosions in ammunition stores. During the year 58 armouries and munitions store houses were refurbished or built and nearly 23,000 weapons destroyed through AMD interventions. More than 40 assessments were conducted in the region, and 104 staff from national security forces were trained in ammunition and SALW management. In Mali one ammunition storekeeper commented:

"I am from the old school and I didn't receive any training [in the past]. Now I am properly trained and was recently promoted to work in a bigger armoury. I will make sure to pass on my knowledge to my replacement"

South and Southeast Asia

Many of the beneficiaries of MAG's work in South and Southeast Asia have lived with landmine and ERW contamination for many years. The socio-economic and psychological impact of MAG's activities remains significant as illustrated in the following quotes from beneficiaries in **Lao PDR** and **Vietnam**.

"Now it is safe here, my life has changed. I can grow much more rice and it is of better quality. This year I have sold 50 sacks, my store is full and I have more sacks in my house. This has never ever happened before." Kamphone, Phose village, Xieng Khouang Province, Lao PDR..

As well as increasing safety and perceptions of safety, the impact of MAG's work is often to increase development opportunities and allow for changes in land use. Over 83% of the land cleared in **Cambodia** is used for agriculture,

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meaning extra rice and cassava production for families and villages – decreasing malnutrition and increasing income-generating potential. Including over 33,000 MRE recipients, across the region **319,332 people directly benefitted** from MAG's work (49% females and 51% males) and 882,873 benefitted indirectly (50% each female and male).

"I am very happy and grateful that MAG has cleared UXO for us. From now on, my family and I can work in our garden without fear of UXO accidents. As a victim of UXO, I understand the physical and mental pains as well as implications that UXO can cause to the whole family. MAG has brought real safety and peace to my family today as well as for future generations". Cao Van Cu, a UXO accident survivor from Trieu Ai commune, Trieu Phong district, Quang Tri, Vietnam. MAG cleared 43 items of UXO from his land in May 2015.

In all countries across the region MAG works with communities living with mines and other ERW to live more safely through risk education activities. In **Burma/Myanmar** this work takes on even greater importance as it is currently the only mine action permitted by the government.

2.2 Financial Review

2.2.1 Financial Overview

Total incoming resources have decreased to £31.93m (2014: £33.96m), with a reduction in funding for the Cambodia Programme and closure, due to security constraints of the Libya programme. Resources spent directly on charitable activities decreased to £31.44m (2014: £32.38m).

Net incoming resources have fallen from £1.12m (2014) to £41k due to a shifting portfolio of fee earning contracts to reimbursable grants.

Voluntary income has decreased to £464k (2014: £556k), related to reduced income from legacies. The surplus (income, less cost of generating income) earned on Voluntary income of £160k (2014: £295k) has been fully utilised to aid the delivery of MAG's charitable activities.

Unrestricted reserves stand at £3.3m (2014: £3.3m) and are broadly in line with the Board's target reserves balance of £3.5m (2014: £3.5m). The Board and management have developed robust financial strategies to ensure that the required levels of unrestricted free reserves are earned and maintained.

Cash balances stand at £7.4m (2014: £8.2m) 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 £5.8m, (2014: £8.5m) represents the balance of billed grants/contracts which are to be delivered in future periods.

2.2.2 Reserves

The majority of MAG's operational work is funded from restricted funds. The Trustees adopt a risk based approach in calculating appropriate levels of unrestricted reserves and take into account business adversity, investment in new operational territories, working capital requirements, provision of emergency response funding and the need to provide funds to offset short term programmatic funding gaps. Notwithstanding the requirement to hold currency reserves to protect against adverse currency shifts, the Board currently considers £3.5m of unrestricted reserves to be the target ceiling, against which the balance at 30 June 2015 was £3.3m.

2.2.3 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.

2.2.4 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 December 2016, 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.

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2.3 Future Plans

With tightening resources and a growing global complexity plus rising donor expectations, more than ever, there is an emphasis on providing evidence of value for money in everything that we do. This continues to be a high priority for MAG as we maintain an approach that demonstrates that the way we spend funds has high impact. In an increasingly competitive market place we will show clarity about our added value and competitive advantage. We will demonstrate this through innovation, sector development and collaboration. Alongside these efforts we will innovate our business model to pro-actively seek non-traditional resources for newer areas of work. We will continue to deliver Humanitarian Mine Action at broadly the same level whilst developing and diversifying funding for our Arms Management and Destruction work, particularly in the Sahel West Africa region.

2.4 Principal Risks

The Board has identified the major risks to the organisation and a comprehensive and detailed risk register is maintained, covering five key areas; Corporate Governance, Health, Safety & Security, Contractual Compliance, Statutory Compliance, and the Funding environment.

Under each area, the subjective level strategic and operational risks are identified, together with how they are being managed. The register is considered by the Trustees at every Board meeting, supported by the Chief Executive's report which highlights emergent or escalating risks, which have been identified through the relevant management chains across MAG. Risks are scored against probability and impact criteria, with controls, monitoring process and action plans considered for all risk areas. The headline risk management strategies for each of the five 'risk areas' are as follows:

Corporate Governance

The MAG Board set the rolling five-year strategic direction of the organisation which incorporates key success indicators and are supported by the Audit & Finance Committee, the Governance, Nominations and Remuneration Committee and the Health, Safety and Security Committee, who assist the Board in fulfilling statutory and organisational requirements, with a clear focus on risk management.

