THE CONFLICT AND ENVIRONMENT OBSERVATORY

England & Wales · Charity number 1174115

Details

Other names	CEOBS
Status	Registered
Legal form	CIO
Company number	CE010690
Registered	2017-08-03
Register	View on the Charity Commission register

Contact

Address	The Chapel Scout Road Mytholmroyd Hebden Bridge HX7 5HZ
Phone	0300 302 1130
Email	contact@ceobs.org
Website	www.ceobs.org

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Activities

Objects: TO PROMOTE FOR THE PUBLIC BENEFIT THE PROTECTION OF INDIVIDUALS, COMMUNITIES AND ECOSYSTEMS FROM THE EFFECTS OFENVIRONMENTAL DAMAGE RELATED TO ARMED CONFLICTS AND MILITARY ACTIVITIES.THESE OBJECTIVES WILL BE FULFILLED BY UNDERTAKING THE FOLLOWING ACTIVITIES:1. BY MONITORING AND COLLECTING DATA ON THE ENVIRONMENTAL AND DERIVED HUMANITARIAN CONSEQUENCES OF ARMEDCONFLICTS AND MILITARY ACTIVITIES,2. BY DEVELOPING TOOLS AND UNDERTAKING CAPACITY BUILDING ACTIVITIES TO ENABLE RELEVANT STAKEHOLDERS TO UNDERTAKESUCH MONITORING AND DATA COLLECTION,3. BY EDUCATING THE PUBLIC, DECISION MAKERS, POLICY MAKERS, RESEARCHERS, CIVIL SOCIETY AND THE NATIONAL ANDINTERNATIONAL MEDIA ABOUT THE ENVIRONMENTAL AND DERIVED HUMANITARIAN CONSEQUENCES OF ARMED CONFLICTS ANDMILITARY ACTIVITIES,4. CONTRIBUTING TO THE SOUND ADMINISTRATION OF LEGISLATION AND COMMENTING ON PROPOSED LEGISLATION.5. BY UNDERTAKING RELEVANT ACTIVITIES IN THESE FIELDS IN PARTNERSHIP WITH OTHER ORGANISATIONS SHARING A SIMILARPURPOSE, WHERE THE TRUSTEES HAVE DETERMINED THAT THIS IS IN KEEPING WITH THE CIO'S OBJECTS.IN FURTHERANCE OF THAT OBJECT BUT NOT OTHERWISE, THE TRUSTEES SHALL HAVE POWER TO ENGAGE IN POLITICAL ACTIVITYPROVIDED THAT THE TRUSTEES ARE SATISFIED THAT THE PROPOSED ACTIVITIES WILL FURTHER THE PURPOSES OF THE CHARITY TO ANEXTENT JUSTIFIED BY THE RESOURCES COMMITTED AND THE ACTIVITY IS NOT THE DOMINANT MEANS BY WHICH THE CHARITYCARRIED OUT ITS OBJECTS.

Activities: CEOBS monitors and collects data on the impact of armed conflicts and military activities on the environment, human health and livelihoods. We work with a range of stakeholders to research and develop tools to allow those affected by conflicts to collect environmental and health data, and monitor the state of legal protection for the environment in relation to armed conflicts.

Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body
- **What:** General Charitable Purposes, The Advancement Of Health Or Saving Of Lives, Environment/conservation/heritage, Human Rights/religious Or Racial Harmony/equality Or Diversity
- **Who:** The General Public/mankind

Geography

- Calderdale

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Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£442,677	£569,219	-	-
2023-12-31	£527,588	£416,141	£169,423	10
2022-12-31	£229,406	£258,858	-	-
2021-12-31	£242,446	£208,001	-	-
2020-12-31	£251,847	£223,277	-	-

Trustees

Name	Role	Appointed
DAVID PAUL EDWARD CULLEN	Chair	2017-08-03
Dr Sarah Njeri		2022-12-06
Kevin Peter Gascoigne		2024-07-23
Micol Martini		2024-07-23
Oliver Duncan Brown		2019-09-18
Rachel Parry		2024-07-23
Serene Murad		2024-07-23

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THE CONFLICT AND ENVIRONMENT OBSERVATORY

England & Wales - Charity number 1174115

Accounts

Charity Number: 1174115

The Conflict and Environment Observatory

Report and financial statements for the year ended
31 December 2024

www.ceobs.org

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The Conflict and Environment Observatory:

Reference and administrative information for the year ended 31 December 2024

Charity number: 1174115

Registered office and operational address: The Conflict and Environment Observatory, The Chapel, Scout Road, Mytholmroyd, Hebden Bridge, West Yorkshire, HX7 5HZ.

The charity is also known as CEOBS.

Trustees: Trustees, who served during the period and up to the date of this report, were as follows:

David Cullen (Chair)	
Oliver Brown	
Dr Teresa Lappe-Osthege	(Resigned 21/04/2024)
Dr Sarah Njeri	
Serene Murad	(appointed 23/07/2024)
Rachel Parry	(appointed 23/07/2024)
Kevin Gascoigne	(appointed 23/07/2024)
Micol Martini	(appointed 23/07/2024)

No trustees held title to property belonging to the charity during the reporting period or at the date of approval.

Key management personnel: Doug Weir (Director).

Bankers: The Co-operative Bank plc. 1 Balloon Street, Manchester, M4 4BE.

Solicitors: Elderflower Legal and Secretarial Services, Chestnut House, 23 Ryles Park Road, Macclesfield, Cheshire SK11 8AH.

Independent examiner: Patrick Morrello ACA, Third Sector Accountancy Ltd, Holyoake House, Hanover Street, Manchester, M60 0AS.

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The Conflict and Environment Observatory:

Trustees' annual report for the year ended 31 December 2024

The trustees present their report and the unaudited financial statements for the period ended 31 December 2024.

The reference and administrative information set out on page 3 forms part of this report. The financial statements comply with current statutory requirements, the charity's constitution and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP; applicable to charities preparing their accounts in accordance with FRS 102.

Director's report

The environmental dimensions of the conflicts in Ukraine and Sudan remained our primary focus during 2024. In both cases our remote environmental monitoring work was being undertaken in support of international organisations; the Organization for Security and Cooperation in Europe (OSCE) and United Nations Environment Programme (UNEP) respectively. The work allowed us to further refine the remote assessment and data management methodology that we have developed, with its deployment for the comparatively data poor environment of Sudan an opportunity to stress test the methodology. Our Ukraine research yielded several spin-off studies, including on groundwater vulnerability and the location of critical mineral deposits – our mapping for which was widely used by media outlets after the topic rose to prominence.

We continued to work on new methodologies and in knowledge sharing and development, establishing an informal Conflict and Environment Academic Network (CEAN) and supporting a PhD project exploring how declassified US spy satellite imagery could be used to understand landscape changes in Vietnam. Our staff and partners are at the cutting edge of the possible when it comes to remote conflict analysis.

We use our expertise to inform our engagement with international processes that can contribute to understanding and mitigating environmental harm. In 2024 we provided extensive technical and legal support to the government of Ukraine during the 6th UN Environment Assembly on a resolution that would define a common standard for environmental data collection in relation to armed conflicts. We also worked with the Zoological Society of London and WWF to draw attention to the complex interactions between armed conflicts and biodiversity. And, together with longstanding partners Norwegian People's Aid (NPA), we helped cement environmental considerations into the global action plan to address the presence of land mines; elsewhere we worked with a diverse group of stakeholders to increase attention on the contributions that armed conflicts and military activities make to the climate crisis.

CEOBS is its people; in 2024 we maintained a staff complement of between 11 and 12 employees, along with between 1 and 3 freelance consultants, two of whom were based overseas. We expanded our board to seven members, welcoming new expertise and experience to help our continued development. We are particularly grateful to our Ukrainian and Sudanese colleagues, whose contextual knowledge has been critical to our work.

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Objectives

CEOBS' *Charitable Objects* are:

To promote for the public benefit the protection of individuals, communities and ecosystems from the effects of environmental damage related to armed conflicts and military activities.

These objectives will be fulfilled by undertaking the following activities:

1. Monitoring and collecting data on the environmental and derived humanitarian consequences of armed conflicts and military activities;

2. Developing tools and undertaking capacity building activities to enable relevant stakeholders to undertake such monitoring and data collection;

3. Educating the public, decision makers, policy makers, researchers, civil society and the national and international media about the environmental and derived humanitarian consequences of armed conflicts and military activities;

4. Contributing to the sound administration of legislation and commenting on proposed legislation;

5. Undertaking relevant activities in these fields in partnership with other organisations sharing a similar purpose, where the Trustees have determined that this is in keeping with the CIO's Objects.

Activities in 2024, our achievements and performance

The charity's main activities and beneficiaries are described below. All its charitable activities focus on efforts to increase understanding and awareness of the environmental dimensions of armed conflicts and military activities, in order to strengthen protection for affected people and ecosystems, and are undertaken to further CEOBS' charitable purposes for the public benefit.

CEOBS was established in August 2017 and publicly launched in April 2018. During 2024 our primary focus areas related to our four core workstreams: monitoring and raising awareness around environmental issues in recent and ongoing conflicts; monitoring and contributing to international legal and policy processes intended to minimise harm; environmental mainstreaming in humanitarian disarmament; and collaborative work with civil society on the environment, peace and security.

1. Monitoring and collecting data on the environmental and derived humanitarian consequences of armed conflicts and military activities.

The majority of our monitoring work focused on Ukraine and Sudan. This included the ongoing population of a database and methodologies for the remote analysis of environmentally harmful incidents, built on Open-Source Intelligence (OSINT) and remotely sensed data. The work was primarily financed by the Organisation for Security and Co-operation in Europe (OSCE) and the United Nations Environment Programme (UNEP) as part of their responses to the armed conflicts. During the year we also initiated plans to develop the methodology into something shareable and replicable. During 2024 we also supported analyses of the historical impact of Agent Orange in Laos; worked on a collaborative assessment of recurring Russian attacks on Ukraine's Kremenchuk Oil Refinery; and undertook a rapid analysis of several environmental trends linked to Israel's war against Hezbollah in Lebanon.

Our work on Sudan during the period focused on conflict impacts on Gezira State – Sudan's breadbasket – and a rapid analysis of the collapse of the Arba'at Dam.

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Results

- Data from our monitoring work was shared with a wide range of stakeholders, including through public engagement via the media and online.
- Our monitoring work resulted in new partnerships with international organisations and NGOs.
- Were able to react quickly to environmental emergencies and emerging conflicts to provide the public, the media and international organisations with data.

2. Developing tools and undertaking capacity-building activities to enable relevant stakeholders to undertake such monitoring and data collection.

Our work in 2024 continued to explore new methodologies to examine the relationship between armed conflict and the environment.

Most significant was the Ukraine database, and methodology that we developed to remotely analyse environmentally harmful incidents following the 2023 invasion continued to evolve. The main purposes of the data that we collect are to inform advocacy, assessment and accountability. During 2024 we applied the methodology to areas of Sudan in support of UNEP, a comparatively data poor environment which provided new challenges but also allowed us to develop the methodology in ways that would make it applicable to more conflict areas.

A key focus of our skills sharing and capacity-building work during 2024 was the Erasmus+ GROMADA project, which focuses on how participatory research can be used for environmental accountability and recovery in Ukraine. Staff took part in a summer school at Hamburg University for Ukrainian and international students, introducing them to open source environmental research methods. Later in the year, we organised and ran a digital hackathon to identify citizen science methodologies to address water quality issues in Ukraine.

In our mine action programme, we began work on a Green Field Tool that would allow mine action operators to better integrate environmental data into decision making around clearance activities.

Results

- Further refinement of our remote assessment methodology.
- Progress on advancing the role of participatory citizen science methodologies for environmental research and empowerment in areas affected by conflict.
- Began work on a novel tool to help the mine action sector minimise its environmental footprint and contribute to environmental data collection.

3. Educating the public, decision makers, policy makers, researchers, civil society and the national and international media about the environmental and derived humanitarian consequences of armed conflict and military activities.

During 2024 CEOBS staff undertook a range of outreach and educational activities for a diverse range of audiences. These included:

- Presentation to the European Parliament Working Group on Space, Security & Defence meeting on military decarbonisation
- Presentation to the United Nations Environment Assembly (UNEA) 6 conference in Nairobi concerning climate change, environmental degradation, displacement and conflict in the Middle East and North Africa (MENA) region.

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- Training on behalf of the UN Environment Programme (UNEP) in the use of remote sensing and open source intelligence for the analysis of environmental impacts in conflict affected areas.
- Presentation to the Engage Business Conference concerning CEOBS' objectives and outputs in relation to military emissions and the war in Ukraine.
- Presentation to governments at the OSCE on our research into the environmental consequences of Russia's war in Ukraine.
- Presentations to students of Pennsylvania State University, participants in the Erasmus+ GROMADA programme, the EU-US Youth Seminar, Baltimore University, the American Academy of Arts and Sciences, Newcastle University, Sumy University, King's College London and Bradford University on the environmental consequences of conflict, military emissions and humanitarian mine action.
- Providing technical advice, interviews and citations for journalists and media organisations, resulting in 66 external publications, citations or quotations including but not limited to articles in: *Grist*, *The Guardian*, *The Atlantic*, *Haaretz*, *France 24*, *Dialogue Earth*, *Delfi*, *CBC*, *Inside Climate News*, *RTL Belgium*, *BBC Arabic* and *Euro News*.
- We contributed to numerous expert events, including but not limited to those organised by UNEP, SOAS, NATO, the IPCC, OSCE, UK Earth Observation National Earth Observation Conference and NPA.
- We continued to populate our website with conflict and thematic resources. We also responded to numerous requests for information from the media, students, researchers and the public, and for technical assistance on environmental issues from NGOs and states.

Results

- We supported media interest in the environmental dimensions of the wars in Ukraine, Sudan, Gaza and Lebanon, providing interviews and content to numerous outlets.
- We continued to deepen understanding of the humanitarian and environmental consequences of the war in Sudan, and working alongside Saferworld to identify opportunities for environmental peacebuilding.
- During 2024 our website, www.ceobs.org, was visited by around 84,000 users who accessed pages nearly half a million times.
- CEOBS' social media audiences continued to grow - in particular on Bluesky and LinkedIn.

4. Contributing to the sound administration of legislation and commenting on proposed legislation.

In 2024, CEOBS monitored and contributed to a number of ongoing international processes. These processes included the UN Framework Convention on Climate Change (UNFCCC), the UN Environment Assembly, the Mine Ban Treaty, the political declaration on the use of explosive weapons in populated areas (EWIPA), the UN Open Ended Working Group on chemicals, pollution and waste; and the Convention on Biological Diversity.

- In support of the continued implementation of the Paris Agreement we produced a number of publications on military emissions, contributed to and organised events at the Bonn climate talks and at COP29, and attended meetings of the Intergovernmental Panel on Climate Change
- We spoke on the environment at the first review conference of the EWIPA declaration.
- We worked with mine action partners to promote environmental standards in the implementation of the Mine Ban Treaty at its Review Conference in Siem Reap.
- We worked with partners to highlight the need for the UN Open Ended Working Group on chemicals, pollution and waste to include the toxic remnants of war in its mandate.

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- We worked with Ukraine and civil society partners to help protect UNEP's mandate to work on the environmental dimensions of conflicts at UNEA 6.
- We attended COP17 of the Convention on Biological Diversity working with partners to draw attention to the linkages between nature, peace and security.

Results

- We have become a leading voice globally on military and conflict greenhouse gas emissions and key to growing international momentum on the topic.
- Together with partners we helped the mine action sector take a substantial step forward in how it addresses the environmental impact of land mine clearance.
- We have helped further secure UNEA as a place where states can discuss and take action on the environmental dimensions of armed conflicts.
- We are now part of an informal network of NGOs working to increase the visibility of conflicts in the implementation of international biodiversity agreements.

Beneficiaries of our services

The trustees have ensured that CEOBS' work during the period has complied with Section 17 of the Charities Act 2011. The trustees have also referred to the Charity Commission's guidance on the public benefit, particularly when considering the design and focus areas of new projects, and in identifying goals and objectives for existing programmes.

As stated in our Objects, the ultimate beneficiaries of our work are individuals, communities and ecosystems, which will be better protected from the effects of environmental damage related to armed conflicts and military activities as a result of our activities. All of the work that we do contributes to this overarching goal. The general public also benefits from the awareness raising work that we undertake, for example outreach and fundraising events, as well as the open-access reports and updates we provide on our website.

Financial review

During 2024 CEOBS continued to benefit from a diversified funding base, with new sources including the UK Foreign, Commonwealth and Development Office via our partners NPA. Total income was £442,677 (2023: £527,588). This was comprised of a combination of grants, donations and consultancy fees, including from the following major partners:

- Our second Implementing Partner Agreement with OSCE concluded during the year, contributing £70,865. We received a further £16,051 in consultancy fees from OSCE towards the end of the year.
- The Joseph Rowntree Charitable Trust provided £66,668 of core funding and £34,382 of exceptional funding in support of our MEG programme.
- We received £42,338 from UNEP in support of our Sudan programme and £17,454 enabling the continuation of our monitoring and reporting on the conflict for Sudan
- Our grant from the Minor Foundation for Major Challenges concluded in June, resulting in a final payment of £31,681.
- Our ongoing partnership with Norwegian People's Aid resulted in consultancy income of £61,055 and grant income of £34,892.
- The second payment against the Erasmus+ 'GROMADA' grant was received, totalling £17,697.

In addition to grant and consultancy income, the charity raised £4,008 in fundraising and donations (2023: £11,613). The remaining income was derived from speaker fees and reimbursements of costs.

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The overall expenditure for 2024 was £569,219 (2023: £416,141). The net income for the year was a negative £126,542 (2023: £111,447).

The total unrestricted income for the year was £185,588 (2023: £235,550) and the total unrestricted expenditure was £259,761 (2023: £132,664). The total restricted income was £257,089 (2023: £292,038) and the total restricted expenditure was £309,458 (2023: £283,477).

At the end of the year the total funds of the charity were £42,881 (2023: £169,423), comprising £12,301 of restricted funds (2023: £18,571) and £30,580 of unrestricted funds (2023: 150,852). This represents a subsidy of restricted grant programmes by unrestricted funds of £46,099 for the year.

The trustees are satisfied that the charity will continue to be a going concern for the foreseeable future.

The charity has no subsidiary undertakings or funds.

Reserves

Reserves are required for the organisation to be financially robust and continue operating in the event of a short-term funding shortfall or an emergency funding requirement. The reserves policy and balance are reviewed annually by the Board of Trustees.

In 2024 we continued the reserves policy established in 2023 to maintain reserves at a level of three times average monthly expenditure. Average monthly expenditure in 2024 was £47,435, so that the target reserve level was £142,305. However, due to delays in the realisation of new grant agreements for the final months of the year, our cash in hand was depleted to £32,287, with our free reserves being £30,580 falling short of the target level by £111,725.

Wherever possible all unrestricted funds are put towards reserves to meet this policy. CEOBS also seeks to raise additional funds for reserves within funding bids, although most donor agreements exclude this. Our target since 2019 has been to add one month of running costs to our reserves every year until an ideal situation of six months of reserves is achieved. Our interim target for 2020 onwards, was to reserve three months' running costs in three years. However, average monthly running costs increased substantially in 2024 with the recruitment of a number of additional project staff to meet the requirements of funding agreements and remained at high levels during 2024. Our new target is therefore to build our reserves to the level of three months' expenditure by the end of 2025 and to continue to increase by one month's expenditure each year for the following three years, reaching six months' reserve level by the end of 2028.

Plans for the future

In 2025, the response to conflicts in Ukraine and Sudan will continue to dominate our conflict monitoring activities. We will also look to opportunities to increase attention on the impacts of conflict on biodiversity at the World Conservation Congress and UNEA 7, as well as continue to encourage and engage with emerging voices on the climate dimensions of militarism and conflict.

Structure, governance and management

The organisation is a charitable incorporated organisation (CIO), registered on 3 August 2017. The charity was established under a constitution which states the objects and powers of the charity and its governance.

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The trustees are members of the charity but this entitles them only to voting rights. They have no beneficial interest in the charity. All trustees give their time voluntarily and receive no benefits from their role as trustees of the charity. Any expenses reclaimed from the charity are set out in note 12 to the accounts.

CEOBS recognises that an effective board of trustees is essential if the charity is to achieve its objectives. There must be at least three trustees, who serve for a renewable term of two years or until they resign. Trustees may form sub-committees or working groups, with or without staff members, on an ad-hoc basis.