Health, Safety & Security

MAG operates across a complex range of international territories, with significant risks associated with the health, safety and security of staff. MAG is licenced by the relevant national authorities in all operational areas, and is obliged to adhere to national and international Mine Action Standards (IMAS) standards. All standard operating procedures are designed to ensure the safety and security of staff at all times, underpinned by the recruitment of suitably qualified and experienced technical specialists, together with robust internal quality assurance, quality control and reporting processes. During the year, MAG has been working on the implementation of recommendations that came out of the Security Management Review and reinvigorating the role of the Health, Safety and Security Committee which now reports to the Board on progress of initiatives and the lessons learnt from incidents that have occurred.

Contractual Compliance

Much of MAG's work is delivered under contract, with statements of work/task orders etc. specifying the outputs to be delivered across the life of any given work programme. MAG's project management systems, tools and approaches are designed to ensure that project outputs are delivered within budget and in line with the quality expectations of the both the donor and beneficiary. MAG has implemented a Quality Assurance framework, which is governed by the risk management policy and underpinned by the ISO9001 Quality Management System, all of which complement MAG's overarching approach to risk management. MAG employs 2,285 worldwide, all of whom play a significant role in delivering charitable activities. The Human Resources Framework, embedded in all operational territories is used to drive MAG's ability to recruit, develop, engage, manage and retain high calibre staff.

Statutory Compliance

MAG has developed a central database to aid the management of statutory compliance requirements across all international territories; this includes details of Company registration, Labour Law and Insurance and is underpinned by local legal advice, together with standard NGO practice. Assumptions contained within the database are verified as part of MAG's compliance framework.

The Board of Trustees and Management Team recognise that bribery is contrary to the fundamental values of integrity, transparency and accountability and undermines organisational effectiveness. MAG has in place all necessary policies and procedures to reduce incidence of bribery and corruption to the lowest possible levels, and ensure proper reporting and sound management of those events which do occur.

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Funding Environment

MAG's key financial risk is that it fails to secure funding in line with strategic plans. In order to mitigate this risk MAG constructs robust financial/operational plans for each International Programme together with targeted funding strategies. MAG engages in proactive and constructive dialogue with the donor community relevant to the work that we undertake, including with multilateral organisations, governments, trusts, foundations and individuals. MAG encourages policy development and enhanced funding commitment to the sectors in which we work.

The diverse range of countries and currencies across which MAG operates, requires the active management of exposure to fluctuations in exchange rates so as to minimise any detrimental impact on budgeted income/expenditure levels. MAG retains funds in non-Sterling/Euro/USD currencies only to the extent that payments are due to be made in those currencies and seeks to match its exchange rate risks in the first instance. Foreign exchange forward contracts are placed in order to mitigate against potential adverse foreign exchange movements.

We adopt an approach of continuous improvement of our systems. MAG is ISO 9001:2008 and ISO 14001:2004 accredited.

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3. GOVERNANCE AND MANAGEMENT

Structure

MAG is a registered charity (Number 1083008) regulated by the Charity Commission of England and Wales; it became an incorporated charity (limited by guarantee) on 16 June 2000 (Number: 4016409) and operates under a set of Articles and a Memorandum of Association.

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 Management 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 in addition to an annual Board Away Day together with a number of other ad hoc meetings.

The Audit and Finance sub-committee (AFC) meets six times a year and takes delegated responsibility on behalf of the Board for ensuring MAG maintains an effective financial management and reporting structure across the organisation. The committee examines and reviews financial stewardship, statutory reporting, internal controls, risk management, internal and external audit and supports the Board in fulfilling its legal obligations.

The Governance Nominations and Review sub-committee (GNRC) meets quarterly and exists to keep the Board's governance arrangements under review and to make appropriate recommendations to the Board to ensure that MAG's arrangements are consistent with best practice corporate governance standards. It also assists the Chair in keeping the composition of the Board under review and to lead the appointments process for nominations to the Board.

The Health Safety and Security sub-committee (HSSC) also meets quarterly and exists to communicate, promote and champion health, safety & security in MAG headquarters and overseas.

An Annual Meeting of the Trustees is also held during which items such as the Annual Report and Accounts; appointment/retirement of trustees and auditors are dealt with.

MAG utilises a skills audit register in recruiting new Board members and seeks a range of expertise and knowledge that will assist and support the organisation in its development. All new appointments follow a formal recruitment and induction process, with new Trustees receiving key documents which detail the legal obligations of Trustees, Articles of Association, key Policy documents, the Annual Report and Accounts and details of the organisational structure of MAG. Trustees also undertake overseas programme visits as part of their induction to MAG. The Board Away Day is used for strategic discussion and reflection, and also for a process of facilitated appraisal of Board effectiveness.

All Trustees give their time freely and received no remuneration or financial benefit in their capacity as trustees. 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 Management Team is made up of the Director of Programmes, Director of Finance, Director of Human Resources, Director of Business Development and Director of Policy and Evaluation. The Management 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 Management 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. The Management Team are the decision making body within MAG and meet regularly to review Policy and monitor risks.

The organisation has an Operations Development Team (ODT) who report to the Director of Programmes. ODT 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.

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For the year ended 30 June 2015**

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 the delivery of all MAG's statutory, regulatory and contractual commitments in the country. Furthermore the CD is responsible for all national and international staff within the programme along with safety 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 the authorities, donors and other stakeholders. CDs report to Regional Directors (RDs) 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 employees.

At 30th June 2015 MAG employed 2,285 staff globally, 2,146 of whom (94 per cent) are nationals from countries where our programmes are in operation (the average number of staff during the year was 2,158). Our intention is to ensure that both skills and salaries remain within local economies.

84 staff (2014: 94 staff) are employed on international contracts, reflecting the fact that specific technical and senior management skills are not always available in country. MAG drew its international staff this year from 44 different nations, enhancing our diversity, and ensuring that we are able to attract exceptional talent from around the world. Our international employees work in a range of technical, managerial, administrative and support positions and all receive appropriate induction, equipment, training and supervision to relevant international and local standards. Our policies on mobility and the Organisational Development Team (ODT) ensure that learning is transferred from programme to programme. In addition, a total of 55 (2014: 66) employees worked at MAG's headquarters in the UK, or as members of ODT.

MAG continues to strive towards equality of opportunity by ensuring that decisions around recruitment, career progression, training opportunities and terms and conditions are made on the basis of merit.

Our reward structure in each country varies, but the principles remain the same, striving towards being accountable, responsible and affordable. We regularly review our salaries for national staff working from minimum wage levels and statutory requirements towards a fair and competitive market rate.

We conducted benchmarking exercises followed by adjustments to our national staff salaries in Chad, Cambodia, Laos, Myanmar and South Sudan. We also revised our Staff Handbooks in Chad, Lebanon, Mali, Myanmar and South Sudan ensuring that they meet current employment law requirements. We also introduced the HR Standard Operating Procedures - a guide for managers on the range of policies, procedures and guidance notes that focus on national staff in each country.

MAG's reward structure at HQ in Manchester ranges from grades 1 to 9, with 5 increments per grade of 2.5%. The salary ratio between our highest graded role and our lowest grade is 6:1.

This year the first module of our Leadership Development Programme was launched at the Global Leadership Team meeting (with 54 attendees) and our first Management Development Programme was launched in Laos (attended by 13 field supervisors and senior technical managers).

MINES ADVISORY GROUP
TRUSTEES REPORT
For the year ended 30 June 2015

4. 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 that give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to;

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and 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.

**MINES ADVISORY GROUP
TRUSTEES REPORT
For the year ended 30 June 2015**

5. DECLARATION OF INTERESTS

MAG requires Trustees and all staff where relevant to declare their interests on appointment; or, where they acquire an interest subsequent to their appointment. A declaration of interests form is provided for this purpose. The Company Secretary maintains a Register of Trustees' Interests and a separate Register of Interests declared by staff and volunteers with responsibility for, and providing authorisation of, the procurement of goods or services for MAG.

The declaration of interests is updated at least annually by staff and Trustees. At the Annual Meeting of the Trustees the Board reviews both declarations of interest registers.

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.

Thanks

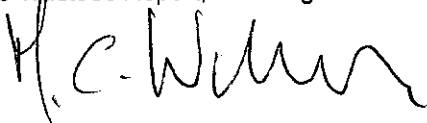
We are very grateful to all our donors for their continued and new support. The following organisations and supporters provided grants and/or contracts that contributed to MAG's success in the last year:

Act for Peace; Actiefonds Minjnen Ruimen (AMR); Altadis Foundation; AusAID; Bridge Insurance Brokers Limited; Caerus Foundation; Canadian Government (DFATD); Dutch Ministry of Foreign Affairs; ECHO; European Commission; Fibertek; Finn Church Aid; The Fulmer Trust; German Government; Good Gifts; Guernsey Overseas Aid Commission (GOAC); The Harris Family Trust; The Highfields Trust; The Hilda and Preston Davis Foundation; Hind Al Adwani; The Hodgeson Family Trust; International Organisation for Migration (IOM); Irish Aid; Isle of Man Government; Japanese Government; ITC Supporting Comity; Kirby Laing Foundation; MAG America; The Michael and Harriet Maunsell Charitable Trust; Norwegian Ministry of Foreign Affairs; The Rhododendron Trust; BE Rodmell Trust; The Paragon Trust; Sida; Spanish Government; The Stephen and Joanne Vaughan Charitable Trust; Sterling International; Stichting Vluchteling; Swiss Government; UK Department for International Development; UK Foreign & Commonwealth Office; UK Ministry of Defence; UNDP; UNOPS; UNSCAR; Unicorn Grocery Limited; US State Department Office of Weapons Removal and Abatement.

Auditors

Deloitte LLP have expressed their willingness to continue as auditors for the next financial year.

The Trustees Report, including the Strategic Report, was approved on behalf of the Board and signed on its behalf by



Lord Michael Williams
Chair of the Board of Trustees

Date 13th November 2015

**MINES ADVISORY GROUP
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 30 JUNE 2015**

We have audited the financial statements of Mines Advisory Group for the year ended 30 June 2015, which comprise the statement of financial activities, the balance sheet, the cash flow statement and the related notes 1 to 22. 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2015 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

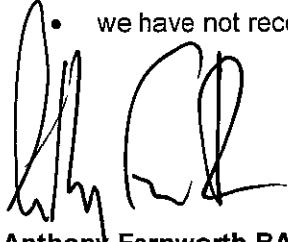
In our opinion the information given in the Trustees' Annual Report, including the Strategic Report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

**MINES ADVISORY GROUP
INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED 30 JUNE 2015**

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.