The board of trustees has responsibility for and oversight of the recruitment of new trustees, and they are supported by staff in this. The organisation uses skills audits to identify knowledge and expertise of existing trustees. These may also be used to identify gaps and desired characteristics of new trustees. Advertising may be done through appropriate channels. As a result of the specialised nature of the organisation's work, approaches to individuals known to CEOBS through its activities may also be made.

CEOBS seeks to avoid conflicts of interest and ensure diversity in its board of trustees, as well as in its staff. Consideration is given to ways in which groups that are under-represented on the board might be reached and encouraged to apply.

New trustees are appointed by a decision at a properly convened meeting of the existing trustees. They receive an induction pack that includes copies of the latest Trustees Annual Report and Accounts, the charity's Constitution, copies of Board minutes and finance reports, a role description and the Charity Commission guidance 'The Essential Trustee' (CC3). They are required to confirm they have read the last of these in a minuted meeting, and to submit a Trustee Eligibility Declaration, as provided by the Charity Commission, and a declaration of interests form.

Operational decision-making

CEOBS' trustees are responsible for the governance of the organisation. This includes, but is not restricted to, deciding on policy and strategy, appointing and overseeing staff, monitoring performance and finances and providing guidance and knowledge. Day-to-day management of CEOBS is provided by its Director, working with the Operations Co-ordinator and our staff team generally.

Related parties and relationships with other organisations

CEOBS works with other organisations as necessary to further its aims; these are typically collaborations for research or advocacy purposes. CEOBS does not have any affiliates or subsidiaries.

During the period, CEOBS worked with the following:

Research: Queen Mary University, Oxford University, Newcastle University, Scientists for Global Responsibility (Military Emissions Gap); Edinburgh and Leeds universities on their ongoing SENSE PhD placement; Zoi Environment Network (Switzerland); Saferworld (UK);

Projects: Norwegian People's Aid (Norway); SOAS (UK); Lund University, Web2Learn, Odessa University, Systasis, University of Hamburg, University of Copenhagen (GROMADA project).

Fundraising (grants): Norwegian People's Aid (Norway); Greater Manchester and District CND.

For further information concerning related parties and related party transactions please see note 12 of the accounts.

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Remuneration policy for key management personnel

The trustees consider the board of trustees and the Director as comprising the key management personnel of the charity. The board has responsibility for directing and controlling the charity, and they delegate the responsibility for running and operating the charity on a day to day basis to the Director. All trustees are volunteers and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in note 12 to the accounts.

CEOBS has a Conflict of Interest Policy and Register. Trustees are required to disclose all relevant interests and register them with the Director and, in accordance with the charity's constitution, withdraw from decisions where a conflict of interest arises.

The Board of Trustees has responsibility for approving the salaries and remuneration of all staff, including key management personnel. Remuneration is set within the boundaries of budgets presented in grant applications and aligns with pay grades for comparable sectoral roles and skill sets.

The trustees aim to provide employees, including key management personnel, with yearly cost of living pay rises where feasible and subject to the constraints of funding. Beyond this, salary increases are based on changes in responsibilities and experience. It is the charity's aim to employ effective staff and the trustees recognise that the rates of pay offered should be appropriate.

The charity does not offer bonuses or benefits in kind, other than the statutory pension scheme (currently NEST), and limited healthcare provision through HealthShield.

In 2021 the trustees reviewed the remuneration policy with reference to the Living Wage, gender pay ratios, maximum pay ratios and pay bench-marking.

Risk management

It is the staff and trustees' responsibility to identify, assess and manage risks.

The greatest risk to the charity is that of lack of core funding and work has been undertaken throughout the period to secure funds and diversify our funding sources. Controls are in place to reduce risks associated with financial, administrative and operational procedures.

In 2020 a risk mapping exercise was completed by the board of trustees. The resulting Risk Register is reviewed when deemed necessary by the trustees. Risks are continuously assessed by the staff and trustees and reviewed at both the project and governance level, and risk management is ongoing. Actions to mitigate risks are taken at appropriate levels of the organisation.

Funds held as custodian trustee on behalf of others

No funds were held by the Charity as a custodian trustee on behalf of others.

Environmental and social policy

CEOBS' environmental and social policies consider the impact of our office and of our travel footprint.

To reduce the environmental impact and increase the social benefits of our office we are:

- Using local suppliers, such as for printing.
- Reducing single use plastics, for example milk deliveries and, where possible, plastic-free stationery.
- Utilising Fair Trade and ethically sourced products.
- To the greatest extent possible using recycled IT equipment.

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Our travel policy seeks to:

- Minimise flights where other options are available, within the constraints of staff time and financial resources.
- Encourage staff to avoid flights by accepting additional travel hours as working hours and absorbing additional travel and accommodation costs.
- Encourage staff to consider and address the higher environmental footprint of periods away travelling, such as increased use of single-use plastics.

We have decided not to utilise a carbon offsetting scheme to address emissions from travel. Instead our policy is to volunteer staff time during the year to local environmental projects. The Calder Valley, in which we are based, is prone to flooding and we prioritise projects focused on natural flood risk reduction, such as tree planting. We also support local food initiatives by volunteering with a nearby community farm.

Statement of responsibilities of the trustees

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

Charity law requires the trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity 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 judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity 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.

The trustees' annual report has been approved by the trustees on ……
and signed on their behalf by:

……..

David Cullen (Trustee)

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Independent examiner's report to the trustees of The Conflict and Environment Observatory

I report on the accounts of the charity for the period ended 31 December 2024 set out on pages 12-26.

Respective responsibilities of trustees and examiner
The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of ICAEW.

It is my responsibility to:
- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement
My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Other matters
Your attention is to drawn to the fact that the charity has prepared the accounts (financial statements) in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.
We understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

Independent examiner's statement
In connection with my examination, no matter has come to my attention:
1. which gives me reasonable cause to believe that, in any material respect, the requirements:
   - to keep accounting records in accordance with section 130 of the Charities Act; and
   - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act

   have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

28 / 10 / 2025

Patrick Morrello ACA
Third Sector Accountancy Limited, Holyoake House,
Hanover Street, Manchester, M60 0AS

Date

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The Conflict and Environment Observatory

Statement of Financial Activities
(including Income and Expenditure account)
for the year ended 31 December 2024

	Note	Unrestricted funds £	Restricted funds £	Total funds 2024 £	*Unrestricted funds £*	*Restricted funds £*	*Total funds 2023 £*
Income from:							
Donations and legacies	3	66,688	-	66,688	*72,196*	-	*72,196*
Charitable activities	4	114,716	257,089	371,805	*151,937*	*292,038*	*443,975*
Other trading activities	5	4,139	-	4,139	*11,417*	-	*11,417*
Investments	6	45	-	45	-	-	-
Total income		**185,588**	**257,089**	**442,677**	***235,550***	***292,038***	***527,588***
Expenditure on:							
Raising funds	7	9,025	-	9,025	*11,168*	-	*11,168*
Charitable activities	9	250,736	309,458	560,194	*121,496*	*283,477*	*404,973*
Total expenditure		**259,761**	**309,458**	**569,219**	***132,664***	***283,477***	***416,141***
Net income/(expenditure) for the year	10	**(74,173)**	**(52,369)**	**(126,542)**	***102,886***	***8,561***	***111,447***
Transfer between funds		(46,099)	46,099	-	*(6,996)*	*6,996*	-
Net movement in funds for the year		**(120,272)**	**(6,270)**	**(126,542)**	***95,890***	***15,557***	***111,447***
Reconciliation of funds							
Total funds brought forward		150,852	18,571	169,423	*54,962*	*3,014*	*57,976*
Total funds carried forward		**30,580**	**12,301**	**42,881**	***150,852***	***18,571***	***169,423***

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

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The Conflict and Environment Observatory
Charity No.1174115

Balance sheet as at 31 December 2024

	Note	2024		*2023*	
		£	£	*£*	*£*
Fixed assets					
Tangible assets	14		198		*346*
Total fixed assets			**198**		***346***
Current assets					
Debtors	15	30,442		*151,502*	
Cash at bank and in hand	16	32,287		*47,677*	
Total current assets		**62,729**		***199,179***	
Liabilities					
Creditors: amounts falling due in less than one year	17	**(20,046)**		*(30,102)*	
Net current assets			**42,683**		***169,077***
Total assets less current liabilities			42,881		*169,423*
Net assets			**42,881**		***169,423***
The funds of the charity:					
Restricted income funds	18		12,301		*18,571*
Unrestricted income funds	19		30,580		*150,852*
Total charity funds			**42,881**		***169,423***

For the year in question, the charity was entitled to exemption from an audit under section 144 of the Charities Act 2011. The Charity Commission has not ordered an audit to be carried out under Section 146 of Charities Act 2011.

The notes on pages 15 to 27 form part of these accounts.

Approved by the trustees on 28 / 10 / 2025 and signed on their behalf by:

David Cullen (Trustee)

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1 Accounting policies

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a Basis of preparation

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Conflict and Environment Observatory meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £ sterling.

b Judgments and estimates

The trustees have made no key judgments which have a significant effect on the accounts.

c Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

d Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of a provision of a specified service is deferred until the criteria for income recognition are met.

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e Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

f Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of fundraising events, marketing and website costs, and their associated support costs.
- Expenditure on charitable activities includes the costs of personnel and conducting research projects undertaken to further the purposes of the charity and their associated support

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h Tangible fixed assets

The trustees have decided to set the capitalisation threshold for fixed assets at £500. Items costing £500 or more are capitalised at cost. They are depreciated over their estimated useful economic lives on a straight line basis as follows:

Office and computer equipment	25%

i Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

j Cash at bank and in hand

Cash at bank and cash in hand includes cash only.

k Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

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l Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

m Pensions

Employees of the charity are entitled to join a defined contribution scheme. The charity's contribution is restricted to the contributions disclosed in note 10. There were no outstanding contributions at the year end.

2 Legal status of the charity

The charity is a charitable incorporated organisation registered with the Charity Commission and has no share capital. It has limited liability. The registered office address is disclosed on page 1.

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3 Income from donations and legacies

	Unrestricted £	Restricted £	Total 2024 £	*Unrestricted £*	*Restricted £*	*Total 2023 £*
Donations	20	-	20	*196*		*196*
Grants	66,668	-	66,668	*72,000*	-	*72,000*
Total	66,688	-	66,688	*72,196*	-	*72,196*

4 Income from charitable activities

	Unrestricted £	Restricted £	Total 2024 £	*Unrestricted £*	*Restricted £*	*Total 2023 £*
Grants	-	257,089	257,089	-	*292,038*	*292,038*
Commissioned work	114,716	-	114,716	*151,937*	-	*151,937*
Total	114,716	257,089	371,805	*151,937*	*292,038*	*443,975*

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5 Income from other activities

	Unrestricted £	Restricted £	Total 2024 £	*Unrestricted £*	*Restricted £*	*Total 2023 £*
Fundraising event	3,989	-	3,989	*11,417*	-	*11,417*
Profit on disposal of asset	150		150	-	-	-
	4,139	-	4,139	*11,417*	-	*11,417*

6 Investment income

	Unrestricted £	Restricted £	Total 2024 £	*Unrestricted £*	*Restricted £*	*Total 2023 £*
Income from bank deposits	45	-	45	-	-	-
	45	-	45	-	-	-

7 Cost of raising funds

	Unrestricted £	Restricted £	Total 2024 £	*Unrestricted £*	*Restricted £*	*Total 2023 £*
Staff costs	6,616	-	6,616	*9,598*	-	*9,598*
Event costs	674	-	674	*419*	-	*419*
Administration	296	-	296	*119*	-	*119*
Premises costs	101	-	101	*282*	-	*282*
Depreciation	2	-	2	*2*	-	*2*
Governance costs (see note 8)	157	-	157	*142*	-	*142*
Support costs (see note 8)	1,179	-	1,179	*606*	-	*606*
	9,025	-	9,025	*11,168*	-	*11,168*

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8 Analysis of governance and support costs

	Support £	Governance £	*Total 2024 £*	*Support £*	*Governance £*	*Total 2023 £*
Staff costs	53,936	7,487	61,423	*10,886*	*4,424*	*15,310*
Premises costs	3,358	395	3,753	*1,646*	*281*	*1,927*
General administration	1,149	135	1,284	*698*	*119*	*817*
Bank charges	581	-	581	*245*	-	*245*
Accountancy fees	10,543	450	10,993	*5,168*	*480*	*5,648*
Insurance	1,297	-	1,297	*1,271*	-	*1,271*
Legal and professional	2,266	-	2,266	*1,766*	-	*1,766*
Staff events	1,209	-	1,209	*891*	-	*891*
Trustee expenses	-	1,457	1,457	-	-	-
Depreciation	21	2	23	*14*	*2*	*16*
	74,360	9,926	84,286	*22,585*	*5,306*	*27,891*

These costs are apportioned to fundraising and charitable activities in proportion to their respective share of the total direct costs.

Apportionment of support and governance costs to fundraising and charitable activities

	Direct costs £	% of total direct costs	Share of support costs £	Share of governance costs £
Fundraising	7,689	1.59%	1,179	157
Charitable activities	477,245	98.41%	73,181	9,769
Total	484,934		74,360	9,926

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9 Analysis of expenditure on charitable activities

	2024	*2023*
	£	*£*
Staff costs	336,316	*301,983*
Other staff costs	759	*16,564*
Premises cost	19,655	*14,922*
General office and administration costs	6,726	*6,327*
General membership fee	684	*42*
Travel, accommodation and subsistence	24,445	*6,880*
Conferences and events	1,992	*347*
Subscriptions	-	*1,073*
Consultancy	78,425	*10,250*
Project costs	8,119	*19,224*
Web design	-	*89*
Depreciation	123	*130*
Governance costs (see note 8)	9,769	*5,164*
Support costs (see note 8)	73,181	*21,978*
	560,194	*404,973*
Restricted expenditure	309,458	*283,477*
Unrestricted expenditure	250,736	*121,496*
	560,194	*404,973*

10 Net income/(expenditure) for the year

This is stated after charging/(crediting):	2024	*2023*
	£	*£*
Depreciation	148	*148*
Grant audit fees	1,800	-
Accountancy fees	1,860	*1,680*
Independent examiner's fee	540	*480*

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11 Staff costs

Staff costs during the year were as follows:

	2024 £	*2023* *£*
Wages and salaries	361,534	*293,911*
Social security costs	30,867	*23,819*
Pension costs	11,954	*9,161*
	404,355	*326,891*
Allocated as follows:		
Cost of raising funds	6,616	*9,598*
Charitable activities	336,316	*301,983*
Support costs	53,936	*10,886*
Governance costs	7,487	*4,424*
	404,355	*326,891*

No employee has employee benefits in excess of £60,000 (2023: Nil).

The average number of staff employed during the period was 11.3 (2023: 9.5).
The average full time equivalent number of staff employed during the period was 10.7 (2023: 8.9).

The key management personnel of the charity comprise the trustees and the Director. The total employee benefits of the key management personnel of the charity were £48,444 (2023: £47,029).

12 Trustee remuneration and expenses, and related party transactions

Neither the trustees nor any persons connected with them received any remuneration or reimbursed expenses during the year (2023: Nil).

Four trustees received travel and subsistence expenses during the year of £351 (2023:£Nil). Some accommodation and subsistence expenses were paid directly by the charity. The overall trustee expenses were £1,456.

Aggregate donations from related parties were £Nil (2023: £Nil).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity, including guarantees, during the year (2023: nil).

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13 Corporation tax

The charity is exempt from tax on income and gains falling within Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

14 Fixed assets: tangible assets

	Computer equipment £
Cost	
At 1 January 2024	3,951
Disposals	(639)
At 31 December 2024	3,312
Depreciation	
At 1 January 2024	3,605
Charge for the year	148
Disposals	(639)
At 31 December 2024	3,114
Net book value	
At 31 December 2024	198
At 31 December 2023	*346*

15 Debtors

	2024 £	*2023 £*
Prepayments and accrued income	30,442	*151,502*
	30,442	*151,502*

16 Cash at bank and in hand

	2024 £	*2023 £*
Cash at bank and on hand	32,287	*47,677*
	32,287	*47,677*

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17 Creditors: amounts falling due within one year

	2024	*2023*
	£	*£*
Trade creditors	11	*2,754*
Other creditors and accruals	20,035	*18,042*
Taxation and social security costs	-	*9,306*
	20,046	*30,102*

18 Analysis of movements in restricted funds

	Balance at 1 January 2024	Income	Expenditure	Transfers	Balance at 31 December 2024
	£	£	£	£	£
British Ecological Society	545	-	-	(545)	-
Gromada (Erasmus)	16,715	17,697	(27,404)	989	7,997
Joseph Rowntree Charitable Trust	-	34,382	(30,078)		4,304
The Minor Foundation for Major Challenges	1,145	31,681	(33,503)	677	-
Nahrein Network	166			(166)	-
Norwegian People's Aid, funds from FCDO (UK)		34,892	(40,038)	5,146	-
OSCE	-	70,865	(77,911)	7,046	-
United Nations Environment Programme (Sudan)	-	50,117	(60,021)	9,904	-
United Nations Environment Programme (Ukraine)	-	17,455	(40,503)	23,048	-
Total	18,571	257,089	(309,458)	46,099	12,301

Note re transfers

The funds transfers between restricted and unrestricted funds was due to costs on UNEP and OSCE projects not covered by the project grants.

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Comparative period

	Balance at 1 January 2023 £	*Income £*	*Expenditure £*	*Transfers £*	*Balance at 31 December 2023 £*
British Ecological Society	*545*	*-*	*-*	*-*	*545*
Gromada (Erasmus)	*-*	*18,412*	*(1,697)*	*-*	*16,715*
Nahrein Network	*166*	*-*	*-*	*-*	*166*
The Minor Foundation for Major Challenges	*2,303*	*67,182*	*(68,340)*	*-*	*1,145*
OSCE		*130,371*	*(130,835)*	*464*	*-*
United Nations Environment Programme	*-*	*76,073*	*(82,605)*	*6,532*	*-*
Total	*3,014*	*292,038*	*(283,477)*	*6,996*	*18,571*

Name of restricted fund	Description, nature and purposes of the fund
British Ecological Society	to develop science, technology, engineering and mathematics (STEM) educational resources on conflict and the environment
Gromada (Erasmus)	contribution from Erasmus funded project to develop cooperation between European universities to support public and legal capacity for environmental recovery in Ukraine
Joseph Rowntree Charitable Trust	grant for research project: "Communicating and plugging the military emissions gap"
The Minor Foundation for Major Challenges	grant for research project: "Communicating and plugging the military emissions gap"
Nahrein Network	to contribute remote sensing data to academic research on the eco-tourism potential of the Iraqi marshlands
Norwegian People's Aid, funds from FCDO (UK)	grant for research project: "Applying environmental assessment tools and indicators in mine action"
OSCE - Organization for Security and Co-operation in Europe	grant for research project: "security and cooperation in Europe"
United Nations Environment	grant for research project: "Environmental impact assessment in Ukraine" and "in Sudan"

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19 Analysis of movement in unrestricted funds

	Balance at 1 January 2024 £	Income £	Expenditure £	Transfers £	As at 31 December 2024 £
General fund	150,852	118,920	(193,093)	(46,099)	30,580
Joseph Rowntree Charitable Trust	-	66,668	(66,668)	-	-
	150,852	185,588	(259,761)	(46,099)	30,580

Comparative period

	Balance at 1 January 2023 £	*Income £*	*Expenditure £*	*Transfers £*	*As at 31 December 2023 £*
General fund	*54,962*	*163,550*	*(60,664)*	*(6,996)*	*150,852*
Joseph Rowntree Charitable Trust	-	*72,000*	*(72,000)*	-	-
	54,962	*235,550*	*(132,664)*	*(6,996)*	*150,852*

Name of unrestricted fund	Description, nature and purposes of the fund
General fund	The free reserves after allowing for all designated funds
Designated fund: Joseph Rowntree Charitable Fund	to be used as the charity sees fit to further its objects, for charitable purposes only and within the bounds of charity law, not to be used for reserves

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20 Analysis of net assets between funds

	General fund £	Designated funds £	Restricted funds £	Total 2024 £
Tangible fixed assets	198	-	-	198
Net current assets/(liabilities)	30,382	-	12,301	42,683
Total	30,580	-	12,301	42,881

Comparative period

	General fund £	*Designated funds £*	*Restricted funds £*	*Total 2023 £*
Tangible fixed assets	*346*	-	-	*346*
Net current assets/(liabilities)	*150,506*	-	*18,571*	*169,077*
Total	*150,852*	-	*18,571*	*169,423*

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THE CONFLICT AND ENVIRONMENT OBSERVATORY

England & Wales - Charity number 1174115

Accounts

Charity Number: 1174115

The Conflict and Environment Observatory

Report and financial statements for the year ended 31 December 2023

www.ceobs.org

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The Conflict and Environment Observatory:
Reference and administrative information for the year ended 31 December 2023

Charity number: 1174115

Registered office and operational address: The Conflict and Environment Observatory, The Chapel, Scout Road, Mytholmroyd, Hebden Bridge, West Yorkshire, HX7 5HZ.