Anthony Farnworth BA, ACA (Senior Statutory Auditor)

For and on behalf of Deloitte LLP

Chartered Accountants and Statutory Auditor

Manchester, United Kingdom

03/12/ 2015

MINES ADVISORY GROUP
STATEMENT OF FINANCIAL ACTIVITIES
(including income and expenditure account)
For the year ended 30 June 2015

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £	Total Funds 2014 £
INCOMING RESOURCES					
Incoming resources from generated funds:					
Voluntary income	3	448,843	15,073	463,916	556,313
Investment income	2	16,443	-	16,443	13,876
Incoming resources from charitable activities	4	-	30,540,070	30,540,070	32,867,917
Other income	5	745,187	166,997	912,184	526,465
Total incoming resources		1,210,473	30,722,140	31,932,613	33,964,571
RESOURCES EXPENDED					
Costs of generating funds:					
Costs of generating voluntary income	6	304,119	-	304,119	260,849
Charitable activities	6	4,027,350	27,415,836	31,443,186	32,376,247
Governance costs	6	144,670	-	144,670	140,398
Total resources expended		4,476,139	27,415,836	31,891,975	32,777,494
Net incoming / (outgoing) resources before transfers	7	(3,265,666)	3,306,304	40,638	1,187,077
Transfer between funds	13	3,267,773	(3,267,773)	-	-
Net movement in funds		2,107	38,531	40,638	1,187,077
Total funds brought forward	13	3,299,996	180,162	3,480,158	2,293,081
Total funds carried forward	13	3,302,103	218,693	3,520,796	3,480,158

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 19 to 31 form part of these accounts.

MINES ADVISORY GROUP
BALANCE SHEET
As at 30 June 2015
Company registration number: 4016409

	Notes	2015	2014
		£	£
FIXED ASSETS			
Tangible assets	10	199,103	217,381
CURRENT ASSETS			
Debtors due within one year	11	3,833,188	5,788,514
Cash at bank and in hand		<u>7,391,033</u>	<u>8,166,971</u>
		11,224,221	13,955,485
CREDITORS			
Amounts falling due within one year	12	<u>(7,902,528)</u>	<u>(10,692,708)</u>
NET CURRENT ASSETS		<u>3,321,693</u>	<u>3,262,777</u>
NET ASSETS		<u>3,520,796</u>	<u>3,480,158</u>
FUNDS			
Unrestricted funds	13	3,302,103	3,299,996
Restricted funds	13	<u>218,693</u>	<u>180,162</u>
TOTAL FUNDS	13	<u>3,520,796</u>	<u>3,480,158</u>

The notes on pages 19 to 31 form part of these accounts.

These accounts were approved by the Board of Trustees and authorised for issue on 13th November 2015.

Signed on behalf of the Board of Trustees



Lord Michael Williams
Chair

MINES ADVISORY GROUP
CASH FLOW STATEMENT
For the year ended 30 June 2015

	2015		2014	
	£	£	£	£
Reconciliation of operating surplus to net cash inflow from operating activities				
Net incoming resources	40,638		1,187,077	
Depreciation	1,245,334		976,372	
Decrease in debtors	1,955,326		2,013,335	
(Decrease) / increase in creditors	(2,790,180)		928,494	
Bank interest received	(16,443)		(13,876)	
Net cash inflow from operating activities		434,675		5,091,402
Returns on investments and servicing of finance				
Interest received		16,443		13,876
Capital expenditure				
Payments to acquire tangible fixed assets	(1,227,056)		(1,044,099)	
		(1,227,056)		(1,044,099)
(Decrease) / increase in liquid resources		(775,938)		4,061,179
Net cash resources at 1 July 2014		8,166,971		4,105,792
Net cash resources at 30 June 2015		7,391,033		8,166,971

The notes on pages 19 to 31 form part of these accounts.

MINES ADVISORY GROUP
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

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 December 2016, 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.

MINES ADVISORY GROUP
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

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 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 or, if hedged, at the forward exchange rate. 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 charity 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 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 2015

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.

Explosive Risk Solutions Ltd (Company Number 04030037) is a 100% subsidiary of MAG. The results of the subsidiary undertaking(s) are not material to the combined group and have therefore not been consolidated into MAG's financial statements.

1.12 FINANCIAL INSTRUMENTS

Derivative instruments utilised by the charity are forward foreign exchange rate contracts. These are not carried at fair value in the balance sheet and subject to disclosure only in these financial statements. The charity does not enter into speculative derivative contracts. All such instruments are used for hedging purposes to alter the risk profile of an existing underlying exposure of the charity, in line with the charity's risk management policies.