The charity is also known as CEOBS.

Trustees: Trustees, who served during the period and up to the date of this report, were as follows:

David Cullen (Chair)

Oliver Brown

Dr Teresa Lappe-Osthege

Dr Sarah Njeri

No trustees held title to property belonging to the charity during the reporting period or at the date of approval.

Key management personnel: Doug Weir (Director).

Bankers: The Co-operative Bank plc. 1 Balloon Street, Manchester, M4 4BE.

Solicitors: Elderflower Legal and Secretarial Services, Chestnut House, 23 Ryles Park Road, Macclesfield, Cheshire SK11 8AH.

Independent examiner: Patrick Morrello ACA, Third Sector Accountancy Ltd., Holyoake House, Hanover Street, Manchester, M60 0AS.

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The Conflict and Environment Observatory:
Trustees' annual report for the year ended 31 December 2023

The trustees present their report and the unaudited financial statements for the period ended 31 December 2023.

The reference and administrative information set out on page 3 forms part of this report. The financial statements comply with current statutory requirements, the charity's constitution and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP; applicable to charities preparing their accounts in accordance with FRS 102.

Director's report

The full-scale invasion of Ukraine in 2022 substantially increased global attention on the environmental dimensions of armed conflict and military activities. From major events like the occupation of the Zaporizhzhia Nuclear Power Plant, to the cumulative devastation wrought by the intensive use of explosive force in urban and rural areas, there has been a step change in public, media and government interest.

CEOBS was able to fulfil its mandate to support stakeholders in remote environmental data collection. These included the UNEP, UNDP and the Organization for Cooperation and Security in Europe (OSCE). We entered into a substantive implementing partnership agreement with the OSCE on a multi-year project, working in close cooperation with our long-time collaborators Zoi Environment Network. We also continued to work with Zoï on thematic briefings on the conflict for UNEP, and on complementary data collection and analysis for the UNDP. We also worked together on a contribution to Ukraine's Compact for the Environment, which is intended to guide environmental policy in the coming years.

In September CEOBS was jointly awarded the Environmental Peacebuilding Association's Al-Moumin Award for our "ongoing leadership in monitoring, quantifying, and redressing the environmental impacts of war". This unexpected award was welcome recognition for our research team, which had expanded in response to the demands of projects. This not only included work on Ukraine, but also Sudan, where we began a remote assessment on behalf of UNEP. Our increased capacity meant that we were also able to provide rapid analyses following the catastrophic dam collapses in Ukraine and Libya.

Our other work programmes were also busy. In September we co-hosted the world's first conference on military and conflict greenhouse gas emissions at Oxford University. Its diverse attendees included civil society, academia and the military. Interest in the topic is rapidly growing and during the year we were also involved with events at the UNFCCC conference in Bonn and at COP28. Meanwhile interest in environmental mainstreaming in humanitarian mine action - an initiative we began working on in 2018 with our partners

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Norwegian People's Aid – is now well established, with a range of initiatives being undertaken across the sector.

In 2022 our funding model shifted from primarily grant-based to one based on project funding and consultancy. This has created a range of new challenges but overall, we saw continued income growth, which allowed us to expand the organisation and by the close of 2023 we had grown to 14 members of staff.

Doug Weir,
Director

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Objectives

CEOBS' *Charitable Objects* are:

To promote for the public benefit the protection of individuals, communities and ecosystems from the effects of environmental damage related to armed conflicts and military activities.

These objectives will be fulfilled by undertaking the following activities:

1. Monitoring and collecting data on the environmental and derived humanitarian consequences of armed conflicts and military activities;

2. Developing tools and undertaking capacity building activities to enable relevant stakeholders to undertake such monitoring and data collection;

3. Educating the public, decision makers, policy makers, researchers, civil society and the national and international media about the environmental and derived humanitarian consequences of armed conflicts and military activities;

4. Contributing to the sound administration of legislation and commenting on proposed legislation;

5. Undertaking relevant activities in these fields in partnership with other organisations sharing a similar purpose, where the Trustees have determined that this is in keeping with the CIO's Objects.

Activities in 2023, our achievements and performance

The charity's main activities and beneficiaries are described below. All its charitable activities focus on efforts to increase understanding and awareness of the environmental dimensions of armed conflicts and military activities, in order to strengthen protection for affected people and ecosystems, and are undertaken to further CEOBS' charitable purposes for the public benefit.

CEOBS was established in August 2017 and publicly launched in April 2018. During 2023 our primary focus areas related to our four core workstreams: monitoring and raising awareness around environmental issues in recent and ongoing conflicts; monitoring and contributing to international legal and policy processes intended to minimise harm; environmental mainstreaming in humanitarian disarmament; and collaborative work with civil society on the environment, peace and security.

1. Monitoring and collecting data on the environmental and derived humanitarian consequences of armed conflicts and military activities.

The majority of our monitoring work focused on Ukraine. This included the ongoing population of a database and methodologies for the remote analysis of environmentally harmful incidents, built on Open-Source Intelligence (OSINT) and remotely sensed data. The work was primarily financed by the Organisation for Security and Co-operation in Europe (OSCE) and the United Nations Environment Programme (UNEP) as part of their responses to the armed conflict. We also completed a project for the United Nations

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Development Programme (UNDP) to shortlist locations for assessment in Kyiv Oblast. Alongside the database, outputs included briefings, blogs and reports, many of which were developed in collaboration with longstanding partners Zoï Environment Network.

The Ukraine database also informed our media work, and a large number of presentations at events and webinars.

Beyond Ukraine, we continued to provide research on key spatial-temporal trends affecting agriculture as a result of the ongoing conflict in Yemen. We were also engaged by UNEP to examine environmental vulnerabilities in the context of the war in Sudan using similar methods to those developed for Ukraine. In September we reported on the catastrophic flooding of Derna, Libya, resulting from the failure of the Abu Mansour and Al-Bilad dams and the contribution of a decade of conflict and unrest to the likelihood and severity of this disaster. This followed shortly after we were called on to provide emergency monitoring support for UNEP following the destruction of Ukraine's Kakhovka Dam.

Results

- Data from our monitoring of Ukraine was used by a wide range of stakeholders, and for public engagement via the media and online.
- Attention on Ukraine's environment has been unprecedented and we have played an important role in that.
- Our work on Ukraine continued to result in several new partnerships with international organisations and NGOs.
- Were able to react quickly to environmental emergencies to provide the public, the media and international organisations with data.

2. Developing tools and undertaking capacity-building activities to enable relevant stakeholders to undertake such monitoring and data collection.

Our work in 2023 continued to explore new methodologies to examine the relationship between armed conflict and the environment.

Most significant was the Ukraine database, and methodology that we developed to remotely analyse environmentally harmful incidents following the 2022 invasion, continued to evolve. The main purposes of the data that we collect are to inform advocacy, assessment and accountability. During 2023 we began to apply the methodology to an assessment of Khartoum State in Sudan in support of UNEP.

The database methodology also informed capacity-building activities on remote environmental assessment. Firstly for Ukrainian students hosted by York University, and then for Ukraine's State Environmental Inspectorate – an activity in support of UNEP.

In December, and as part of a consortium of European and Ukrainian higher education institutions and NGOs we launched the Erasmus+ funded GROMADA project, which will identify opportunities for using citizen science methodologies to support conflict affected communities in Ukraine.

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Results

- The Ukraine database methodology is being used to rank hazardous sites for future assessment by UNEP, UNDP and other stakeholders.
- Deployed our remote assessment methodology to analyse the environmental impacts of conflict in Khartoum State.
- Designed and delivered capacity building sessions for Ukrainian stakeholders.

3. Educating the public, decision makers, policy makers, researchers, civil society and the national and international media about the environmental and derived humanitarian consequences of armed conflict and military activities.

During 2023 CEOBS staff undertook a range of outreach and educational activities for a diverse range of audiences. These included:

- Presentations, workshops and seminars for students at King's College London, Sumy University (Ukraine) and York University.
- Preparing a report on EU Military Green Policies for the Greens/EFA group in the European Parliament.
- Providing technical advice, interviews and citations for journalists and media organisations, resulting in 78 external publications, citations or quotations including but not limited to articles in: *La Croix International*, *Phys.org*, *Washington Post*, *Al Jazeera*, *Indian Times*, *Le Monde*, *CNBC*, *Politico*, *SKY News*, *New Scientist*, *The Guardian*, *The World*, *The Conversation* and the *Manila Standard*.
- We co-convened the world's first conference on military and conflict greenhouse gas emissions in Oxford.
- We contributed to numerous expert events, including but not limited to those organised by: the OSCE, American Red Cross, UNECE, UNEP, NATO and the Zoological Society of London.
- We continued to populate our website with conflict and thematic resources. We also responded to numerous requests for information from the media, students, researchers and the public, and for technical assistance on environmental issues from NGOs and states.

Results

- We were jointly awarded the Environmental Peacebuilding Association's Al-Moumin Award for thought leadership in the field of environmental peacebuilding.
- We continued to support the media interest linked to Ukraine, providing interviews and content to 48 outlets.
- During 2023 our website, www.ceobs.org, was visited by around 89,000 users. The site informs public understanding of the environmental and derived humanitarian dimensions of armed conflicts and military activities, and acts as a resource for researchers, governments and the media.

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- CEOBS' social media audiences continued to grow, in particular on Twitter and LinkedIn.

4. Contributing to the sound administration of legislation and commenting on proposed legislation.

In 2023, CEOBS monitored and contributed to a number of ongoing international processes. These processes included the UN Framework Convention on Climate Change (UNFCCC), the Mine Ban Treaty and the Convention on Cluster Munitions, the process towards a political declaration on the use of explosive weapons in populated areas, and the UN Open Ended Working Group on chemicals, pollution and waste.

- In support of the continued implementation of the Paris Agreement we produced a number of publications on military emissions, in collaboration with academic partners and with Scientists for Global responsibility.
- Also in support of the Paris Agreement, we organised and contributed to events at the Bonn climate talks and at COP28, and were called on to give verbal evidence at the UK Parliament's Defence Select Committee inquiry into defence and climate change.
- We continued to argue in favour of the environment during negotiations towards a political declaration on the use of explosive weapons in populated areas (EWIPA) and ensured that the environment was mentioned in the final agreement.
- We worked with mine action partners to promote environmental standards in the implementation of the Convention on Cluster Munitions and the Mine Ban Treaty.
- We worked with partners to highlight the need for the UN Open Ended Working Group on chemicals, pollution and waste to include the toxic remnants of war in its mandate.
- We contributed to work by the ICRC reviewing how ecologically important areas could be better protected during armed conflicts.
- We contributed to the launch of a new global coalition calling for increased protection for water in armed conflicts.

Results

- We have contributed to rapidly expanding interest in military and conflict greenhouse gas emissions and are increasingly being called on to engage with military stakeholders.
- We continue to be a leading voice on environmental mainstreaming in the humanitarian mine action sector and have seen substantial progress since initiating this work with partners NPA in 2018.

Beneficiaries of our services

The trustees have ensured that CEOBS' work during the period has complied with Section 17 of the Charities Act 2011. The trustees have also referred to the Charity Commission's

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guidance on the public benefit, particularly when considering the design and focus areas of new projects, and in identifying goals and objectives for existing programmes.

As stated in our Objects, the ultimate beneficiaries of our work are individuals, communities and ecosystems, which will be better protected from the effects of environmental damage related to armed conflicts and military activities as a result of our activities. All of the work that we do contributes to this overarching goal. The general public also benefits from the awareness raising work that we undertake, for example outreach and fundraising events, as well as the open-access reports and updates we provide on our website.

Financial review

During 2023 CEOBS considerably diversified its funding base, with a growing proportion of income being from consultancy work appropriate to its charitable objects on behalf of a variety of donors. Total income was £527,588 (2022: £229,406). This was comprised of a combination of grants, donations and consultancy fees, including from the following major partners:

- Our first Implementing Partner Agreement (IPA) with the OSCE concluded and was succeeded by a second agreement. Payments from OSCE during 2023 amounted to £130,371 – approximately 1/4 of all income. This funding will continue into 2024 with the remaining payments against the 2nd IPA.
- The Joseph Rowntree Charitable Trust provided £72,000 of core funding.
- The funding commenced in 2022 from the Minor Foundation for Major Challenges continued with our Military Emissions Gap project (£67,182).
- We received £76,073 (including accrued income of £28,385) from UNEP for our work documenting the conflicts in Ukraine and Sudan.
- Towards the end of 2023 we secured an agreement with the Erasmus+ Programme for our work mapping opportunities for community engagement and citizen science in relation to the conflict in Ukraine, with the first payment of £18,412 being made in December.
- The Norwegian Ministry of Foreign Affairs continued to be a significant funder via our partners Norwegian People's Aid, from which we received £13,044 in consultancy fees.
- The European Institute of Peace commissioned CEOBS to prepare a paper concerning the assessment of environmental damage due to the war in Ukraine, this work being to the value of £8,348.

In addition to grant and consultancy income, the charity raised £11,417 in fundraising and donations (2022: £9,782).

The overall expenditure for 2023 was £416,141 (2022: £258,858). The net income for the year was £111,447 (2022: net expenditure £29,452).

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The total unrestricted income for the year was £235,550 (2022: £105,747) and the total unrestricted expenditure was £132,664 (2022: £90,293). The total restricted income was £292,038 (2022: £123,659) and the total restricted expenditure was £283,477 (2022: £168,565). This includes a total of £151,502 accrued income due from various sources for work already done in 2023: restricted grants to the value of £95,292, and £56,210 in consultancy income. 90% of this income had been received by the end of May 2024.

At the end of the year the total funds of the charity were £169,423 (2022: £57,976), comprising of £18,571 restricted funds (2022: £3,014) and £150,852 unrestricted funds (2022: 54,962).

Towards the end of 2023, CEOBS successfully negotiated the renewal of its core funding arrangement with the Joseph Rowntree Charitable Trust, with the first instalment anticipated in January 2024.

The trustees are satisfied that the charity will continue to be a going concern for the foreseeable future.

The charity has no subsidiary undertakings or funds.

Reserves

Reserves are required for the organisation to be financially robust and continue operating in the event of a short-term funding shortfall or an emergency funding requirement. The reserves policy and balance are reviewed annually by the Board of Trustees.

In 2023 we continued the reserves policy established in 2022 to aim to build reserves towards a minimum of 3 months' typical expenditure. This is in line with our interim target established in 2020. However , due to a steady increase in average monthly running costs resulting from the growth in the staff team, the target reserve level has also increased, standing at £121,199 at the close of 2023. Our free reserves level at the year end was £150,852. Excluding the accrued unrestricted income this figure would be £94,642.

Our new target is to build our reserves to the level of six months' expenditure by the end of 2027. This increased reserves level will assist CEOBS to withstand periods of unremitted accrued income such as that experienced at the end of 2023.

Plans for the future

In 2024, the response to Ukraine will continue to dominate our conflict monitoring activities. Ukraine is also influencing our other workstreams: meaning PERAC implementation will focus on accountability; providing opportunities for collaboration on the ground with mine action operators in Ukraine; and creating new partnerships for international events on military and conflict emissions. CEOBS has an important role to play in highlighting the environmental dimensions of the war in Sudan, and will contribute to efforts to integrate peace and security considerations into the Convention on Biological Diversity.

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Structure, governance and management

The organisation is a charitable incorporated organisation (CIO), registered on 3 August 2017. The charity was established under a constitution which states the objects and powers of the charity and its governance.

The trustees are members of the charity but this entitles them only to voting rights. They have no beneficial interest in the charity. All trustees give their time voluntarily and receive no benefits from their role as trustees of the charity. Any expenses reclaimed from the charity are set out in note 11 to the accounts.

CEOBS recognises that an effective board of trustees is essential if the charity is to achieve its objectives. There must be at least three trustees, who serve for a renewable term of two years or until they resign. Trustees may form sub-committees or working groups, with or without staff members, on an ad-hoc basis.

The board of trustees has responsibility for and oversight of the recruitment of new trustees, and they are supported by staff in this. The organisation uses skills audits to identify knowledge and expertise of existing trustees. These may also be used to identify gaps and desired characteristics of new trustees. Advertising may be done through appropriate channels. As a result of the specialised nature of the organisation's work, approaches to individuals known to CEOBS through its activities may also be made.

CEOBS seeks to avoid conflicts of interest and ensures diversity in its board of trustees, as well as in its staff. Consideration is given to ways in which groups that are under-represented on the board might be reached and encouraged to apply.

New trustees are appointed by a decision at a properly convened meeting of the existing trustees. They receive an induction pack that includes copies of the latest Trustees Annual Report and Accounts, the charity's Constitution, copies of Board minutes and finance reports, a role description and the Charity Commission guidance 'The Essential Trustee' (CC3). They are required to confirm they have read the last of these in a minuted meeting, and to submit a Trustee Eligibility Declaration, as provided by the Charity Commission, and a declaration of interests form.

Operational decision-making

CEOBS' trustees are responsible for the governance of the organisation. This includes, but is not restricted to, deciding on policy and strategy, appointing and overseeing staff, monitoring performance and finances and providing guidance and knowledge. Day-to-day management of CEOBS is provided by its Director, working with the Operations Co-ordinator and our staff team generally.

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Related parties and relationships with other organisations

CEOBS works with other organisations as necessary to further its aims; these are typically collaborations for research or advocacy purposes. CEOBS does not have any affiliates or subsidiaries.

During the period, CEOBS worked with the following:

Research: Queen Mary University, Durham University, Oxford University, Newcastle University, Scientists for Global Responsibility (Military Emissions Gap); Edinburgh and Leeds universities on their ongoing SENSE PhD placement; Zoi Environment Network (Switzerland), European Institute of Peace (Belgium) on Ukraine.

Projects: Norwegian People's Aid (Norway); Mnemonic (Germany).

Fundraising (grants): Norwegian People's Aid (Norway); Greater Manchester and District CND.

Other:

For further information concerning related parties and related party transactions please see note 11 of the accounts.

Remuneration policy for key management personnel

The trustees consider the board of trustees and the Director as comprising the key management personnel of the charity. The board has responsibility for directing and controlling the charity, and they delegate the responsibility for running and operating the charity on a day to day basis to the Director. All trustees are volunteers and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in note 11 to the accounts.

CEOBS has a Conflict of Interest Policy and Register. Trustees are required to disclose all relevant interests and register them with the Director and, in accordance with the charity's constitution, withdraw from decisions where a conflict of interest arises.

The Board of Trustees has responsibility for approving the salaries and remuneration of all staff, including key management personnel. Remuneration is set within the boundaries of budgets presented in grant applications and aligns with pay grades for comparable sectoral roles and skill sets.

The trustees aim to provide employees, including key management personnel, with yearly inflationary pay rises where feasible and subject to the constraints of funding. Beyond this, salary increases are based on changes in responsibilities and experience. It is the charity's aim to employ effective staff and the trustees recognise that the rates of pay offered should be appropriate.

The charity does not offer bonuses or benefits in kind, other than the statutory pension scheme (currently NEST), and limited healthcare provision through HealthShield.

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The trustees reviewed the remuneration policy with reference to the Living Wage, gender pay ratios, maximum pay ratios and pay bench-marking.

Risk management

It is the staff and trustees' responsibility to identify, assess and manage risks.

The biggest risk to the charity is that of lack of funds and work has been undertaken throughout the period to secure funds and diversify our funding sources. Controls are in place to reduce risks associated with financial, administrative and operational procedures.

In 2020 a risk mapping exercise was completed by the board of trustees. The resulting Risk Register is reviewed when deemed necessary by the trustees. Risks are continuously assessed by the staff and trustees and reviewed at both the project and governance level, and risk management is ongoing. Actions to mitigate risks are taken at appropriate levels of the organisation.

Funds held as custodian trustee on behalf of others

No funds were held by the Charity as a custodian trustee on behalf of others.

Environmental and social policy

CEOBS' environmental and social policies consider the impact of our office and of our travel footprint.

To reduce the environmental impact and increase the social benefits of our office we are:

- Using local suppliers, such as for printing.
- Reducing single use plastics, for example milk deliveries and, where possible, plastic-free stationery.
- Utilising Fair Trade and ethically sourced products.
- To the greatest extent possible using recycled IT equipment.

Our travel policy seeks to:

- Minimise flights where other options are available, within the constraints of staff time and financial resources.
- Encourage staff to avoid flights by accepting additional travel hours as working hours and absorbing additional travel and accommodation costs.
- Encourage staff to consider and address the higher environmental footprint of periods away travelling, such as increased use of single-use plastics.

We have decided not to utilise a carbon offsetting scheme to address emissions from travel. Instead our policy is to volunteer staff time during the year to local environmental projects. The Calder Valley, in which we are based, is prone to flooding and we prioritise

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projects focused on natural flood risk reduction, such as tree planting. We also support local food initiatives by volunteering with a nearby community farm.

Statement of responsibilities of the trustees

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

Charity law requires the trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity 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 judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity 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.

The trustees' annual report has been approved by the trustees on 23 / 08 / 2024

and signed on their behalf by:

David Cullen (Trustee)

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Independent examiner's report to the trustees of The Conflict and Environment Observatory

I report on the accounts of the charity for the period ended 31 December 2023 set out on pages 18-32.

Respective responsibilities of trustees and examiner
The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of ICAEW.

It is my responsibility to:
- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement
My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Other matters
Your attention is to drawn to the fact that the charity has prepared the accounts (financial statements) in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.
We understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

Independent examiner's statement
In connection with my examination, no matter has come to my attention:
1. which gives me reasonable cause to believe that, in any material respect, the requirements:

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- to keep accounting records in accordance with section 130 of the Charities Act; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act

have not been met; or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Patrick Morrello ACA
Third Sector Accountancy Limited, Holyoake House,
Hanover Street, Manchester, M60 0AS

Date: 23 / 08 / 2024

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The Conflict and Environment Observatory

Statement of Financial Activities
(including Income and Expenditure account)
for the year ended 31 December 2023

	Note	Unrestricted funds £	Restricted funds £	Total funds 2023 £	*Unrestricted funds £*	*Restricted funds £*	*Total funds 2022 £*
Income from:							
Donations and legacies	3	72,196	-	72,196	*60,704*	-	*60,704*
Charitable activities	4	151,937	292,038	443,975	*35,261*	*123,659*	*158,920*
Other trading activities	5	11,417	-	11,417	*9,782*	-	*9,782*
Total income		**235,550**	**292,038**	**527,588**	***105,747***	***123,659***	***229,406***
Expenditure on:							
Raising funds	6	11,168	-	11,168	*3,059*	-	*3,059*
Charitable activities	8	121,496	283,477	404,973	*87,234*	*168,565*	*255,799*
Total expenditure		**132,664**	**283,477**	**416,141**	***90,293***	***168,565***	***258,858***
Net income/(expenditure) for the year	9	**102,886**	**8,561**	**111,447**	***15,454***	***(44,906)***	***(29,452)***
Transfer between funds		(6,996)	6,996	-	*592*	*(592)*	-
Net movement in funds for the year		**95,890**	**15,557**	**111,447**	***16,046***	***(45,498)***	***(29,452)***
Reconciliation of funds							
Total funds brought forward		54,962	3,014	57,976	*38,916*	*48,512*	*87,428*
Total funds carried forward		**150,852**	**18,571**	**169,423**	***54,962***	***3,014***	***57,976***

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

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The Conflict and Environment Observatory
Charity No.1174115

Balance sheet as at 31 December 2023

	Note	2023		*2022*	
		£	£	£	£
Fixed assets					
Tangible assets	14		346		*494*
Total fixed assets			**346**		***494***
Current assets					
Debtors	15	*151,502*		*9,277*	
Cash at bank and in hand	-	47,677		*58,306*	
Total current assets		**199,179**		***67,583***	
Liabilities					
Creditors: amounts falling due in less than one year	16	**(30,102)**		*(10,101)*	
Net current assets			**169,077**		***57,482***
Total assets less current liabilities			169,423		*57,976*
Net assets			**169,423**		***57,976***
The funds of the charity:					
Restricted income funds	17		18,571		*3,014*
Unrestricted income funds	18		150,852		*54,962*
Total charity funds			**169,423**		***57,976***

For the year in question, the charity was entitled to exemption from an audit under section 144 of the Charities Act 2011. The Charity Commission has not ordered an audit to be carried out under Section 146 of Charities Act 2011.

The notes on pages 20 to 32 form part of these accounts.

Approved by the trustees on 23 / 08 / 2024 and signed on their behalf by:

David Cullen (Trustee)

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1 Accounting policies

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a Basis of preparation

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Conflict and Environment Observatory meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £ sterling.

b Judgments and estimates

The trustees have made no key judgments which have a significant effect on the accounts.

c Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

d Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of a provision of a specified service is deferred until the criteria for income recognition are met.

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e Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

f Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of fundraising events, marketing and website costs, and their associated support costs.
- Expenditure on charitable activities includes the costs of personnel and conducting research projects undertaken to further the purposes of the charity and their associated support

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h Tangible fixed assets

The trustees have decided to set the capitalisation threshold for fixed assets at £500. Items costing £500 or more are capitalised at cost. They are depreciated over their estimated useful economic lives on a straight line basis as follows:

Office and computer equipment	25%

i Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

j Cash at bank and in hand

Cash at bank and cash in hand includes cash only.

k Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

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l Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

m Pensions

Employees of the charity are entitled to join a defined contribution scheme. The charity's contribution is restricted to the contributions disclosed in note 10. There were no outstanding contributions at the year end.

2 Legal status of the charity

The charity is a charitable incorporated organisation registered with the Charity Commission and has no share capital. It has limited liability. The registered office address is disclosed on page 1.

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3 Income from donations and legacies

	Unrestricted £	Restricted £	Total 2023 £	*Unrestricted £*	*Restricted £*	*Total 2022 £*
Donations	196	-	196	*704*		*704*
Grants	72,000	-	72,000	*60,000*	-	*60,000*
Total	72,196	-	72,196	*60,704*	-	*60,704*

4 Income from charitable activities

	Unrestricted £	Restricted £	Total 2023 £	*Unrestricted £*	*Restricted £*	*Total 2022 £*
Grants	-	292,038	292,038	-	*123,659*	*123,659*
Commissioned work	151,937	-	151,937	*35,261*	-	*35,261*
Total	151,937	292,038	443,975	*35,261*	*123,659*	*158,920*

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5 Income from other activities

	Unrestricted £	Restricted £	Total 2023 £	*Unrestricted £*	*Restricted £*	*Total 2022 £*
Fundraising event	11,417	-	11,417	*9,782*	-	*9,782*
	11,417	-	11,417	*9,782*	-	*9,782*

6 Cost of raising funds

	Unrestricted £	Restricted £	Total 2023 £	*Unrestricted £*	*Restricted £*	*Total 2022 £*
Staff costs	9,598	-	9,598	*2,063*	-	*2,063*
Event costs	419	-	419	*542*	-	*542*
Administration	119	-	119	*161*	-	*161*
Premises costs	282	-	282	-	-	-
Depreciation	2		2	-	-	-
Governance costs (see note 7)	142	-	142	*70*	-	*70*
Support costs (see note 7)	606	-	606	*223*	-	*223*
	11,168	-	11,168	*3,059*	-	*3,059*

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7 Analysis of governance and support costs

	Support £	Governance £	*Total 2023 £*	*Support £*	*Governance £*	*Total 2022 £*
Staff costs	10,886	4,424	15,310	*13,219*	*4,084*	*17,303*
Premises costs	1,646	281	1,927	*1,379*	*336*	*1,715*
General administration	698	119	817	*290*	*70*	*360*
Bank charges	245	-	245	*43*	-	*43*
Accountancy fees	5,168	480	5,648	*1,020*	*1,380*	*2,400*
Insurance	1,271	-	1,271	*829*	-	*829*
Online services and design	-	-	-	*220*	-	*220*
Legal and professional	1,766	-	1,766	*1,559*	-	*1,559*
Staff events	891	-	891	*232*	-	*232*
Depreciation	14	2	16	*92*	*23*	*115*
	22,585	5,306	27,891	*18,883*	*5,893*	*24,776*

These costs are apportioned to fundraising and charitable activities in proportion to their respective share of the total direct costs.

Apportionment of support and governance costs to fundraising and charitable activities

	Direct costs £	% of total direct costs	Share of support costs £	Share of governance costs £
Fundraising	10,419	2.68%	606	142
Charitable activities	377,830	97.32%	21,978	5,164
Total	388,249		22,584	5,306

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8 Analysis of expenditure on charitable activities

	2023	*2022*
	£	*£*
Staff costs	301,983	*185,789*
Other staff costs	16,564	*1,493*
Premises cost	14,922	*12,164*
General office and administration costs	6,327	*2,825*
General membership fee	42	-
Travel, accommodation and subsistence	6,880	*4,948*
Conferences and events	347	*3,370*
Subscriptions	1,073	*253*
Consultancy	10,250	*14,840*
Project costs	19,224	*4,819*
Web design	89	-
Depreciation	130	*815*
Governance costs (see note 7)	5,164	*5,823*
Support costs (see note 7)	21,978	*18,660*
	404,973	*255,799*
Restricted expenditure	283,477	*168,565*
Unrestricted expenditure	121,496	*87,234*
	404,973	*255,799*

9 Net income/(expenditure) for the year

This is stated after charging/(crediting):	2023	*2022*
	£	*£*
Depreciation	148	*938*
Grant audit fees	-	*1,200*
Accountancy fees	1,680	*1,020*
Independent examiner's fee	480	*180*

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10 Staff costs

Staff costs during the year were as follows:

	2023 £	*2022* *£*
Wages and salaries	293,911	*185,296*
Social security costs	23,819	*14,168*
Pension costs	9,161	*5,691*
	326,891	*205,155*
Allocated as follows:		
Cost of raising funds	9,598	*2,063*
Charitable activities	301,983	*185,789*
Support costs	10,886	*13,219*
Governance costs	4,424	*4,084*
	326,891	*205,155*

No employee has employee benefits in excess of £60,000 (2022: Nil).

The average number of staff employed during the period was 9.5 (2022: 5.8).
The average full time equivalent number of staff employed during the period was 8.9 (2022: 5.8).

The key management personnel of the charity comprise the trustees and the Director. The total employee benefits of the key management personnel of the charity were £47,029 (2022: £45,849).

11 Trustee remuneration and expenses, and related party transactions

Neither the trustees nor any persons connected with them received any remuneration or reimbursed expenses during the year (2022: Nil).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity, including guarantees, during the year (2022: nil) with the exception of the transaction below for the year 2022.

In 2022 the charity entered into a joint project with two other parties one of which is Alp Analytica, a France based consultancy. Oliver Brown, a trustee of the charity, is the founder and a director of Alp Analytica. This company was chosen from a number of organisations based on its specialism and following relevant procedures. Oliver Brown was not involved in the selection and decision processes. The total transaction value for 2022 was £6,743 for consultancy fees.

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12 Government grants

The government grants recognised in the accounts were as follows:

	2023 £	*2022* *£*
Norwegian Ministry of Foreign Affairs	-	*42,301*
	-	*42,301*

There were no unfulfilled conditions and contingencies attaching to the grants.

13 Corporation tax

The charity is exempt from tax on income and gains falling within Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

14 Fixed assets: tangible assets

	Computer equipment £
Cost	
At 1 January 2023	3,951
At 31 December 2023	3,951
Depreciation	
At 1 January 2023	3,457
Charge for the year	148
At 31 December 2023	3,605
Net book value	
At 31 December 2023	346
At 31 December 2022	*494*

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15 Debtors

	2023 £	*2022* *£*
Prepayments and accrued income	151,502	*9,277*
	151,502	*9,277*

16 Creditors: amounts falling due within one year

	2023 £	*2022* *£*
Trade creditors	2,754	-
Other creditors and accruals	18,042	*5,483*
Taxation and social security costs	9,306	*4,618*
	30,102	*10,101*

17 Analysis of movements in restricted funds

	Balance at 1 January 2023 £	Income £	Expenditure £	Transfers £	Balance at 31 December 2023 £
British Ecological Society	545	-	-	-	545
Nahrein Network	166	-	-	-	166
The Minor Foundation for Major Challenges	2,303	67,182	(68,340)	-	1,145
United Nations Environment	-	76,073	(82,605)	6,532	-
OSCE	-	130,371	(130,835)	464	-
Gromada (Erasmus)	-	18,412	(1,697)	-	16,715
Total	3,014	292,038	(283,477)	6,996	18,571

Note re transfers

The funds transfers between restricted and unrestricted funds was due to costs on UNEP and OSCE projects not covered by the project grants.

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Comparative period

	Balance at 1 January 2022 £	*Income* £	*Expenditure* £	*Transfers* £	*Balance at 31 December 2022* £
British Ecological Society	*1,243*	*-*	*(698)*	*-*	*545*
Norwegian Ministry of Foreign Affairs	*47,103*	*42,301*	*(89,404)*	*-*	*-*
Nahrain Network	*166*	*-*	*-*	*-*	*166*
United Nations	*-*	*17,850*	*(17,850)*	*-*	*-*
The Minor Foundation for Major Challenges	*-*	*63,508*	*(60,613)*	*(592)*	*2,303*
Total	*48,512*	*123,659*	*(168,565)*	*(592)*	*3,014*

Name of restricted fund	Description, nature and purposes of the fund
British Ecological Society	to develop science, technology, engineering and mathematics (STEM) educational resources on conflict and the environment
Nahrein Network	to contribute remote sensing data to academic research on the eco-tourism potential of the Iraqi marshlands
Norwegian Ministry of Foreign Affairs	grant for various specific projects related to the impact of war on environment and humanity
United Nations Environment	grant for research project: "Environmental impact assessment in Ukraine"
The Minor Foundation for Major Challenges	grant for research project: "Communicating and plugging the military emissions gap"
OSCE - Organization for Security and Co-operation in Europe	grant for research project: "security and cooperation in Europe"
Gromada (Erasmus)	contribution from Erasmus funded project to develop cooperation between European universities to support public and legal capacity for environmental recovery in Ukraine

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18 Analysis of movement in unrestricted funds

	Balance at 1 January 2023 £	Income £	Expenditure £	Transfers £	As at 31 December 2023 £
General fund	54,962	163,550	(60,664)	(6,996)	150,852
Joseph Rowntree Charitable Trust	-	72,000	(72,000)	-	-
	54,962	235,550	(132,664)	(6,996)	150,852

Comparative period

	Balance at 1 January 2022 £	*Income £*	*Expenditure £*	*Transfers £*	*As at 31 December 2022 £*
General fund	*38,916*	*45,747*	*(30,293)*	*592*	*54,962*
Joseph Rowntree Charitable Trust	-	*60,000*	*(60,000)*	-	-
	38,916	*105,747*	*(90,293)*	*592*	*54,962*

Name of unrestricted fund	Description, nature and purposes of the fund
General fund	The free reserves after allowing for all designated funds
Designated fund: Joseph Rowntree Charitable Fund	to be used as the charity sees fit to further its objects, for charitable purposes only and within the bounds of charity law, not to be used for reserves

19 Analysis of net assets between funds

	General fund £	Designated funds £	Restricted funds £	Total 2023 £
Tangible fixed assets	346	-	-	346
Net current assets/(liabilities)	150,506	-	18,571	169,077
Total	150,852	-	18,571	169,423

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Comparative period

	General fund £	*Designated funds* £	*Restricted funds* £	*Total 2022* £
Tangible fixed assets	*494*	*-*	*-*	*494*
Net current assets/(liabilities)	*54,468*	*-*	*3,014*	*57,482*
Total	*54,962*	*-*	*3,014*	*57,976*

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THE CONFLICT AND ENVIRONMENT OBSERVATORY

England & Wales - Charity number 1174115

Accounts

Charity Number: 1174115

The Conflict and Environment Observatory

Report and financial statements for the year ended 31 December 2022

www.ceobs.org

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The Conflict and Environment Observatory:
Reference and administrative information for the year ended 31 December 2022

Charity number: 1174115

Registered office and operational address: The Conflict and Environment Observatory, The Chapel, Scout Road, Mytholmroyd, Hebden Bridge, West Yorkshire, HX7 5HZ.

The charity is also known as CEOBS.

Trustees: Trustees, who served during the period and up to the date of this report, were as follows:

David Cullen (Chair)

Dr Jessica Hope (resigned 25/04/2022)

Oliver Brown

Dr Teresa Lappe-Osthege

Dr Matthew Bolton (resigned 06/12/2022)

Dr Sarah Njeri (appointed 06/12/2022)

No trustees held title to property belonging to the charity during the reporting period or at the date of approval.

Key management personnel: Doug Weir (Research and Policy Director).

Bankers: The Co-operative Bank plc. 1 Balloon Street, Manchester, M4 4BE.

Solicitors: Elderflower Legal and Secretarial Services, Chestnut House, 23 Ryles Park Road, Macclesfield, Cheshire SK11 8AH.

Independent examiner: Patrick Morrello ACA, Third Sector Accountancy Ltd., Holyoake House, Hanover Street, Manchester, M60 0AS.

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The Conflict and Environment Observatory:
Trustees' annual report for the year ended 31 December 2022

The trustees present their report and the unaudited financial statements for the period ended 31 December 2022. Included within the trustees' report is the directors' report as required by company law.

The reference and administrative information set out on page 3 forms part of this report. The financial statements comply with current statutory requirements, the charity's constitution and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP; applicable to charities preparing their accounts in accordance with FRS 102.

Director's report

The full-scale invasion of Ukraine in February 2022 had an enormous impact on everybody working in this sector, and we were no different. From the outset of the armed conflict we began documenting instances of environmental harm, establishing a database that we could use for advocacy, to inform assessment and which we hope may eventually be used for accountability.

Media attention on the environmental dimensions of the invasion was unprecedented, and for many months, relentless. CEOBS fulfilled the role that we had intended for it, gathering data, raising awareness and working with a range of stakeholders. Foremost among these was the UN Environment Programme (UNEP), which brought in CEOBS as external monitoring capacity. In this we worked closely with our long-term collaborators on Ukraine, Zoï Environment Network.

While the response to Ukraine dominated our activities over the year, it was not the only item on our agenda. We launched a remote assessment of the impacts of the war in Tigray on its decades-old regreening programme. We ran and contributed to numerous events and workshops on environmental mainstreaming in mine action. Similarly, our activities on military and conflict emissions accelerated, at times in response to the attention the issue was receiving in respect to Ukraine. And throughout 2022, we took part in and organised events to coincide with the UN General Assembly's finalisation of the International Law Commission's principles on the Protection of the Environment in Relation to Armed Conflicts – the PERAC principles. This included a side event with Nordic governments at the UN in New York.

With what became a four-year grant from the Norwegian government coming to an end, we increasingly turned to consultancy work, developing relationships with international organisations. The volume of work on Ukraine in particular necessitated an expansion of our Ukraine team, and we were also able to recruit a campaigner to take forward our activities on military and conflict emissions.

Doug Weir,
Research and Policy Director

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Objectives

CEOBS' *Objects* are:

To promote for the public benefit the protection of individuals, communities and ecosystems from the effects of environmental damage related to armed conflicts and military activities.

These objectives will be fulfilled by undertaking the following activities:

1. Monitoring and collecting data on the environmental and derived humanitarian consequences of armed conflicts and military activities;

2. Developing tools and undertaking capacity building activities to enable relevant stakeholders to undertake such monitoring and data collection;

3. Educating the public, decision makers, policy makers, researchers, civil society and the national and international media about the environmental and derived humanitarian consequences of armed conflicts and military activities;

4. Contributing to the sound administration of legislation and commenting on proposed legislation;

5. Undertaking relevant activities in these fields in partnership with other organisations sharing a similar purpose, where the Trustees have determined that this is in keeping with the CIO's Objects.

Activities in 2022, our achievements and performance

The charity's main activities and beneficiaries are described below. All its charitable activities focus on efforts to increase understanding and awareness of the environmental dimensions of armed conflicts and military activities, in order to strengthen protection for affected people and ecosystems, and are undertaken to further CEOBS' charitable purposes for the public benefit.

CEOBS was established in August 2017 and publicly launched in April 2018. During 2022 our primary focus areas related to our four core workstreams: monitoring and raising awareness around environmental issues in recent and ongoing conflicts; monitoring and contributing to international legal and policy processes intended to minimise harm; environmental mainstreaming in humanitarian disarmament; and collaborative work with civil society on the environment, peace and security.

1. Monitoring and collecting data on the environmental and derived humanitarian consequences of armed conflicts and military activities.