2. INVESTMENT INCOME

	2015	2014
	£	£
Bank interest received		
Unrestricted	16,443	13,648
Restricted	-	228
	<u>16,443</u>	<u>13,876</u>

3. VOLUNTARY INCOME

	Unrestricted Funds 2015 £	Restricted Funds 2015 £	Total Funds 2015 £	Total Funds 2014 £
Regular Giving*	111,474	2,345	113,819	88,526
Legacies	29,264	-	29,264	162,432
Public Donations, Appeals and Fundraising Events*	280,840	12,728	293,568	280,335
Trusts, Foundations and Partnerships	27,265	-	27,265	25,020
	<u>448,843</u>	<u>15,073</u>	<u>463,916</u>	<u>556,313</u>
Total voluntary income	<u>448,843</u>	<u>15,073</u>	<u>463,916</u>	<u>556,313</u>

*Includes gift aid

MINES ADVISORY GROUP
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES	2015	2014
Income received under contracts and grants:	£	£
Act for Peace	123,557	210,637
Actiefonds Minjnen Ruimen (AMR)	8,849	8,218
Atlantis Foundation	62,412	59,518
AusAID	493,470	1,341,863
Canadian Department of Foreign Affairs, Trade and Development	677,660	342,442
Corporate	-	50,001
Danish Deming Group	313,248	-
Department for International Development	1,674,640	7,189,025
Dutch Ministry of Foreign Affairs	4,801,666	3,152,668
European Commission	2,833,806	1,784,598
EC – ECHO	-	932
Fibertek	602,252	636,713
Finn Church Aid foundation	294,729	259,538
Foreign and Commonwealth office	1,209,875	2,052,204
Deutsche Gesellschaft für Internationale Zusammenarbeit	-	142,781
German Federal Foreign Office	1,636,714	264,189
Good Gifts	7,282	10,813
Guernsey Overseas Aid Commission	27,991	45,120
Hind Al Adwani	-	32,731
IKMAA	109,868	-
Irish Aid	256,224	178,143
Isle of Man International Development Committee	-	494
International Organisation for Migration	-	92,052
Japanese Ministry of Foreign Affairs	825,305	728,024
LMAC	83,945	-
MAG America	9,821,538	9,652,625
Miscellaneous Donors	129,326	120,202
Norwegian Ministry of Foreign Affairs	1,153,166	1,422,461
Roots of Peace	93,995	-
Swedish International Development Cooperation Agency	497,093	813,252
Spanish Ministry of Foreign Affairs	-	3,098
Swiss Federal Department of Foreign Affairs	71,822	418,605
Stichting Vluchteling	351,526	324,243
Sterling International LLC	-	18,556
Trusts & Foundations	153,050	88,708
UNOPS	1,322,731	920,174
UNDP	289,238	453,810
UNSCAR	29,150	49,474
World Vision	583,939	-
	<u>30,540,070</u>	<u>32,867,917</u>

Of the £9,821,538 from MAG America, £9,658,824 (2014: £9,558,217 out of £9,652,625) had the U.S. Department of State's Office of Weapons Removal and Abatement as the back donor.

MINES ADVISORY GROUP
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

5. OTHER INCOME	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	2015	2015	2015	2014
	£	£	£	£
Merchandise	4,849	11,117	15,966	17,578
Insurance Claims	106,401	33,965	140,366	367,262
Corporate sponsorship	-	-	-	20,833
Other Income	32,753	121,915	154,668	63,947
Foreign Exchange Gain	601,184	-	601,184	56,845
Total	<u>745,187</u>	<u>166,997</u>	<u>912,184</u>	<u>526,465</u>

**6. RESOURCES
EXPENDED**

	Generating Voluntary Income	Charitable Activities	Governance	Total 2015	Total 2014
	£	£	£	£	£
Support Costs:					
Staff Remuneration & other staff costs	159,860	2,537,667	57,344	2,754,871	2,687,825
Travel	13,793	204,985	11,770	230,548	186,674
Premises, IT & Communications	63,672	394,947	-	458,619	517,585
Fundraising Events & Advertising	58,499	-	-	58,499	68,559
Professional fees & other costs	8,295	471,467	75,556	555,318	851,339
Total Support Costs	<u>304,119</u>	<u>3,609,067</u>	<u>144,670</u>	<u>4,057,855</u>	<u>4,311,982</u>
Overseas programmes unrestricted	-	418,284	-	418,284	437,327
Overseas programmes restricted	<u>-</u>	<u>27,415,836</u>	<u>-</u>	<u>27,415,836</u>	<u>28,028,185</u>
Total, year ended 30 June 2015	<u>304,119</u>	<u>31,443,186</u>	<u>144,670</u>	<u>31,891,975</u>	<u>32,777,494</u>
Total, year ended 30 June 2014	<u>260,849</u>	<u>32,376,247</u>	<u>140,398</u>	<u>32,777,494</u>	

In accordance with the Statement of Recommended Practice (revised 2005) "Accounting and Reporting by Charities", support costs that are fully attributable to that activity are charged directly to that activity.

MINES ADVISORY GROUP
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

7. NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS

	2015	2014
	£	£
The net incoming resources for the year are stated after charging/(crediting):		
Depreciation of tangible fixed assets owned by the charity	1,245,334	976,372
Foreign exchange gains	(601,184)	(56,845)
Operating lease rentals	811,545	873,636
Auditor's remuneration:		
Fees payable to the charity's auditor for the audit of the charity's financial statements	57,000	52,000
Non-audit fees:		
Grant certification services	87,000	52,750
Taxation services	5,500	-
Other services	-	9,500

8. STAFF COSTS

	2015	2014
	£	£
Salaries and wages - UK employees (including those working overseas)	7,185,013	7,139,568
Salaries and wages - Overseas national employees	9,893,904	9,718,441
Social security costs	215,086	229,376
Pension contribution	105,883	87,356
	<u>17,399,886</u>	<u>17,174,741</u>

UK staff costs include payments to temporary staff of £NIL (2014: £27,798) not included in employee numbers outlined below.

The average number of persons employed by the charity during the year was:

	2015	2014
	No.	No.
UK employees:		
Overseas projects	96	95
Programme support and administration	53	61
Fund-raising information and education	5	5
	<u>154</u>	<u>161</u>

In addition to the employees stated above, the charity employed an average of 2,004 (2014: 2,065) national staff overseas.

MINES ADVISORY GROUP
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

The number of employees whose emoluments, excluding pension contributions, was over £60,000 in the year was:

	2015			2014		
	UK	International	Total	UK	International	Total
between £60,000 and £70,000 per annum:	8	9	17	4	11	15
between £70,000 and £80,000 per annum:	-	9	9	-	5	5
between £80,000 and £90,000 per annum:	-	5	5	1	3	4
between £100,000 and £110,000 per annum:	1	-	1	1	-	1

Pension costs of £39,924 (2014 - £30,564) were paid in respect of those higher paid employees noted above.

An independent benchmarked Remuneration Review was implemented in 2014 to consolidate allowances into salaries and to address market competitiveness. Benchmarking results were shared with those organisations that contributed data. The highest paid member of staff was the Chief Executive.

9. TRANSACTIONS WITH TRUSTEES

Expenses reimbursed to ten Trustees during the period amounted to £11,770 (2014, 11 trustees - £6,447). £4,215 of this (2014 - £2,873) related to travel and accommodation costs for trustees visiting MAG projects. No remuneration was paid to Trustees during the period in their capacity as Trustees.

In 2015 and 2014 Trustees were covered by the overall company indemnity insurance, and as such their costs have not been split out.

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 £365 (2014 £4,044). ERS, MAG's wholly owned subsidiary contracted Notarial services from North West Notaries Limited totalling £NIL (2014 £3,460).

Matthew Sherrington is a Trustee of the charity and Director of Inspiring Action Consultancy. During the year the charity contracted consultancy services from Inspiring Action Consultancy totalling £6,240 (2014 £0). The services undertaken included a strategic review of MAG's approach to public fundraising and external communications.

MINES ADVISORY GROUP
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

10. TANGIBLE FIXED ASSETS

	Field Assets £	Equipment Fixtures & Fittings £	Total £
Cost			
At 1 July 2014	18,858,714	319,173	19,177,887
Additions	1,227,056	-	1,227,056
Disposals	(1,526,842)		(1,526,842)
At 30 June 2015	<u>18,558,928</u>	<u>319,173</u>	<u>18,878,101</u>
Depreciation			
At 1 July 2014	18,816,310	144,196	18,960,506
Charge for the year	1,201,589	43,745	1,245,334
Disposals	(1,526,842)		(1,526,842)
At 30 June 2015	<u>18,491,057</u>	<u>187,941</u>	<u>18,678,998</u>
Net book value			
At 30 June 2015	<u>67,871</u>	<u>131,232</u>	<u>199,103</u>
Net book value			
At 30 June 2014	<u>42,404</u>	<u>174,977</u>	<u>217,381</u>

11. DEBTORS

	2015 £	2014 £
Amounts falling due within one year:		
Trade Debtors	2,007,269	4,406,535
Prepayments and accrued income	1,592,291	1,129,984
Other debtors	<u>233,629</u>	<u>251,995</u>
Total	<u>3,833,188</u>	<u>5,788,514</u>

MINES ADVISORY GROUP
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015	2014
	£	£
Trade creditors	370,386	210,129
Deferred income (below)	5,830,419	8,537,220
Grants repayable	215,812	13,125
Other taxation and social security	110,569	200,055
Accruals	548,688	961,329
Other creditors	826,654	770,850
	<u>7,902,528</u>	<u>10,692,708</u>

Deferred Income	2015	2014
	£	£
Balance as at 1 July	8,537,220	8,309,979
Amount released to income resources	(8,537,220)	(8,309,979)
Amount deferred in the year	<u>5,830,419</u>	<u>8,537,220</u>
Balance as at 30 June	<u>5,830,419</u>	<u>8,537,220</u>