The vast majority of our monitoring work focused on Ukraine. This included the development of a database and methodologies for the remote analysis of environmentally harmful incidents, built on Open-Source Intelligence (OSINT) and remotely sensed data. The work was primarily financed by UNEP as part of its response to the armed conflict. Alongside the database, outputs included briefings on nuclear sites, water, industry and

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fossil fuel facilities. These were a collaboration between CEOBS and Zoï Environment Network.

The Ukraine database also informed our media work, and a large number of presentations at events and webinars. In the early stages of the invasion we blogged on impacts within the first 24 hours and 10 days, and ran posts on key issues such as accountability and recovery. We also provided technical assistance to the government of Ukraine.

Beyond Ukraine, we published research on Tigray, which examined the relationship between war, forest loss and environmental recovery. We also worked with Airwars on an assessment of the environmental consequences of the bombing of Gaza in 2021.

Results

- Data from our monitoring of Ukraine was used by a wide range of stakeholders, and for public engagement via the media and online.
- Attention on Ukraine's environment has been unprecedented and we have played an important role in that.
- Our work on Ukraine resulted in several new partnerships with international organisations and NGOs.

2. Developing tools and undertaking capacity building activities to enable relevant stakeholders to undertake such monitoring and data collection.

Our work in 2022 continued to explore new methodologies to examine the relationship between armed conflict and the environment.

Most significant was the Ukraine database, and methodological process that we developed to undertake remote analyses of environmentally harmful incidents. For Tigray, we used a diverse range of data and analyses to remotely assess vegetation changes linked to the civil war. This included integrating groundtruth data to train a machine learning approach.

Results

- The Ukraine database methodology is being used to rank hazardous sites for future assessment by UNEP.
- The Tigray methodology was published on our website and will be made available as a journal article in 2023.

3. Educating the public, decision makers, policy makers, researchers, civil society and the national and international media about the environmental and derived humanitarian consequences of armed conflict and military activities.

During 2022 CEOBS staff undertook a range of outreach and educational activities for a diverse range of audiences. These included:

- Presentations and seminars for students at University of Applied Arts, Vienna; Harvard Law School; the University of Hull; the University of Manchester; the Royal

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Agricultural University; King's College London and The Hebrew University of Jerusalem.

- Providing technical advice, interviews and citations for journalists and media organisations, resulting in 103 notable publications, including but not limited to: *TIME; New Scientist; DW; WIRED; Politico; BBC World Service; The Guardian; The New York Times; ABC News; Wall Street Journal; The Observer; CNBC; FORBES; Al Jazeera; BBC Radio 4; Der Spiegel*.
- We convened or co-convened virtual and hybrid events on: the PERAC Principles; Tigray; mine action and the environment; Ukraine; and the military emissions gap.
- We contributed to numerous expert events, including but not limited to those organised by: EUROMIL (military emissions); Halifax International Security Conference (PERAC); the OSCE (Ukraine, and PERAC); Humanitarian Networks and Partnerships Week (Ukraine); UN Global Pulse; Stockholm +50 (PERAC); Geneva Centre for Human Rights (PERAC); European Green Academy (Ukraine); Hamburg University (Ukraine); Environment People Law (Ukraine); Allianz (conflict and the environment); ICRC (mine action); ICEL (PERAC); DIIS (PERAC); ICEL-U3CM (PERAC); and SIPRI (Ukraine).
- We continued to populate our website with conflict and thematic resources. We also responded to numerous requests for information from the media, students, researchers and the public, and for technical assistance on environmental issues from NGOs and states.

Results

- We managed a massive increase in media interest linked to Ukraine, at times providing 12 interviews per week.
- During 2022 our website, www.ceobs.org, was visited by 108,844 users who viewed 214,669 pages.
- This was nearly double the number of users and page views in 2021. The site informs public understanding of the environmental and derived humanitarian dimensions of armed conflicts and military activities, and acts as a resource for researchers, governments and the media.
- CEOBS' social media audiences continued to grow, in particular on Twitter and LinkedIn.

4. Contributing to the sound administration of legislation and commenting on proposed legislation.

In 2022, CEOBS monitored and documented a number of ongoing international legal processes, and provided technical support to those involved in them. These processes included the UN International Law Commission, the UN Framework Convention on Climate Change, the Mine Ban Treaty and the Convention on Cluster Munitions, the process towards a political declaration on the use of explosive weapons in populated areas, and the UN Open Ended Working Group on chemicals, pollution and waste.

- We spoke at and organised events, engaged in media work and undertook other activities to draw attention to the UN General Assembly's adoption of the PERAC Principles and the need for their implementation.
- In support of the implementation of the Paris Agreement we produced a number of publications on military emissions, in collaboration with academic partners and with

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Scientists for Global responsibility. This included a commentary in *Nature*, activities at COP27, reports and blogs, a podcast series with the Royal United Services Institute and giving evidence at the UK Parliament's Defence Committee.

- We argued in favour of the environment during negotiations towards a political declaration on the use of explosive weapons in populated areas (EWIPA).
- We worked with mine action partners to promote environmental standards in the implementation of the Convention on Cluster Munitions and the Mine Ban Treaty.
- We worked with Harvard Law School to help define the standards for environmental remediation in the context of the UN Treaty on the Prohibition of Nuclear Weapons.
- We advocated for the inclusion of conflict pollution in the mandate of a new UN science policy panel on chemicals, waste and pollution.

Results

- We enjoyed good media coverage of the PERAC principles and a very well-attended interactive dialogue at the UN in New York.
- Our work on military and conflict emissions exceeded our expectations, receiving extensive media coverage and leading to partnerships and events.
- Environmental language was included in the EWIPA declaration.
- Engagement with the environment in mine action continued to grow.

Beneficiaries of our services

The trustees have ensured that CEOBS' work during the period has complied with Section 17 of the Charities Act 2011. The trustees have also referred to the Charity Commission's guidance on the public benefit, particularly when considering the design and focus areas of new projects, and in identifying goals and objectives for existing programmes.

As stated in our Objects, the ultimate beneficiaries of our work are individuals, communities and ecosystems, which will be better protected from the effects of environmental damage related to armed conflicts and military activities as a result of our activities. All of the work that we do contributes to this overarching goal. The general public also benefits from the awareness raising work that we undertake, for example outreach and fundraising events, as well as the open-access reports and updates we provide on our website.

Financial review

During 2022 CEOBS had a total income of £229,406 (2021: 242,446). New funding from the Minor Foundation for Major Challenges was received for the Military Emissions Gap project (£63,508). A significant donor was the Norwegian Ministry of Foreign Affairs, via our partners Norwegian People's Aid, from which we received £42,301 (2021: £172,856). This was the fourth and final year of a funding agreement. We received £17,850 from the UN Environment Programme for our work on Ukraine. Further income of £60,000 was received from the Joseph Rowntree Charitable Trust (2021: £40,695). The charity raised £9,782 in fundraising activities (2021: £4,067).

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The overall expenditure for 2022 was £258,858 (2021: £208,001). This resulted in a deficit of £29,452, made up of a deficit on restricted funds of £45,498 and a surplus on unrestricted funds of £16,046. The deficit on restricted funds represents the spending in 2022 of restricted grant money received in 2021.

The total unrestricted income for the year was £105,747 (2021: £64,355) and the total unrestricted expenditure was £90,293 (2021: £52,064). The total restricted income was £123,659 (2021: £178,091) and the total restricted expenditure was £168,565 (2021: £155,937).

At the end of the year the total funds of the charity were £57,976 (2021: £87,428) consisting of £3,014 (2021: £48,512) restricted funds and £54,962 (2021: £38,916) of unrestricted funds.

Towards the end of 2022 CEOBS was successful in securing new project funding from the Organization for Security and Co-operation in Europe (OSCE) for work documenting environmental harm as a result of the invasion of Ukraine.

The trustees are satisfied that the charity will continue to be a going concern for the foreseeable future.

The charity has no subsidiary undertakings or funds.

Reserves

Reserves are required for the organisation to be financially robust and continue operating in the event of a short-term funding shortfall or an emergency funding requirement. The reserves policy and balance are reviewed annually by the Board of Trustees.

In 2022 we increased our unrestricted reserves level to £54,962 on the 31st December (2021: £38,916).

Wherever possible all unrestricted funds are put towards reserves to build these up as quickly as possible. CEOBS also seeks to raise additional funds for reserves within project proposals. Our target is to add one month of running costs to our reserves every year until an ideal situation of six months of reserves is achieved. Our interim target, set in 2019 for 2020 onwards, was three months' running costs in three years. With average monthly running costs at 2022 levels, this is approximately £64,715. We have therefore fallen short of this target by £9,753. However, during 2022 our average monthly running costs were just over £4,000 more than in 2021. We will continue our target of adding one month of running costs to our reserves level each year until our target of six months is reached by the end of 2025.

Plans for the future

In 2023, the response to Ukraine will continue to dominate our conflict monitoring activities, allowing closer ties with a range of international organisations and requiring more capacity. Ukraine is also influencing our other workstreams: meaning PERAC implementation will focus on accountability; providing opportunities for collaboration

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on the ground with mine action operators in Ukraine; and creating new partnerships for international events on military and conflict emissions.

Structure, governance and management

The organisation is a charitable incorporated organisation (CIO), registered on 3 August 2017. The charity was established under a constitution which states the objects and powers of the charity and its governance.

The trustees are members of the charity but this entitles them only to voting rights. They have no beneficial interest in the charity. All trustees give their time voluntarily and receive no benefits from their role as trustees of the charity. Any expenses reclaimed from the charity are set out in note 11 to the accounts.

CEOBS recognises that an effective board of trustees is essential if the charity is to achieve its objectives. There must be at least three trustees, who serve for a renewable term of two years or until they resign. Trustees may form sub-committees or working groups, with or without staff members, on an ad-hoc basis.

The board of trustees has responsibility for and oversight of the recruitment of new trustees, and they are supported by staff in this. The organisation uses skills audits to identify knowledge and expertise of existing trustees. These may also be used to identify gaps and desired characteristics of new trustees. Advertising may be done through appropriate channels. As a result of the specialised nature of the organisation's work, approaches to individuals known to CEOBS through its activities may also be made.

CEOBS seeks to avoid conflicts of interest and ensure diversity in its board of trustees, as well as in its staff. Consideration is given to ways in which groups that are under-represented on the board might be reached and encouraged to apply.

New trustees are appointed by a decision at a properly convened meeting of the existing trustees. They receive an induction pack that includes copies of the latest Trustees Annual Report and Accounts, the charity's Constitution, copies of Board minutes and finance reports, a role description and the Charity Commission guidance 'The Essential Trustee' (CC3). They are required to confirm they have read the last of these in a minuted meeting, and to submit a Trustee Eligibility Declaration, as provided by the Charity Commission, and a declaration of interests form.

Operational decision-making

CEOBS' trustees are responsible for the governance of the organisation. This includes, but is not restricted to, deciding on policy and strategy, appointing and overseeing staff, monitoring performance and finances and providing guidance and knowledge. Day-to-day management of CEOBS is provided by its Research and Policy Director, working with our staff.

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Related parties and relationships with other organisations

CEOBS works with other organisations as necessary to further its aims; these are typically collaborations for research or advocacy purposes. CEOBS does not have any affiliates or subsidiaries.

During the period, CEOBS worked with the following:

Research: Lancaster University, Durham University, Scientists for Global Responsibility (Military Emissions Gap project); Edinburgh and Leeds universities (SENSE PhD placement); University of Ghent. Belgium (Tigray study); Zoi Environment Network, Switzerland (Ukraine monitoring).

Projects: Norwegian People's Aid, Norway; Airwars.

Fundraising (grants): Norwegian People's Aid, Norway; Greater Manchester and District CND.

Other:

For further information concerning related parties and related party transactions please see note 11 of the accounts.

Remuneration policy for key management personnel

The trustees consider the board of trustees and the Research and Policy Director as comprising the key management personnel of the charity. The board has responsibility for directing and controlling the charity, and they delegate the responsibility for running and operating the charity on a day to day basis to the Research and Policy Director. All trustees are volunteers and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in note 11 to the accounts.

CEOBS has a Conflict of Interest Policy and Register. Trustees are required to disclose all relevant interests and register them with the Research and Policy Director and, in accordance with the charity's constitution, withdraw from decisions where a conflict of interest arises. A transaction relating to a decision that was taken in 2021 occurred during the year; please refer to note 11 in the accounts.

The Board of Trustees has responsibility for approving the salaries and remuneration of all staff, including key management personnel. Remuneration is set within the boundaries of budgets presented in grant applications and aligns with pay grades for comparable sectoral roles and skill sets.

The trustees aim to provide employees, including key management personnel, with yearly inflationary pay rises where feasible and subject to the constraints of funding. Beyond this, salary increases are based on changes in responsibilities and experience. It is the charity's aim to employ effective staff and the trustees recognise that the rates of pay offered should be appropriate.

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The charity does not offer bonuses or benefits in kind, other than the statutory pension scheme (currently NEST).

In 2021 the trustees reviewed the remuneration policy with reference to the Living Wage, gender pay ratios, maximum pay ratios and pay bench-marking.

Risk management

It is the staff and trustees' responsibility to identify, assess and manage risks.

The biggest risk to the charity is that of lack of funds and work has been undertaken throughout the period to secure funds and diversify our funding sources. Controls are in place to reduce risks associated with financial, administrative and operational procedures.

In 2020 a risk mapping exercise was completed by the board of trustees. The resulting Risk Register is reviewed when deemed necessary by the trustees. Risks are continuously assessed by the staff and trustees and reviewed at both the project and governance level, and risk management is ongoing. Actions to mitigate risks are taken at appropriate levels of the organisation.

Funds held as custodian trustee on behalf of others

No funds were held by the Charity as a custodian trustee on behalf of others.

Environmental and social policy

CEOBS' environmental and social policies consider the impact of our office and of our travel footprint.

To reduce the environmental impact and increase the social benefits of our office we are:

- Using local suppliers, such as for printing.
- Reducing single use plastics, for example milk deliveries and, where possible, plastic-free stationery.
- Utilising Fair Trade and ethically sourced products.
- To the greatest extent possible using recycled IT equipment.

Our travel policy seeks to:

- Minimise flights where other options are available, within the constraints of staff time and financial resources.
- Encourage staff to avoid flights by accepting additional travel hours as working hours and absorbing additional travel and accommodation costs.
- Encourage staff to consider and address the higher environmental footprint of periods away travelling, such as increased use of single-use plastics.

We have decided not to utilise a carbon offsetting scheme to address emissions from travel. Instead our policy is to volunteer staff time throughout the year to local

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environmental projects. The Calder Valley, in which we are based, is prone to flooding and we prioritise projects focused on natural flood risk reduction, such as tree planting.

Statement of responsibilities of the trustees

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

Charity law requires the trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity 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 judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity 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.

The trustees' annual report has been approved by the trustees on 29 / 09 / 2023

and signed on their behalf by: .....

David Cullen (Trustee)

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Independent examiner's report to the trustees of The Conflict and Environment Observatory

I report on the accounts of the charity for the period ended 31 December 2022 set out on pages 15 to 29.

Respective responsibilities of trustees and examiner
The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed.

It is my responsibility to:
- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement
My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement
In connection with my examination, no matter has come to my attention:
1. which gives me reasonable cause to believe that, in any material respect, the requirements:
   - to keep accounting records in accordance with section 130 of the Charities Act; and
   - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act

   have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

P Morrello

Patrick Morrello ACA
Third Sector Accountancy Limited, Holyoake House,
Hanover Street, Manchester, M60 0AS

Date: 29 / 09 / 2023

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The Conflict and Environment Observatory

Statement of Financial Activities
(including Income and Expenditure account)
for the year ended 31 December 2022

	Note	Unrestricted funds £	Restricted funds £	Total funds 2022 £	*Unrestricted funds £*	*Restricted funds £*	*Total funds 2021 £*
Income from:							
Donations and legacies	3	60,704	-	60,704	*40,772*	*5,235*	*46,007*
Charitable activities	4	35,261	123,659	158,920	*19,516*	*172,856*	*192,372*
Other trading activities	5	9,782	-	9,782	*4,067*	-	*4,067*
Total income		**105,747**	**123,659**	**229,406**	***64,355***	***178,091***	***242,446***
Expenditure on:							
Raising funds	6	3,059	-	3,059	*3,867*	-	*3,867*
Charitable activities	8	87,234	168,565	255,799	*48,197*	*155,937*	*204,134*
Total expenditure		**90,293**	**168,565**	**258,858**	***52,064***	***155,937***	***208,001***
Net income/(expenditure) for the year	9	**15,454**	**(44,906)**	**(29,452)**	***12,291***	***22,154***	***34,445***
Transfer between funds		592	(592)	-	-	-	-
Net movement in funds for the year		**16,046**	**(45,498)**	**(29,452)**	***12,291***	***22,154***	***34,445***
Reconciliation of funds							
Total funds brought forward		38,916	48,512	87,428	*26,625*	*26,358*	*52,983*
Total funds carried forward		**54,962**	**3,014**	**57,976**	***38,916***	***48,512***	***87,428***

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

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The Conflict and Environment Observatory
Company number

Balance sheet as at 31 December 2022

	Note	2022		*2021*	
		£	£	£	£
Fixed assets					
Tangible assets	14		494		*840*
Total fixed assets			**494**		***840***
Current assets					
Debtors	15	9,277		*6,721*	
Cash at bank and in hand	-	58,306		*83,549*	
Total current assets		**67,583**		***90,270***	
Liabilities					
Creditors: amounts falling due in less than one year	16	(10,101)		*(3,682)*	
Net current assets			**57,482**		***86,588***
Total assets less current liabilities			57,976		*87,428*
Net assets			**57,976**		***87,428***
The funds of the charity:					
Restricted income funds	17		3,014		*48,512*
Unrestricted income funds	18		54,962		*38,916*
Total charity funds			**57,976**		***87,428***

For the year in question, the charity was entitled to exemption from an audit under section 144 of the Charities Act 2011. The Charity Commission has not ordered an audit to be carried out under Section 146 of Charities Act 2011.

The notes on pages 17 to 29 form part of these accounts.

Approved by the trustees on 29 / 09 / 2023 and signed on their behalf by:

David Cullen (Trustee)

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1 Accounting policies

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Conflict and Environment Observatory meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £ sterling.

b Judgments and estimates

The trustees have made no key judgments which have a significant effect on the accounts.

c Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

d Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether ‘capital’ grants or ‘revenue’ grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of a provision of a specified service is deferred until the criteria for income recognition are met.

e Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

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f Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of fundraising events, marketing and website costs, and their associated support costs.
- Expenditure on charitable activities includes the costs of personnel and conducting research projects undertaken to further the purposes of the charity and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h Tangible fixed assets

The trustees have decided to set the capitalisation threshold for fixed assets at £500. Items costing £500 or more are capitalised at cost. They are depreciated over their estimated useful economic lives on a straight line basis as follows:

Office and computer equipment	25%

i Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

j Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

k Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

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l Pensions

Employees of the charity are entitled to join a defined contribution 'money purchase' scheme. The charity's contribution is restricted to the contributions disclosed in note 10. There were no outstanding contributions at the year end.

2 Legal status of the charity

The charity is a charitable incorporated organisation registered with the Charity Commission and has no share capital. The registered office address is disclosed on page 1.

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3 Income from donations and legacies

	Unrestricted £	Restricted £	Total 2022 £	*Unrestricted £*	*Restricted £*	*Total 2021 £*
Donations	704	-	704	*77*	*5,235*	*5,312*
Grants	60,000	-	60,000	*40,695*	-	*40,695*
Total	60,704	-	60,704	*40,772*	*5,235*	*46,007*

4 Income from charitable activities

	Unrestricted £	Restricted £	Total 2022 £	*Unrestricted £*	*Restricted £*	*Total 2021 £*
Grants	-	123,659	123,659	-	*172,856*	*172,856*
Charitable trading	35,261	-	35,261	*19,516*	-	*19,516*
Total	35,261	123,659	158,920	19,516	172,856	192,372

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5 Income from other activities

	Unrestricted £	Restricted £	Total 2022 £	*Unrestricted £*	*Restricted £*	*Total 2021 £*
Fundraising event	9,782	-	9,782	*4,067*	-	*4,067*
	9,782	-	9,782	*4,067*	-	*4,067*

6 Cost of raising funds

	Unrestricted £	Restricted £	2022 £	*Unrestricted £*	*Restricted £*	*2021 £*
Staff costs	2,063	-	2,063	*2,794*	-	*2,794*
Event costs	542	-	542	*488*	-	*488*
Administration	161	-	161	*226*	-	*226*
Governance costs (see note 7)	70	-	70	*120*	-	*120*
Support costs (see note 7)	223	-	223	*239*	-	*239*
	3,059	-	3,059	*3,867*	-	*3,867*

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7 Analysis of governance and support costs

	Support £	Governance £	*Total 2022 £*	*Support £*	*Governance £*	*Total 2021 £*
Staff costs	13,219	4,084	17,303	*8,957*	*4,460*	*13,417*
Premises costs	1,379	336	1,715	*1,080*	*439*	*1,519*
General administration	290	70	360	*162*	*66*	*228*
Bank charges	43	-	43	*19*	-	*19*
Accountancy fees	1,020	1,380	2,400	*1,020*	*1,380*	*2,400*
Insurance	829	-	829	*474*	-	*474*
Online services and design	220	-	220	*270*	-	*270*
Legal and professional	1,559	-	1,559	*402*	-	*402*
Staff events	232	-	232	*93*	-	*93*
Depreciation	92	23	115	*61*	*25*	*86*
	18,883	5,893	24,776	*12,538*	*6,370*	*18,908*

These costs are apportioned to fundraising and charitable activities in proportion to their respective share of the total direct costs.

Apportionment of support and governance costs to fundraising and charitable activities

	Direct costs £	% of total direct costs	Share of support costs £	Share of governance costs £
Fundraising	2,766	1.18%	223	70
Charitable activities	231,316	98.82%	18,660	5,823
Total	234,082		18,883	5,893

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8 Analysis of expenditure on charitable activities

	2022	*2021*
	£	*£*
Staff costs	185,789	*154,117*
Other staff costs	1,493	*1,856*
Premises cost	12,164	*13,220*
General office and administration costs	2,825	*2,144*
Travel, accommodation and subsistence	4,948	*462*
Conferences and events	3,370	*288*
Marketing	-	*22*
Subscriptions	253	*840*
Consultancy	14,840	*4,732*
Project costs	4,819	*6,165*
Web design	-	*995*
Depreciation	815	*744*
Governance costs (see note 7)	5,823	*6,250*
Support costs (see note 7)	18,660	*12,299*
	255,799	*204,134*
Restricted expenditure	168,565	*155,937*
Unrestricted expenditure	87,234	*48,197*
	255,799	*204,134*

9 Net income/(expenditure) for the year

This is stated after charging/(crediting):	2022	*2021*
	£	*£*
Depreciation	938	*840*
Grant audit fees	1,200	*1,200*
Accountancy fees	1,020	*1,020*
Independent examiner's fee	180	*180*

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10 Staff costs

Staff costs during the year were as follows:

	2022	*2021*
	£	*£*
Wages and salaries	185,296	*154,070*
Social security costs	14,168	*11,317*
Pension costs	5,691	*4,941*
	205,155	*170,328*
Allocated as follows:		
Cost of raising funds	2,063	*2,794*
Charitable activities	185,789	*154,117*
Support costs	13,219	*8,957*
Governance costs	4,084	*4,460*
	205,155	*170,328*

No employees has employee benefits in excess of £60,000 (2021: Nil).

The average number of staff employed during the period was 5.8 (2021: 4.9).
The average full time equivalent number of staff employed during the period was 5.8 (2021: 4.3).

The key management personnel of the charity comprise the trustees and the Chief Executive Officer. The total employee benefits of the key management personnel of the charity were £45,849 (2021: £45,652).

11 Trustee remuneration and expenses, and related party transactions

Neither the trustees nor any persons connected with them received any remuneration or reimbursed expenses during the year (2021: Nil).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity, including guarantees, during the year (2021: nil) with the exception of the transaction below.

The charity entered into a joint project with two other parties one of which is Alp Analytica, a France based consultancy. Oliver Brown, a trustee of the charity, is the founder and a director of Alp Analytica. This company was chosen from a number of organisations based on its specialism and following relevant procedures. Oliver Brown was not involved in the selection and decision processes. The total transaction value in the year was £6,743 (2021: £3,571) for consultancy fees.

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12 Government grants

The government grants recognised in the accounts were as follows:

	2022 £	*2021* *£*
Norwegian Ministry of Foreign Affairs	42,301	*172,856*
	42,301	*172,856*

There were no unfulfilled conditions and contingencies attaching to the grants.

13 Corporation tax

The charity is exempt from tax on income and gains falling within Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

14 Fixed assets: tangible assets

	Computer equipment £
Cost	
At 1 January 2022	3,359
Additions	592
At 31 December 2022	3,951
Depreciation	
At 1 January 2022	2,519
Charge for the year	938
At 31 December 2022	3,457
Net book value	
At 31 December 2022	494
At 31 December 2021	*840*

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15 Debtors

	2022 £	*2021* *£*
Other debtors	-	*48*
Prepayments and accrued income	9,277	*6,673*
	9,277	*6,721*

16 Creditors: amounts falling due within one year

	2022 £	*2021* *£*
Other creditors and accruals	5,483	*3,682*
Taxation and social security costs	4,618	-
	10,101	3,682

17 Analysis of movements in restricted funds

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers £	Balance at 31 December 2022 £
British Ecological Society	1,243	-	(698)	-	545
Norwegian Ministry of Foreign Affairs	47,103	42,301	(89,404)	-	-
Nahrein Network	166	-	-	-	166
United Nations Environment Programme	-	17,850	(17,850)	-	-
The Minor Foundation for Major Challenges	-	63,508	(60,613)	(592)	2,303
Total	48,512	123,659	(168,565)	(592)	3,014

The funds transfers between restricted and unrestricted funds was due to the charity purchasing computer equipment to the value of £592 for the Military Emissions Gap project.

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Comparative period

	Balance at 1 January 2021 £	*Income £*	*Expenditure £*	*Transfers £*	*Balance at 31 December 2021 £*
British Ecological Society	*1,590*	*-*	*(347)*	*-*	*1,243*
Norwegian Ministry of Foreign Affairs	*24,444*	*172,856*	*(150,197)*	*-*	*47,103*
Nahrain Network	*324*	*-*	*(158)*	*-*	*166*
Lush	*-*	*5,235*	*(5,235)*	*-*	*-*
Total	*26,358*	*178,091*	*(155,937)*	*-*	*48,512*

Name of restricted fund	Description, nature and purposes of the fund
British Ecological Society	to develop science, technology, engineering and mathematics (STEM) educational resources on conflict and the environment
Nahrein Network	to contribute remote sensing data to academic research on the eco-tourism potential of the Iraqi marshlands
Norwegian Ministry of Foreign Affairs	grant for various specific projects related to the impact of war on environment and humanity
United Nations Environment Programme	grant for research project: "Environmental impact assessment in Ukraine"
The Minor Foundation for Major Challenges	grant for research project: "Communicating and plugging the military emissions gap"

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18 Analysis of movement in unrestricted funds

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers £	As at 31 December 2022 £
General fund	38,916	45,747	(30,293)	592	54,962
Joseph Rowntree Chartable Fund	-	60,000	(60,000)	-	-
	38,916	105,747	(90,293)	592	54,962

Comparative period

	Balance at 1 January 2021 £	*Income £*	*Expenditure £*	*Transfers £*	*As at 31 December 2021 £*
General fund	*26,625*	*23,660*	*(11,369)*	-	*38,916*
Joseph Rowntree Charitable Fund	-	*40,695*	*(40,695)*	-	-
	26,625	*64,355*	*(52,064)*	-	*38,916*

Name of unrestricted fund	Description, nature and purposes of the fund
General fund	The free reserves after allowing for all designated funds
Designated fund: Joseph Rowntree Charitable Fund	to be used as the charity sees fit to further its objects, for charitable purposes only and within the bounds of charity law, not to be used for reserves

19 Analysis of net assets between funds

	General fund £	Designated funds £	Restricted funds £	Total 2022 £
Tangible fixed assets	494	-	-	494
Net current assets/(liabilities)	54,468	-	3,014	57,482
Total	54,962	-	3,014	57,976

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Comparative period

	General fund £	*Designated funds* £	*Restricted funds* £	*Total 2021* £
Tangible fixed assets	*840*	-	-	*840*
Net current assets/(liabilities)	*38,076*	-	*48,512*	*86,588*
Total	*38,916*	-	*48,512*	*87,428*

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THE CONFLICT AND ENVIRONMENT OBSERVATORY

England & Wales - Charity number 1174115

Accounts

Charity Number: 1174115

The Conflict and Environment Observatory

Report and financial statements for the year ended 31 December 2021

www.ceobs.org

Doc ID: e3ca9275dc09bc1b19ab04587b4e93ebc2cffe53

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The Conflict and Environment Observatory:
Reference and administrative information for the year ended 31 December 2021

Charity number: 1174115

Registered office and operational address: The Conflict and Environment Observatory, The Chapel, Scout Road, Mytholmroyd, Hebden Bridge, West Yorkshire, HX7 5HZ.

The charity is also known as CEOBS.

Trustees: Trustees, who served during the period and up to the date of this report, were as follows:

David Cullen (Chair)

Joseph Farha (resigned 21/04/2021)

Dr Jessica Hope (resigned 25/04/2022)

Oliver Brown

Dr Teresa Lappe-Osthege

Dr Matthew Bolton

No trustees held title to property belonging to the charity during the reporting period or at the date of approval.

Key management personnel: Doug Weir (Research and Policy Director).

Bankers: The Co-operative Bank plc. 1 Balloon Street, Manchester, M4 4BE.

Solicitors: Elderflower Legal and Secretarial Services, Chestnut House, 23 Ryles Park Road, Macclesfield, Cheshire SK11 8AH.

Independent examiner: Patrick Morrello ACA, Third Sector Accountancy Ltd., Holyoake House, Hanover Street, Manchester, M60 0AS.

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The Conflict and Environment Observatory:
Trustees' annual report for the year ended 31 December 2021

The trustees present their report and the unaudited financial statements for the period ended 31 December 2021. Included within the trustees' report is the directors' report as required by company law.

The reference and administrative information set out on page 3 forms part of this report. The financial statements comply with current statutory requirements, the charity's constitution and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP; applicable to charities preparing their accounts in accordance with FRS 102.

Director's report

Looking back on 2021, through the lens of the organisation's shared calendar, it is the absence of physical travel that is striking. While some countries were emerging from the pandemic during the latter half of the year, it was far from business as usual. That said, the routines and skills of the new reality were well embedded by then and, for us at least, that meant we were able to prepare and publish a range of research outputs, as well as engage virtually with colleagues and processes overseas.

Which is not to say that everything was straightforward. Some of our research pushed at the methodological and technical boundaries of what was possible. Sometimes that led to research dead ends, although at other times we managed to navigate our way through. Our research on groundwater in Yemen was one such case.

Nor was it always immediately clear what the impact of our work would be, for example, the extent to which the legal arguments we advanced in a joint submission to the UN's International Law Commission would be taken into consideration by states and others. Nor was it always clear which projects would take on a life of their own. Our fast growing workstream on the contribution that militaries and conflicts make to the climate crisis defied all expectations. Understanding and addressing both will be vital for the effective implementation of the Paris Agreement.

Our main funding for the period came from a three-year grant from the Norwegian Ministry of Foreign Affairs, developed in partnership with Norwegian People's Aid (NPA), and from a two-year grant from the Joseph Rowntree Charitable Trust. We also managed to secure additional project funding from LUSH, attracted a new donor for our work on climate change - the Minor Foundation for Major Challenges - and took on several research-oriented consultancy projects.

Doug Weir,
Research and Policy Director

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Objectives

CEOBS' *Objects* are:

To promote for the public benefit the protection of individuals, communities and ecosystems from the effects of environmental damage related to armed conflicts and military activities.

These objectives will be fulfilled by undertaking the following activities:

1. Monitoring and collecting data on the environmental and derived humanitarian consequences of armed conflicts and military activities;

2. Developing tools and undertaking capacity building activities to enable relevant stakeholders to undertake such monitoring and data collection;

3. Educating the public, decision makers, policy makers, researchers, civil society and the national and international media about the environmental and derived humanitarian consequences of armed conflicts and military activities;

4. Contributing to the sound administration of legislation and commenting on proposed legislation;

5. Undertaking relevant activities in these fields in partnership with other organisations sharing a similar purpose, where the Trustees have determined that this is in keeping with the CIO's Objects.

Activities in 2021, our achievements and performance

The charity's main activities and beneficiaries are described below. All its charitable activities focus on efforts to increase understanding and awareness of the environmental dimensions of armed conflicts and military activities, in order to strengthen protection for affected people and ecosystems, and are undertaken to further CEOBS' charitable purposes for the public benefit.

CEOBS was established in August 2017 and publicly launched in April 2018. During 2021 our primary focus areas related to our four core workstreams: monitoring and raising awareness around environmental issues in recent and ongoing conflicts; monitoring and contributing to international legal and policy processes intended to minimise harm; environmental mainstreaming in humanitarian disarmament; and collaborative work with civil society on the environment, peace and security.

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1. Monitoring and collecting data on the environmental and derived humanitarian consequences of armed conflicts and military activities.

Yemen remained the main focus of our conflict research during 2021, with major reports on groundwater stress and biodiversity loss published.[1] We also continued to monitor the case of the FSO SAFER oil tanker and engage with stakeholders and the media.[2]

In January 2021, we launched a new page on South Sudan, featuring blogs and resources,[3] later publishing a major report into the future of its Sudd wetland.[4] A month later, we published a rapid assessment of the 2020 conflict between Armenia and Azerbaijan over Nagorno-Karabakh.[5] We also examined the impact that the pandemic has had on deforestation rates in conflict and post-conflict areas in 2020,[6] and published a historical assessment of the Mesopotamian marshes in Iraq.[7] In Q3, a new research project was initiated on the impact of the war in Tigray on its decades old environmental restoration programme.

As well as more substantial reports, we were also able to study individual incidents and trends in particular conflict areas and from military activities. In a number of cases we worked with thematic experts to develop posts. These were published on our website or via our social media channels; examples include:

- An initial assessment of the environmental consequences of the military coup in Myanmar.[8]
- An overview of the impact of armed conflicts on animals.[9]
- Tracking Libyan coastal and offshore oil spills.[10]
- The impact of blast fishing on coral reefs.[11]
- The role of tree planting in Palestine.[12]
- Antimicrobial resistance in Gaza.[13]

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[1] CEOBS, Groundwater depletion clouds Yemen's solar energy revolution, Apr 2021 https://ceobs.org/groundwater-depletion-clouds-yemens-solar-energy-revolution; CEOBS, Protected area conservation in Yemen's conflict, Jul 2021: https://ceobs.org/protected-area-conservation-in-yemens-conflict

[2] CEOBS, There's no military solution to Yemen's SAFER oil tanker crisis, Mar 2021 https://ceobs.org/theres-no-military-solution-to-yemens-safer-oil-tanker-crisis

[3] https://ceobs.org/countries/south-sudan

[4] CEOBS, Is South Sudan's Sudd wetland at a fork in the road? Nov 2021: https://ceobs.org/report-is-south-sudans-sudd-wetland-at-a-fork-in-the-road

[5] CEOBS, Investigating the environmental dimensions of the 2020 Nagorno-Karabakh conflict, Feb 2021: https://ceobs.org/investigating-the-environmental-dimensions-of-the-nagorno-karabakh-conflict

[6] CEOBS, Deforestation in conflict areas in 2020, Apr 2021: https://ceobs.org/assessment-of-recent-forest-loss-in-conflict-areas

[7] CEOBS, The past, present and future of the Mesopotamian marshes, Sep 2021: https://ceobs.org/the-past-present-and-future-of-the-mesopotamian-marshes

[8] CEOBS, What Myanmar's coup could mean for its environment and natural resources, Feb 2021: https://ceobs.org/what-myanmars-coup-could-mean-for-its-environment-and-natural-resources

[9] CEOBS, How animals are harmed by armed conflicts and military activities, Mar 2021: https://ceobs.org/how-animals-are-harmed-by-armed-conflicts-and-military-activities

[10] CEOBS, Oil spills from Libya's Derna power and desalination plant, Jul 2021: https://ceobs.org/oil-spills-from-libyas-derna-power-and-desalination-plant; CEOBS, Libyan offshore oil spill worse than claimed, Oct 2021: https://ceobs.org/libyan-offshore-oil-spill-worse-than-claimed

[11] CEOBS, Blast fishing: how abandoned ordnance is destroying coral reefs, Sep 2021: https://ceobs.org/blast-fishing-how-abandoned-ordnance-is-destroying-coral-reefs

[12] CEOBS, Tree planting as resistance in Palestine, Sep 2021: https://ceobs.org/tree-planting-as-resistance-in-palestine

[13] CEOBS, Antimicrobial resistance in Gaza, and the ecology of war, Sep 2021: https://ceobs.org/anti-microbial-resistance-in-gaza-and-the-ecology-of-war

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- A major oil spill from Syria.[14]
- Spills at Libyan oilfields.[15]
- Environmental concerns following the withdrawal of international forces from Afghanistan.[16]
- An Israeli incendiary weapons strike on an agricultural warehouse containing pesticides in Gaza.[17]

Results

- The Yemen groundwater data was distributed to WASH sector actors in Yemen and has contributed to a greater understanding of the risks of the unmanaged expansion of solar irrigation.
- Our oil spill research in Libya was conducted with and used by Libyan researchers.
- Oil spill research in Yemen was used by local authorities to confront polluters.
- We assisted Greenpeace as they developed a global campaign around the FSO SAFER.
- Our coverage of the agricultural warehouse attack in Gaza has subsequently aided an in-depth analysis by Forensic Architecture.
- Our independent Nagorno-Karabakh assessment has been widely cited and contributed to the baseline data of subsequent assessments.
- See 3 below for our assistance to the media.
- We were consulted by the UK MoD on its future sustainability strategy.
- The research outputs from our monitoring work were released via social media or on our website. Whilst we collate and analyse data on our digital reach, quantifying the precise impact is challenging. However, our outputs all contribute to the environmental conflict narratives that we present on our website to help increase public awareness and institutional understanding.
- We saw a significant improvement in our Google page rankings across a range of relevant search terms.

2. Developing tools and undertaking capacity building activities to enable relevant stakeholders to undertake such monitoring and data collection.

Our work in 2021 continued to explore new methodologies to examine the relationship between armed conflict and the environment.

- New methodologies for us included using ship automatic identification system data for tracking illegal fishing, and the use of declassified historical spy satellite imagery to detect land use and cover changes.
- We communicated these tools as methodologies annexed to our reports and also through blogs, events and on social media.[18]

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[14] https://twitter.com/detoxconflict/status/1433788005534388260
[15] https://twitter.com/detoxconflict/status/1431209629829275648
[16] https://twitter.com/detoxconflict/status/1412326022234710017
[17] https://twitter.com/detoxconflict/status/1394257192849707009
[18] CEOBS, Earth observation for humanitarian disarmament, Aug 2021: https://ceobs.org/earth-observation-for-humanitarian-disarmament

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Results

- Being able to identify and communicate historical narratives on the Mesopotamian marshes, and flag illegal fishing activity around the World Heritage Site of Socotra.
- The use of declassified spy satellite imagery was also explored in the context of a SENSE PhD project. This is a three-year collaboration with the universities of Edinburgh and Leeds and where CEOBS is providing guidance to a PhD student examining the relationship between unexploded ordnance and land use in Vietnam.

3. Educating the public, decision makers, policy makers, researchers, civil society and the national and international media about the environmental and derived humanitarian consequences of armed conflict and military activities.

During 2021 CEOBS staff undertook a range of outreach and educational activities for a diverse range of audiences. These included:

- Presentations and seminars for students at Central European University Budapest, the University of Manchester, Harvard Law School and King's College London.
- Providing technical advice, interviews and citations for journalists and media organisations, resulting in 64 notable publications, including but not limited to: *DW*,[19] *VICE FR*,[20] *The Washington Post*,[21] *The Economist*,[22] *Mongabay*,[23] *Reuters*,[24] *Climate Change News*,[25] *Der Spiegel*,[26] *Stars and Stripes*,[27] *The Guardian*,[28] *Helsingen Sanomat*,[29] and *PopSci*.[30]
- We convened or co-convened virtual and hybrid events on: *The environmental impacts of explosive weapons in populated areas*; *Environmental assessment in humanitarian mine action* and *The military emissions gap*.