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 2015

13. RESTRICTED/UNRESTRICTED FUNDS

	1 July 2014 £	Incoming Resources £	Resources Expended £	Transfers £	30 June 2015 £
Angola	6,674	1,411,713	(1,268,955)	(131,711)	17,721
Bosnia	-	54,569	(44,282)	(10,287)	-
Democratic Republic of Congo	3,993	2,638,966	(2,439,537)	(203,422)	-
UK	1,784	401,812	(216,821)	(186,775)	-
Honduras	-	101,930	(93,692)	(8,238)	-
Iraq	859	5,146,378	(4,517,233)	(610,771)	19,233
Cambodia	78,883	1,136,950	(1,046,553)	(128,698)	40,582
Laos	55,151	3,170,196	(2,744,824)	(398,784)	81,739
Lebanon	6,632	2,700,673	(2,463,684)	(228,758)	14,863
Sri Lanka	170	903,296	(806,957)	(70,028)	26,481
Libya	3,069	1,499,842	(1,361,021)	(138,821)	3,069
Mali	-	325,941	(276,587)	(48,149)	1,205
Myanmar	-	251,225	(227,960)	(23,265)	-
Sahel Maghreb	-	1,160,026	(1,013,537)	(146,489)	-
Somalia	-	2,395,400	(2,128,854)	(266,546)	-
South Sudan	-	3,424,581	(3,109,878)	(314,703)	-
Syria	10,888	53,013	(61,711)	(2,190)	-
Chad	-	1,110,535	(1,027,149)	(83,386)	-
Vietnam	12,059	2,835,094	(2,566,601)	(266,752)	13,800
Restricted	180,162	30,722,140	(27,415,836)	(3,267,773)	218,693
Unrestricted	3,299,996	1,210,473	(4,476,139)	3,267,773	3,302,103
Total	3,480,158	31,932,613	(31,891,975)	-	3,520,796

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.

MINES ADVISORY GROUP
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Totals 2015 £	Totals 2014 £
Tangible fixed assets	199,103	-	199,103	217,381
Net current assets	3,103,000	218,693	3,321,693	3,262,777
Total net assets	3,302,103	218,693	3,520,796	3,480,158

15. OPERATING LEASE COMMITMENTS

At 30 June 2015 the charity had annual commitments under non-cancellable operating leases as follows:

Leases which expire	2015			2014		
	Within 1 year £	2-5 years £	Over 5 years £	Within 1 year £	2-5 years £	Over 5 years £
Land and buildings	343,295	286,475	89,853	455,072	269,817	89,853
Other	87,503	4,418	-	58,894	-	-

16. DONOR SPECIFIC NOTES

16.1 Netherlands Ministry of Foreign Affairs

Included in the Statement of Financial Activities are the following Incoming Resources and Resources Expended for Charitable activities funded by the Netherlands Ministry of Foreign Affairs

	1 July 2014 \$	Incoming Resources \$	Resources Expended \$	Transfers \$	30 June 2015 \$
Democratic Republic of Congo	-	1,406,279	(1,275,035)	(131,244)	-
Iraq	-	2,160,692	(1,815,473)	(345,219)	-
Lebanon	-	836,005	(750,446)	(85,559)	-
Libya	-	712,638	(649,400)	(63,238)	-
South Sudan	-	1,478,100	(1,344,905)	(133,195)	-
United Kingdom	-	21,776	(21,776)	-	-
Total	-	6,615,490	(5,857,035)	(758,455)	-

MINES ADVISORY GROUP
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

16.2 British Foreign and Commonwealth Office

Included in the Statement of Financial Activities are the following Incoming Resources and Resources Expended for Charitable activities funded by the Foreign and Commonwealth office.

	1 July 2014 £	Incoming Resources £	Resources Expended £	Transfers £	30 June 2015 £
Somalia	-	1,173,436	(1,037,163)	(136,273)	-
Libya	-	35,000	(31,711)	(3,289)	-
Angola	-	1,439	(1,492)	53	-
	<u>-</u>	<u>1,209,875</u>	<u>(1,070,366)</u>	<u>(139,509)</u>	<u>-</u>

16.3 DfID Rapid Response Facility

Included in the Statement of Financial Activities are the following Incoming Resources and Resources Expended for Charitable Activities funded by the Department of Foreign and International Development Rapid Response Facility

	1 July 2014 £	Incoming resources £	Resources Expended £	Transfers £	30 June 2015 £
Iraq	-	182,812	(161,730)	(21,082)	-
2013/14 funding	-	13,596	(12,139)	(1,457)	-

17. PENSION CONTRIBUTIONS

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions of up to 5% for staff, 10% for the Chief Executive Officer Contributions paid by the charity to the fund amounted to £105,883 (2014: £87,356)

18. CONNECTED COMPANIES

Explosive Risk Solutions Ltd (Company Number 04030037) is a 100% subsidiary of Mines Advisory Group. The loss for the year was £5,191 (2014 £12,410) and the aggregate amount of share capital and reserves at 30 June 2015 is £(19,706) (30 June 2014: £(14,515)).

19. RELATED PARTIES

Mines Advisory Group (MAG) and MAG America work together to assist countries affected by armed

MINES ADVISORY GROUP
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

conflict MAG America seeks to raise awareness and funds in the USA for MAG's field activities around the world.

20. CONTINGENT LIABILITIES

At the date of signature, there are no contingent liabilities to report

21. DERIVATIVES NOT INCLUDED AT FAIR VALUE

The charity places foreign exchange forward contracts to manage exposure to foreign currency exchange risks. The fair value of these instruments is calculated at the balance sheet date by comparison between the rate implicit in the contract and the exchange rate at that date. At 30 June 2015 MAG had forward foreign exchange contracts with a notional value of £2.8m and a positive fair value of £226k (2014: £1,822k of foreign currency exchange contracts with a positive fair value of £23k).

22. 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 2015

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.

Monetary assets and liabilities are translated into US dollars at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. At the year end, these are translated to the actual rate on the last day of the year. All differences are taken to the statement of financial activities.

The following pages do not form part of the statutory accounts

MINES ADVISORY GROUP
US DOLLAR ACCOUNTS
For the year ended 30 June 2015

	Notes	Unrestricted Funds \$	Restricted Funds \$	Total Funds 2015 \$	Total Funds 2014 \$
INCOMING RESOURCES					
Incoming resources from generated funds:					
Voluntary Income		711,292	23,887	735,179	901,682
Investment income		26,057	-	26,057	22,491
Incoming resources from charitable activities		-	48,397,613	48,397,613	53,272,867
Other income		1,180,917	264,645	1,445,562	853,302
Total incoming resources		<u>1,918,267</u>	<u>48,686,144</u>	<u>50,604,411</u>	<u>55,050,342</u>
RESOURCES EXPENDED					
Costs of generating funds:					
Costs of generating voluntary income		481,945	-	481,945	422,788
Charitable activities		6,382,243	43,446,561	49,828,804	52,475,960
Governance Costs		229,262	-	229,262	227,560
Total resources expended		<u>7,093,449</u>	<u>43,446,561</u>	<u>50,540,010</u>	<u>53,126,308</u>
Net incoming/ (outgoing) resources before transfers		(5,175,183)	5,239,584	64,401	1,924,034
Transfer between funds		5,178,522	(5,178,522)	-	-
Net movement in funds		3,339	61,062	64,401	1,924,034
Total funds brought forward		5,643,885	283,520	5,927,405	3,502,911
Movement in Foreign Exchange		(459,579)	-	(459,579)	500,460
Total funds carried forward		<u>5,187,644</u>	<u>344,582</u>	<u>5,532,227</u>	<u>5,927,405</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 2015

	2015	2014
	\$	\$
FIXED ASSETS		
Tangible assets	312,851	370,243
CURRENT ASSETS		
Debtors due within one year		9,858,997
Cash at bank and in hand	6,023,089	13,909,985
	11,613,530	23,768,982
	17,636,619	
CREDITORS		
Amounts falling due within one year	(12,417,242)	(18,211,820)
NET CURRENT ASSETS	5,219,376	5,557,162
NET ASSETS	5,532,227	5,927,405
FUNDS		
Unrestricted funds	5,187,644	5,643,885
Restricted funds	344,582	283,520
TOTAL FUNDS	5,532,227	5,927,405

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.

Monetary assets and liabilities are translated into Euros at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions.

At the year end, these are translated to the actual rate on the last day of the year. All differences are taken to the statement of financial activities.

The following pages do not form part of the statutory accounts

MINES ADVISORY GROUP
EURO ACCOUNTS
For the year ended 30 June 2015

	Unrestricted Funds €	Restricted Funds €	Total Funds 2015 €	Total Funds 2014 €
INCOMING RESOURCES				
Incoming resources from generated fund:				
Voluntary income	588,467	19,762	608,229	664,887
Investment income	21,558	-	21,558	16,584
Incoming resources from charitable activities	-	40,040,323	40,040,323	39,282,639
Other incoming resources	976,997	218,946	1,195,942	629,213
Total incoming resources	<u>1,587,021</u>	<u>40,279,031</u>	<u>41,866,051</u>	<u>40,593,323</u>
RESOURCES EXPENDED				
Costs of generating funds:				
Costs of generating voluntary income	398,723	-	398,723	311,758
Charitable activities	5,280,158	35,944,217	41,224,376	38,695,011
Governance costs	189,673	-	189,673	167,799
Total resources expended	<u>5,868,554</u>	<u>35,944,217</u>	<u>41,024,574</u>	<u>39,174,568</u>
Net incoming/(outgoing) resources before transfers	(4,281,533)	4,334,814	53,280	1,418,755
Transfer between funds	4,284,295	(4,284,295)	-	-
Net movement in funds	2,762	50,518	53,280	1,418,755
Total funds brought forward	4,138,620	213,318	4,351,938	2,687,949
Movement in Foreign Exchange	564,034	-	564,034	245,234
Total funds carried forward	<u><u>4,705,416</u></u>	<u><u>263,836</u></u>	<u><u>4,969,252</u></u>	<u><u>4,351,938</u></u>

MINES ADVISORY GROUP
EURO ACCOUNTS
For the year ended 30 June 2015

	2015		2014	
	€	€	€	€
FIXED ASSETS				
Tangible assets		281,014		271,835
CURRENT ASSETS				
Debtors due within one year			7,238,537	
Cash at bank and in hand	5,410,162		10,212,797	
	<u>10,431,704</u>		<u>17,451,334</u>	
	15,841,866			
CREDITORS				
Amounts falling due within one year	<u>(11,153,628)</u>		<u>(13,371,231)</u>	
NET CURRENT ASSETS		<u>4,688,238</u>		<u>4,080,103</u>
NET ASSETS		<u>4,969,252</u>		<u>4,351,938</u>
FUNDS				
Unrestricted funds		4,705,416		4,138,620
Restricted funds		<u>263,836</u>		<u>213,318</u>
TOTAL FUNDS		<u>4,969,252</u>		<u>4,351,938</u>