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[19] DW, Facebook and Google Earth help probe eco-crimes in the Middle East, Jan 2021: https://www.dw.com/en/facebook-and-google-earth-help-probe-eco-crimes-in-the-middle-east/a-56156777

[20] Vice, Quand les guerres détruisent l'environnement, Mar 2021: https://www.vice.com/amp/fr/article/xgzjp4/quand-les-guerres-detruisent-lenvironnement

[21] The Washington Post, Facing sweltering soldiers and flooded ports, NATO to focus on climate change, Mar 2021: https://www.washingtonpost.com/world/europe/nato-climate-change-stoltenberg/2021/03/23/3884fe52-8aa7-11eb-a33e-da28941cb9ac_story.html

[22] The Economist, The West's armies are getting more serious about climate change, Apr 2021: https://www.economist.com/international/2021/04/27/the-wests-armies-are-getting-more-serious-about-climate-change

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[24] Reuters, Analysis: With Trump gone, NATO wages war on climate threat, June 2021: https://www.reuters.com/business/environment/with-trump-gone-nato-wages-war-climate-threat-2021-06-13

[25] Climate Home News, Nato considers net zero by 2050 target in move to green military operations, June 2021: https://www.climatechangenews.com/2021/06/15/nato-considers-net-zero-2050-target-move-green-military-operations

[26] Spiegel Gruppe, Schießen ja, aber bitte klimaneutral, Sept 2021: https://www.spiegel.de/wissenschaft/technik/militaer-in-der-klimakrise-feuer-frei-mit-co-a-c2e073bc-3533-4827-b75e-0e0a49052555e

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[28] The Guardian, World's militaries avoiding scrutiny over emissions, scientists say, Nov 2021: https://www.theguardian.com/environment/2021/nov/11/worlds-militaries-avoiding-scrutiny-over-emissions

[29] Helsingin Sanomat, Armeijat lämmittävät ilmastoa ja saastuttavat enemmän kuin monet valtiot yhteensä, Nov 2021: https://www.hs.fi/tiede/art-2000008405054.html

[30] Popular Science, The world's largest military isn't reporting its giant 'carbon bootprint', Nov 2021: https://www.popsci.com/environment/military-greenhouse-gas-emissions-data

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- We contributed to expert events organised by the: North-Atlantic Civil-Society Working-Group on Environment and Security (military emissions), Finnish Institute for Foreign Affairs (PERAC), Geneva Water Hub (cyber), Greenpeace MENA (FSO SAFER), Centre for Humanitarian Dialogue (Yemen groundwater), Berlin Climate and Security Conference (military emissions), Barcelona peace conference (victim assistance), Mine Action Review (environment), NATO (greening militaries), Mine Ban Treaty 19MSP (climate change), Diem25 (military emissions), and the Arab Youth Climate Movement (conflict and environment).
- To mark the United Nations' International Day for Preventing the Exploitation of the Environment in War and Armed Conflict on November 6th, CEOBS launched a blog and a major new initiative on military emissions reporting at COP26 in Glasgow (see 4 below).[31]
- We continued to populate our website with conflict and thematic resources. We also responded to numerous requests for information from the media, students, researchers and the public, and for technical assistance on environmental issues from NGOs and states.

Results

- CEOBS enjoyed an increase in media coverage of our research, and provided technical advice to a diverse range of media organisations.
- During 2021 our website, www.ceobs.org, was visited by 69,467 users who viewed 133,636 pages.
- This was more than double the users in 2020, and more than double the number of page views. The site informs public understanding of the environmental and derived humanitarian dimensions of armed conflicts and military activities, and acts as a resource for researchers, governments and the media.
- CEOBS' social media audiences continued to grow, in particular on Twitter and LinkedIn.

4. Contributing to the sound administration of legislation and commenting on proposed legislation.

In 2021, CEOBS monitored and documented a number of ongoing international legal processes, and provided technical support to those involved in them. These processes included the UN International Law Commission, the UN Framework Convention on Climate Change, the Mine Ban Treaty and the Convention on Cluster Munitions, and the process towards a political declaration on the use of explosive weapons in populated areas.

We also partnered with the International Committee of the Red Cross on a joint blog series on *War, Law and the Environment*.[32]

[31] CEOBS, #EnvConflictDay 2021: It takes a community to protect the environment from war, Nov 2021: https://ceobs.org/envconflictday-2021-it-takes-a-community-to-protect-the-environment-from-war

[32] International Committee of the Red Cross, War, law and the environment blog series, https://blogs.icrc.org/law-and-policy/category/special-themes/war-law-environment

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- We coordinated and published a joint civil society submission to the UN International Law Commission that aimed to identify ways through which its proposed legal principles could be improved to strengthen protection for people and the environment.[33]
- We launched a major new project on the contribution that militaries and conflicts make to climate change, in partnership with the universities of Lancaster and Durham. The Military Emissions Gap project was launched at COP26 in Glasgow and has generated a large number of publications, an interactive website and considerable media interest.[34] The workstream began after we worked on a report for the Left group in the European Parliament on EU military emissions in collaboration with Scientists for Global responsibility.[35]
- We worked with mine action partners to promote environmental standards in the implementation of the Convention on Cluster Munitions and the Mine Ban Treaty.
- We worked with partners to highlight the need to address the relationship between nature and conflict in the context of the Fifth UN Environment Assembly.
- We published a report on the legal framework governing the environmental conduct of corporations in areas affected by armed conflict.[36]
- We published a review of the Russian government's policy on environmental security.[37]

Results

- The Military Emissions Gap project has been widely praised for shining a spotlight on the state of military GHG emissions reporting to the UNFCCC.
- The joint report to the ILC PERAC process was widely cited in the final report of its special rapporteur.

Beneficiaries of our services

The trustees have ensured that CEOBS' work during the period has complied with Section 17 of the Charities Act 2011. The trustees have also referred to the Charity Commission's guidance on the public benefit, particularly when considering the design and focus areas of new projects, and in identifying goals and objectives for existing programmes.

As stated in our Objects, the ultimate beneficiaries of our work are individuals, communities and ecosystems, which will be better protected from the effects of environmental damage related to armed conflicts and military activities as a result of our activities. All of the work that we do contributes to this overarching goal. The general public also benefits from the awareness raising work that we undertake, for example outreach and fundraising events, as well as the open-access reports and updates we provide on our website.

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[33] Joint civil society submission to the International Law Commission's PERAC study, May 2021: https://ceobs.org/joint-civil-society-submission-to-the-international-law-commissions-perac-study

[34] See: https://militaryemissions.org; and https://ceobs.org/projects/military-emissions

[35] CEOBS/SGR, Under the radar: The carbon footprint of the EU's military sectors, Feb 2021: https://ceobs.org/under-the-radar-the-carbon-footprint-of-the-eus-military-sectors

[36] CEOBS, Enhancing corporate environmental responsibility in conflict-affected settings, Feb 2021: https://ceobs.org/report-enhancing-corporate-environmental-responsibility-in-conflict-affected-settings

[37] CEOBS, How Russia approaches the environment, peace and security, Feb 2021: https://ceobs.org/report-how-russia-approaches-the-environment-peace-and-security

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Financial review

During 2021 CEOBS had a total income of £242,446 (2020: £251,847). The primary donor was the Norwegian Ministry of Foreign Affairs, via our partners Norwegian People's Aid, from which we received £172,856 (2020: £161,014). This was the third year of a three-year funding agreement. Significant further income of £40,695 was received from the Joseph Rowntree Charitable Trust (2020: £52,500). The charity raised £4,067 in fundraising activities (2020: £0 due to covid-19 pandemic.

The overall expenditure for 2021 was £208,001 (2020: £223,277). This left a net income of £34,445 (2020: £28,570). Of this, £22,154 was restricted funds (2020: £13,342).

The total unrestricted income for the year was £64,355 (2020: £76,372) and the total unrestricted expenditure was £52,064 (2020: £64,503). The total restricted income was £178,091 (2020: £175,475) and the total restricted expenditure was £155,937 (2020: £158,774).

During the year CEOBS was successful in securing new project funding from the Minor Foundation for Major Challenges, the International Committee of the Red Cross and NorCross, the Esaham Foundation for Development and the Greens/EFA Group in the European Parliament.

The trustees are satisfied that the charity will continue to be a going concern for the foreseeable future.

The charity has no subsidiary undertakings or funds.

Reserves

Reserves are required for the organisation to be financially robust and continue operating in the event of a short-term funding shortfall or an emergency funding requirement. The reserves policy and balance are reviewed annually by the Board of Trustees.

CEOBS is a new organisation that has operated for fewer than five years. In 2021 we increased our reserves level to £38,916 on the 31st December (2020: £26,625).

Wherever possible all unrestricted funds are put towards reserves to build these up as quickly as possible. CEOBS also seeks to raise additional funds for reserves within project proposals. Our target is to add one month of running costs to our reserves every year until an ideal situation of six months of reserves is achieved. Our interim target, set in 2019 for 2020 onwards, is three months' running costs in three years. With average monthly running costs at 2021 levels, this is approximately £52,000. We are on track to meet this target having already raised 75% of it.

Plans for the future

In 2022, CEOBS will be focused on the conclusion of the UN's PERAC process and the subsequent need for implementation. Further priorities will be continuing to build momentum for environmental mainstreaming in the mine action sector, and building on the Military Emissions Gap project ahead of COP27.

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Structure, governance and management

The organisation is a charitable incorporated organisation (CIO), registered on 3 August 2017. The charity was established under a constitution which states the objects and powers of the charity and its governance.

The trustees are members of the charity but this entitles them only to voting rights. They have no beneficial interest in the charity. All trustees give their time voluntarily and receive no benefits from their role as trustees of the charity. Any expenses reclaimed from the charity are set out in note 11 to the accounts.

CEOBS recognises that an effective board of trustees is essential if the charity is to achieve its objectives. There must be at least three trustees, who serve for a renewable term of two years or until they resign. Trustees may form sub-committees or working groups, with or without staff members, on an ad-hoc basis.

The board of trustees has responsibility for and oversight of the recruitment of new trustees, and they are supported by staff in this. The organisation uses skills audits to identify knowledge and expertise of existing trustees. These may also be used to identify gaps and desired characteristics of new trustees. Advertising may be done through appropriate channels. As a result of the specialised nature of the organisation's work, approaches to individuals known to CEOBS through its activities may also be made.

CEOBS seeks to avoid conflicts of interest and ensure diversity in its board of trustees, as well as in its staff. Consideration is given to ways in which groups that are under-represented on the board might be reached and encouraged to apply.

New trustees are appointed by a decision at a properly convened meeting of the existing trustees. They receive an induction pack that includes copies of the latest Trustees Annual Report and Accounts, the charity's Constitution, copies of Board minutes and finance reports, a role description and the Charity Commission guidance 'The Essential Trustee' (CC3). They are required to confirm they have read the last of these in a minuted meeting, and to submit a Trustee Eligibility Declaration, as provided by the Charity Commission, and a declaration of interests form.

Operational decision-making

CEOBS' trustees are responsible for the governance of the organisation. This includes, but is not restricted to, deciding on policy and strategy, appointing and overseeing staff, monitoring performance and finances and providing guidance and knowledge. Day-to-day management of CEOBS is provided by its Research and Policy Director, working with our staff.

Related parties and relationships with other organisations

CEOBS works with other organisations as necessary to further its aims; these are typically collaborations for research or advocacy purposes. CEOBS does not have any affiliates or subsidiaries.

During the period, CEOBS worked with the following:

Research: Lancaster University, Durham University, Scientists for Global Responsibility (Military Emissions Gap); University of Thi-Qar, Al-Qadisiyah University and the Thi Qar Heritage

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Organisation (Mesopotamian marshes); Edinburgh and Leeds universities on their ongoing SENSE PhD placement.

Projects: Norwegian People's Aid (Norway).

Fundraising (grants): Norwegian People's Aid (Norway).

Other: We worked with Al Haq (Palestine), Amnesty International (UK), Geneva Water Hub (Switzerland) and Harvard Law School (US) on the joint PERAC submission; provided technical advice to Greenpeace on the FSO SAFER, and worked with the International Committee of the Red Cross on a blog series.

For further information concerning related parties and related party transactions please see note 11 of the accounts.

Remuneration policy for key management personnel

The trustees consider the board of trustees and the Research and Policy Director as comprising the key management personnel of the charity. The board has responsibility for directing and controlling the charity, and they delegate the responsibility for running and operating the charity on a day to day basis to the Research and Policy Director. All trustees are volunteers and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in note 11 to the accounts.

CEOBS has a Conflict of Interest Policy and Register. Trustees are required to disclose all relevant interests and register them with the Research and Policy Director and, in accordance with the charity's constitution, withdraw from decisions where a conflict of interest arises. One such situations arose during the year; please refer to note 11 in the accounts.

The Board of Trustees has responsibility for approving the salaries and remuneration of all staff, including key management personnel. Remuneration is set within the boundaries of budgets presented in grant applications and aligns with pay grades for comparable sectoral roles and skill sets.

The trustees aim to provide employees, including key management personnel, with yearly inflationary pay rises where feasible and subject to the constraints of funding. Beyond this, salary increases are based on changes in responsibilities and experience. It is the charity's aim to employ effective staff and the trustees recognise that the rates of pay offered should be appropriate.

The charity does not offer bonuses or benefits in kind, other than the statutory pension scheme (currently NEST).

The trustees have reviewed the remuneration policy with reference to the Living Wage, gender pay ratios, maximum pay ratios and pay bench-marking.

Risk management

It is the staff and trustees' responsibility to identify, assess and manage risks.

The biggest risk to the charity is that of lack of funds and work has been undertaken throughout the period to secure funds and diversify our funding sources. Controls are in place to reduce risks associated with financial, administrative and operational procedures.

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In 2020 a risk mapping exercise was completed by the board of trustees. The resulting Risk Register is reviewed when deemed necessary by the trustees. Risks are continuously assessed by the staff and trustees and reviewed at both the project and governance level, and risk management is ongoing. Actions to mitigate risks are taken at appropriate levels of the organisation.

Funds held as custodian trustee on behalf of others

No funds were held by the Charity as a custodian trustee on behalf of others.

Environmental and social policy

During 2021, the pandemic continued to have a significant impact on CEOBS' environmental footprint, primarily through its impact on travel.

CEOBS' environmental and social policies consider the impact of our office and of our travel footprint.

To reduce the environmental impact and increase the social benefits of our office we are:

- Using local suppliers, such as for printing.
- Reducing single use plastics, for example milk deliveries and, where possible, plastic-free stationery.
- Utilising Fair Trade and ethically sourced products.
- To the greatest extent possible using recycled IT equipment.

Our travel policy seeks to:

- Minimise flights where other options are available, within the constraints of staff time and financial resources.
- Encourage staff to avoid flights by accepting additional travel hours as working hours and absorbing additional travel and accommodation costs.
- Encourage staff to consider and address the higher environmental footprint of periods away travelling, such as increased use of single-use plastics.

We have decided not to utilise a carbon offsetting scheme to address emissions from travel. Instead our policy is to volunteer staff time throughout the year to local environmental projects. The Calder Valley, in which we are based, is prone to flooding and we prioritise projects focused on natural flood risk reduction.

Statement of responsibilities of the trustees

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

Charity law requires the trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

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- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity 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.

The trustees' annual report has been approved by the trustees on 21 / 10 / 2022

and signed on their behalf by: .....

David Cullen (Trustee)

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Independent examiner's report to the trustees of The Conflict and Environment Observatory

I report on the accounts of the charity for the period ended 31 December 2021 set out on pages 17 to 31.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that, in any material respect, the requirements:
   - to keep accounting records in accordance with section 130 of the Charities Act; and
   - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act

   have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

P Morrello

Patrick Morrello ACA
Third Sector Accountancy Limited, Holyoake House,
Hanover Street, Manchester, M60 0AS

Date: 21 / 10 / 2022

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The Conflict and Environment Observatory
Statement of Financial Activities
(including Income and Expenditure account)
for the year ended 31 December 2021

	Note	Unrestricted funds £	Restricted funds £	Total funds 2021 £	*Unrestricted funds £*	*Restricted funds £*	*Total funds 2020 £*
Income from:							
Donations and legacies	3	40,772	5,235	46,007	*55,626*	-	*55,626*
Charitable activities	4	19,516	172,856	192,372	*20,746*	*175,475*	*196,221*
Other trading activities	5	4,067	-	4,067	-	-	-
Total income		**64,355**	**178,091**	**242,446**	***76,372***	***175,475***	***251,847***
Expenditure on:							
Raising funds	6	3,867	-	3,867	-	-	-
Charitable activities	7	48,197	155,937	204,134	*64,503*	*158,774*	*223,277*
Total expenditure		**52,064**	**155,937**	**208,001**	**64,503**	**158,774**	***223,277***
Net income/(expenditure) for the year	9	**12,291**	**22,154**	**34,445**	**11,869**	**16,701**	***28,570***
Transfer between funds		-	-	-	*3,359*	(3,359)	-
Net movement in funds for the year		**12,291**	**22,154**	**34,445**	**15,228**	**13,342**	***28,570***
Reconciliation of funds							
Total funds brought forward		26,625	26,358	52,983	*11,397*	13,016	*24,413*
Total funds carried forward		**38,916**	**48,512**	**87,428**	**26,625**	**26,358**	***52,983***

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

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The Conflict and Environment Observatory
Charity number 1169735

Balance sheet as at 31 December 2021

	Note	2021		*2020*	
		£	£	*£*	*£*
Fixed assets					
Tangible assets	14		840		*1,680*
Total fixed assets			**840**		***1,680***
Current assets					
Debtors	15	6,721		*12,760*	
Cash at bank and in hand	-	83,549		*44,579*	
Total current assets		**90,270**		***57,339***	
Liabilities					
Creditors: amounts falling due in less than one year	16	(3,682)		*(6,036)*	
Net current assets			**86,588**		***51,303***
Total assets less current liabilities			87,428		*52,983*
Net assets			**87,428**		***52,983***
The funds of the charity:					
Restricted income funds	17		48,512		*26,358*
Unrestricted income funds	18		38,916		*26,625*
Total charity funds			**87,428**		***52,983***

For the year in question, the charity was entitled to exemption from an audit under section 144 of the Charities Act 2011. The Charity Commission has not ordered an audit to be carried out under Section 146 of Charities Act 2011.

The notes on pages 17 to 31 form part of these accounts.

Approved by the trustees on 21 / 10 / 2022 and signed on their behalf by:

David Cullen (Trustee)

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1 Accounting policies

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Conflict and Environment Observatory meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £ sterling.

b Judgments and estimates

The trustees have made no key judgments which have a significant effect on the accounts.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next reporting period.

c Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

d Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether ‘capital’ grants or ‘revenue’ grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of a provision of a specified service is deferred until the criteria for income recognition are met.

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e Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

f Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of fundraising events, marketing and website costs, and their associated support costs.
- Expenditure on charitable activities includes the costs of personnel and conducting research projects undertaken to further the purposes of the charity and their associated support costs.

- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in note 8.

i Tangible fixed assets

The trustees have decided to set the capitalisation threshold for fixed assets at £500. Items costing £500 or more are capitalised at cost. They are depreciated over their estimated useful economic lives on a straight line basis as follows:

Office and computer equipment	25%

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j Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

k Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

l Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

m Pensions

Employees of the charity are entitled to join a defined contribution scheme. The charity's contribution is restricted to the contributions disclosed in note 10. There were no outstanding contributions at the year end. The costs of the defined contribution scheme are included within support and governance costs and allocated to the funds of the charity using the methodology set out in note 8.

2 Legal status of the charity

The charity is a charitable incorporated organisation registered with the Charity Commission and has no share capital. The registered office address is disclosed on page 1.

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3 Income from donations and legacies

	Unrestricted £	Restricted £	Total 2021 £	*Unrestricted £*	*Restricted £*	*Total 2020 £*
Donations and grants	40,772	5,235	46,007	55,626	-	*55,626*
Total	40,772	5,235	46,007	*55,626*	-	*55,626*

4 Income from charitable activities

	Unrestricted £	Restricted £	Total 2021 £	*Unrestricted £*	*Restricted £*	*Total 2020 £*
Grants	-	172,856	172,856	-	175,475	*175,475*
Charitable trading	19,516	-	19,516	20,746	-	*20,746*
Total	19,516	172,856	192,372	*20,746*	*175,475*	*196,221*

5 Income from other activities

	Unrestricted £	Restricted £	Total 2021 £	*Unrestricted £*	*Restricted £*	*Total 2020 £*
Fundraising event	4,067	-	*4,067*	-	-	-
	4,067	-	4,067	-	-	-

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6 Cost of raising funds

	Unrestricted £	Restricted £	2021 £	*Unrestricted £*	*Restricted £*	*2020 £*
Staff costs	2,794	-	2,794	-	-	-
Event costs	488	-	488	-	-	-
Administration	226	-	226	-	-	-
Governance costs (see note 8)	120	-	120	-	-	-
Support costs (see note 8)	239	-	239	-	-	-
	3,867	-	3,867	-	-	-

Due to Covid-19 restrictions the charity did not hold any fundraising events in the year ended 31 December 2020.

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7 Analysis of expenditure on charitable activities

	Total 2021 £	*Total 2020* *£*
Staff salary costs	154,117	*167,029*
Other staff costs	1,856	*60*
Premises cost	13,220	*11,725*
General office and administration costs	2,144	*3,663*
Travel, accommodation and subsistence	462	*2,486*
Conferences and events	288	*562*
Marketing	22	*200*
Subscriptions	840	*214*
Consultancy	4,732	*12,657*
Project costs	6,165	*3,701*
Web design	995	-
Depreciation	744	*742*
Governance costs (see note 8)	6,250	*6,160*
Support costs (see note 8)	12,299	*14,078*
	204,134	*223,277*
Restricted expenditure	155,937	*158,774*
Unrestricted expenditure	48,197	*64,503*
	204,134	*223,277*

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8 Analysis of governance and support costs

	Basis of apportionment	Support £	Governance £	*Total 2021* £	*Support* £	*Governance* £	*Total 2020* £
Staff costs	time spent	8,957	4,460	13,417	*9,939*	*3,769*	*13,708*
Premises costs	time spent	1,080	439	1,519	*1,194*	*356*	*1,550*
General administration	time spent	162	66	228	*279*	*83*	*362*
Bank charges	allocated	19	-	19	*42*	-	*42*
Accountancy fees	allocated	1,020	1,380	2,400	*840*	*1,440*	*2,280*
Insurance	allocated	474	-	474	*940*	-	*940*
Online services and design	allocated	270	-	270	*162*	-	*162*
Legal and professional	allocated	402	-	402	*504*	-	*504*
Staff events	allocated	93	-	93	*103*	-	*103*
Trustee expenses	allocated	-	-	-	-	*490*	*490*
Depreciation	time spent	61	25	86	*75*	*22*	*97*
		12,538	6,370	18,908	*14,078*	*6,160*	*20,238*

Support and governance costs are either allocated as costs directly identifiable with the function or apportioned by staff time spent on those functions. These costs are then further apportioned to fundraising and charitable activities in proportion to their respective share of the total direct costs.

Apportionment of support and governance costs to fundraising and charitable activities

	Direct costs £	% of total direct costs	Share of support costs £	Share of governance costs £
Fundraising	3,508	1.90%	239	120
Charitable activities	180,853	98.10%	12,299	6,250
Total	184,361		12,538	6,370

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9 Net income/(expenditure) for the year

This is stated after charging/(crediting):	2021 £	*2020* *£*
Depreciation	840	839
Grant audit fees	1,200	1,200
Accountancy fees	1,020	840
Independent examiner's fee	180	240

10 Staff costs

Staff costs during the year were as follows:

	2021 £	*2020* *£*
Wages and salaries	154,070	*163,000*
Social security costs	11,317	*12,460*
Pension costs	4,941	*5,277*
	170,328	*180,737*

Allocated as follows:

Cost of raising funds	2,794	-
Charitable activities	154,117	*167,029*
Support costs	8,957	*9,939*
Governance costs	4,460	*3,769*
	170,328	*180,737*

No employee has employee benefits in excess of £60,000 (2020: Nil).

The average number of staff employed during the period was 4.9 (2020: 5).
The average full time equivalent number of staff employed during the period was 4.3 (2020: 4.6).

The key management personnel of the charity comprise the trustees and the Research and Policy Director. The total employee benefits of the key management personnel of the charity were £41,350 including employer's pension contribution (2020: £40,000, not including pension).

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11 Trustee remuneration and expenses, and related party transactions

Neither the trustees nor any persons connected with them received any remuneration. No trustee was reimbursed travel and accommodation expenses during the year (2020: £490).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity, including guarantees, during the year (2020: nil) with the exception of the transaction below.

The charity entered into a joint project with two other parties one of which is Alp Analytica, a France based consultancy. Oliver Brown, a trustee of the charity, is the founder and a director of Alp Analytica. This company was chosen from a number of other organisations based on its specialism and following relevant procedures. Oliver Brown was not involved in the selection and decision processes. The total transaction value was £3,571 for consultancy fees.

12 Government grants

The government grants recognised in the accounts were as follows:

	2021 £	*2020* *£*
Norwegian Ministry of Foreign Affairs grant	172,856	*161,014*
Covid-19 CJRS grant	-	*2,729*
	172,856	*163,743*

There were no unfulfilled conditions and contingencies attaching to the grants.

13 Corporation tax

The charity is exempt from tax on income and gains falling within Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

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14 Fixed assets: tangible assets

	Computer equipment £
Cost	
At 1 January 2021	3,359
At 31 December 2021	3,359
Depreciation	
At 1 January 2021	1,679
Charge for the year	840
At 31 December 2021	2,519
Net book value	
At 31 December 2021	840
At 31 December 2020	*1,680*

15 Debtors

	2021 £	*2020 £*
Other debtors	48	-
Prepayments and accrued income	6,673	*12,760*
	6,721	*12,760*

16 Creditors: amounts falling due within one year

	2021 £	*2020 £*
Other creditors and accruals	3,682	*6,036*
	3,682	*6,036*

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17 Analysis of movements in restricted funds

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 December 2021 £
Direct charitable activities					
British Ecological Society	1,590		(347)		1,243
Norwegian Ministry of Foreign Affairs	24,444	172,856	(150,197)		47,103
Nahrein Network	324		(158)		166
LUSH	-	5,235	(5,235)	-	-
Total	26,358	178,091	(155,937)	-	48,512

Comparative period

	Balance at 1 January 2020 £	*Income £*	*Expenditure £*	*Transfers £*	*Balance at 31 December 2020 £*
Direct charitable activities					
British Ecological Society	-	*1,890*	*(300)*		*1,590*
Norwegian Ministry of Foreign Affairs	*13,016*	*161,014*	*(146,227)*	*(3,359)*	*24,444*
Knowledge Management Fund	-	*10,328*	*(10,328)*	-	-
Nahrein Network	-	*2,243*	*(1,919)*	-	*324*
Total	*13,016*	*175,475*	*(158,774)*	*(3,359)*	*26,358*

The funds transfer from restricted to unrestricted funds was due to the charity purchasing computer equipment to the value of £3,359.

Name of restricted fund	Description, nature and purposes of the fund
British Ecological Society	to develop science, technology, engineering and mathematics (STEM) educational resources on conflict and the environment
Knowledge Management Fund	to analyse international norms on the environmental conduct of business enterprises operating in fragile and conflict-affected areas
Nahrein Network	to contribute remote sensing data to academic research on the eco-tourism potential of the Iraqi marshlands
Norwegian Ministry of Foreign Affairs	grant for various specific projects related to the impact of war on environment and humanity

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18 Analysis of movements in unrestricted and designated funds

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers £	As at 31 December 2021 £
General fund	26,625	23,660	(11,369)		38,916
Joseph Rowntree Charitable Fund	-	40,695	(40,695)		-
	26,625	64,355	(52,064)	-	38,916

Comparative period

	Balance at 1 January 2020 £	*Income £*	*Expenditure £*	*Transfers £*	*As at 31 December 2020 £*
General fund	*10,607*	*23,872*	*(11,213)*	*3,359*	*26,625*
Joseph Rowntree Charitable Fund	*790*	*52,500*	*(53,290)*	-	-
	11,397	*76,372*	*(64,503)*	*3,359*	*26,625*

Name of unrestricted fund	Description, nature and purposes of the fund
General fund	The free reserves after allowing for all designated funds
Designated Fund Joseph Rowntree Charitable Fund	to be used as the charity sees fit to further its objects, for charitable purposes only and within the bounds of charity law, not to be used for reserves

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19 Analysis of net assets between funds

	General fund £	Designated funds £	Restricted funds £	Total 2021 £
Tangible fixed assets	840	-	-	840
Net current assets/(liabilities)	38,076	-	48,512	86,588
Total	38,916	-	48,512	87,428

Comparative period

	General fund £	*Designated funds £*	*Restricted funds £*	*Total 2020 £*
Tangible fixed assets	*1,680*	-	-	*1,680*
Net current assets/(liabilities)	*24,945*	-	*26,358*	*51,303*
Total	*26,625*	-	*26,358*	*52,983*

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THE CONFLICT AND ENVIRONMENT OBSERVATORY

England & Wales - Charity number 1174115

Accounts

Charity Number: 1174115

The Conflict and Environment Observatory

Report and financial statements for the year ended 31 December 2020

www.ceobs.org

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The Conflict and Environment Observatory:
Reference and administrative information for the year ended 31 December 2020

Charity number: 1174115

Registered office and operational address: The Conflict and Environment Observatory, The Chapel, Scout Road, Mytholmroyd, Hebden Bridge, West Yorkshire, HX7 5HZ.

The charity is also known as CEOBS.

Trustees: Trustees, who served during the period and up to the date of this report, were as follows:

David Cullen (Chair)

Joseph Farha (resigned 21/04/2021)

Dr Jessica Hope

Oliver Brown

Dr Teresa Lappe-Osthege

Dr Matthew Bolton (appointed 16/07/20)

No trustees held title to property belonging to the charity during the reporting period or at the date of approval.

Key management personnel: Doug Weir (Research and Policy Director)

Bankers: The Co-operative Bank plc. 1 Balloon Street, Manchester, M4 4BE.

Solicitors: Elderflower Legal and Secretarial Services, Chestnut House, 23 Ryles Park Road, Macclesfield, Cheshire SK11 8AH.

Independent examiner: Patrick Morrello ACA, Third Sector Accountancy Ltd., Holyoake House, Hanover Street, Manchester, M60 0AS.

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The Conflict and Environment Observatory:
Trustees' annual report for the year ended 31 December 2020

The trustees present their report and the unaudited financial statements for the period ended 31 December 2020. Included within the trustees' report is the directors' report as required by company law.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the charity's constitution and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP; applicable to charities preparing their accounts in accordance with FRS 102.

Director's report

Like so many others, our activities during 2020 were framed by the COVID-19 pandemic. It created many obstacles but also provided new opportunities, certainly in terms of outreach. As with everyone else, we had to adapt to remote and online working, although as our activities often involve international collaboration and travel this required less of a transition than for some organisations. Nevertheless, with staff working from home, often on reduced hours due to caring responsibilities, projects proceeded more slowly than would otherwise have been the case, simply because of slower communication and reduced capacity.

The pandemic had a significant impact on our work around international processes, some of which ground to a halt, others of which moved to a virtual format, often reducing the opportunities for meaningful civil society engagement. The pandemic's impact on access to donor funding is yet to fully play out but may well have an impact on CEOBS in 2022.

In spite of the constraints of the pandemic, CEOBS had a successful year, maintaining a steady stream of publications and refining our research methodologies. Q3 and Q4 were heavily focused on research for products that were to be published in early 2021. We also made good use of virtual formats to engage with the public and other stakeholders.

Our main funding for the period came from a three-year grant from the Norwegian Ministry of Foreign Affairs, developed in partnership with Norwegian People's Aid (NPA), and from a two-year grant from the Joseph Rowntree Charitable Trust. We also managed to secure additional project funding from the Knowledge Management Fund, the British Ecological Society and the Nahrein Network, and worked on a project for the Finnish Ministry for Foreign Affairs which was secured in 2019.

Doug Weir
Research and Policy Director

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Objectives

CEOBS' *Objects* are:

To promote for the public benefit the protection of individuals, communities and ecosystems from the effects of environmental damage related to armed conflicts and military activities.

These objectives will be fulfilled by undertaking the following activities:

1. Monitoring and collecting data on the environmental and derived humanitarian consequences of armed conflicts and military activities;

2. Developing tools and undertaking capacity building activities to enable relevant stakeholders to undertake such monitoring and data collection;

3. Educating the public, decision makers, policy makers, researchers, civil society and the national and international media about the environmental and derived humanitarian consequences of armed conflicts and military activities;

4. Contributing to the sound administration of legislation and commenting on proposed legislation;

5. Undertaking relevant activities in these fields in partnership with other organisations sharing a similar purpose, where the Trustees have determined that this is in keeping with the CIO's Objects.

Activities in 2020, our achievements and performance

The charity's main activities and beneficiaries are described below. All its charitable activities focus on efforts to increase understanding and awareness of the environmental dimensions of armed conflicts and military activities, in order to strengthen protection for affected people and ecosystems, and are undertaken to further CEOBS' charitable purposes for the public benefit.

CEOBS was established in August 2017 and publicly launched in April 2018. During 2020 our primary focus areas related to our four core workstreams: monitoring and raising awareness around environmental issues in recent and ongoing conflicts; monitoring and contributing to international legal and policy processes intended to minimise harm; environmental mainstreaming in humanitarian disarmament; and collaborative work with civil society on the environment, peace and security.

1. Monitoring and collecting data on the environmental and derived humanitarian consequences of armed conflicts and military activities.

Yemen remained the main focus of our conflict research during 2020. We used remote sensing techniques to analyse three main environmental themes: biodiversity and protected areas, groundwater stress and land degradation. These ranged from visual analysis of satellite imagery to more specialised remote sensing products. Major reports

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on land degradation and agricultural stress were published in October 2020.[1] We also published more general pieces on issues and opportunities associated with conflict monitoring.[2]

As well as analysing trends and issues, we were also able to study individual incidents in particular conflict areas and from military activities. In a number of cases we worked with thematic experts to develop posts. These were published on our website or via our social media channels, examples include:

- An analysis of air pollution in Kabul.[3]
- Monitoring the status of a hazardous oil tanker off the coast of Yemen.[4]
- Monitoring the environmental impact of incendiary weapons in Nagorno-Karabakh.[5]
- Exploring how geodiversity is impacted by conflicts.[6]
- An exploration of environmental governance in eastern Ukraine.[7]
- An open source investigation into minewater flooding in eastern Ukraine.[8]
- Analysis of marine and terrestrial oil spills in Yemen.[9]
- Provided capacity to the UN's humanitarian response to air quality issues around displacement camps on the Colombian/Venezuelan border.

Results

- The Yemen data we have published will contribute towards increased understanding of a range of environmental and derived humanitarian problems in the country. Addressing problems such as water stress and land degradation will be critical for the country's eventual recovery. The data has been made available to those working on the ground in Yemen to help reduce threats to human health and the environment.

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[1] CEOBS, Yemen's agriculture in distress, Oct 2020 https://ceobs.org/yemens-agriculture-in-distress; CEOBS, How has Yemen's conflict impacted agriculture in the Tihamah?, Oct 2020 https://ceobs.org/how-has-the-conflict-impacted-agriculture-in-the-tihamah

[2] CEOBS, Eyes in the sky – Earth observations to monitor conflict and environment, Oct 2020 https://ceobs.org/eyes-in-the-sky-earth-observations-to-monitor-conflict-and-environment; CEOBS, Can citizen science help close the environmental monitoring gap in conflicts?, Oct 2020 https://ceobs.org/can-citizen-science-help-close-the-environmental-monitoring-gap-in-conflicts

[3] CEOBS, Kabul US embassy data reveals the severity of air pollution in the city, Jan 2020 https://ceobs.org/kabul-us-embassy-data-reveals-the-severity-of-air-pollution-in-the-city

[4] CEOBS, Time to move beyond Yemen's SAFER oil tanker blame game, June 2020 https://ceobs.org/time-to-move-beyond-yemens-safer-oil-tanker-blame-game

[5] CEOBS 'Fires in Karabakh', Nov 2020 https://twitter.com/detoxconflict/status/1323661674063212544?s=20

[6] CEOBS, Geodiversity also needs protection during armed conflicts, May 2020 https://ceobs.org/geodiversity-also-needs-protection-during-armed-conflicts

[7] CEOBS, Exploring environmental governance in eastern Ukraine, May 2020 https://ceobs.org/exploring-environmental-governance-in-eastern-ukraine

[8] CEOBS, Are abandoned mines flooding in Ukraine's Donbas region? April 2020 https://ceobs.org/abandoned-mines-are-flooding-in-ukraines-donbass-region

[9] CEOBS, Recent oil spills in central Yemen, Oct 2020 https://ceobs.org/recent-oil-spills-in-central-yemen

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- See 2 below for our research methodologies, and 3 below for our assistance to the media.
- The research outputs from our monitoring work were released via social media or on our website. Whilst we collate and analyse data on our digital reach, quantifying the precise impact is challenging, however, our outputs all contribute to the environmental conflict narratives that we present on our website to help increase public awareness and institutional understanding.

2. Developing tools and undertaking capacity building activities to enable relevant stakeholders to undertake such monitoring and data collection.

Our work in 2020 focused on three approaches to data collection, all of which will be ongoing areas of study for us: remote sensing, citizen science and in situ by mine clearance personnel.

- We explored new methodologies for remote sensing and satellite analysis. This included a method to geolocate incidents using topographical features captured in video footage, using gravity measurements to determine groundwater conditions, and merging satellite, humanitarian and other open source datasets to track agricultural stress.
- We organised a session on citizen science in areas affected by conflict at the European Citizen Science Association conference, featuring speakers who had worked on projects in Colombia, Palestine and Somalia.[10]

Results

- Remote research outcomes using novel tools included agricultural stress in Yemen, minewater discharge in Ukraine, incendiary weapons use in Nagorno-Karabakh and oil pollution in Yemen. Further monitoring work undertaken in Q3 and Q4 of 2020 was published in early 2021. All methodologies are published alongside our research outputs.
- We had a positive response to our virtual workshop on civilian science but the pandemic has restricted further work on participatory research.

3. Educating the public, decision makers, policy makers, researchers, civil society and the national and international media about the environmental and derived humanitarian consequences of armed conflict and military activities.

During 2020 CEOBS staff undertook a range of outreach and educational activities for a diverse range of audiences. These included:

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[10] CEOBS, Workshop report – #CitSci2020 Citizen science in areas affected by armed conflict, Oct 2020 https://ceobs.org/workshop-report-citsci2020-citizen-science-in-areas-affected-by-armed-conflict

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- Remote presentations and seminars for students, including Central European University Budapest, the University of Manchester and King's College London.
- Providing technical advice and interviews for journalists and media organisations, including but not limited to: *World Politics Review*,[11] CBS,[12] Al Jazeera;[13] *The Telegraph*;[14] *The Guardian*, *Le Monde*, *The Independent*, *The New Statesman*, *Deutsche Welle*,[15] and *Forbes*.[16] Much of this related to our work to highlight the threats posed by the FSO SAFER oil terminal off Yemen.
- We convened or co-convened virtual events on: Environmental impact and Climate Change adaptation in mine action; Confronting Conflict Pollution report launch; and the Sustainable Development Goals and mine action.
- We spoke on panels at expert events including: Environmental Peacebuilding – The Year in Review and the Year Ahead (EnPaX); Can international law protect the environment in armed conflict? (IISS); Data and Climate Security: How Climate Security Data Analytics Can Support Integrated Analysis for Sustaining Peace (Berlin Security Conference); Armed Conflict and the Environment (Dalhousie University/Canadian Red Cross); Environment, Climate, Conflict, and Peacebuilding meeting; Mainstreaming the Environmental Dimension of SRoL (CEOBS/KMF); Conflict and the environment: An implementation vehicle for legal principles to protect the environment in relation to armed conflicts (Finnish MFA).
- To mark the United Nations' International Day for Preventing the Exploitation of the Environment in War and Armed Conflict on November 6th, CEOBS contributed to a common statement and publication by civil society and undertook social media activities to promote the day and its message.[17]
- We worked with the UK Institution of Environmental Sciences on an edition of their journal dedicated to conflict and the environment, and in doing so reached a new constituency of UK environmental professionals.[18]

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[11] Can Militant Groups Be Environmentalists? *World Politics Review*, Apr 2020
https://www.worldpoliticsreview.com/articles/28718/the-case-for-engaging-with-militant-groups-to-protect-the-environment
[12] A supertanker full of crude oil decaying amid Yemen's civil war could blow up, *CBS*, Jun 2020
https://www.cbsnews.com/news/fso-safer-tanker-yemen-supertanker-full-of-crude-oil-decaying-civil-war-could-blow-up
[13] Yemen's Houthi rebels agree to give UN access to abandoned tanker, *Al Jazeera*, Jul 2020
https://www.aljazeera.com/news/2020/07/12/yemens-houthi-rebels-agree-to-give-un-access-to-abandoned-tanker
[14] How a decaying oil tanker became a 'massive floating bomb' risking millions of lives in Yemen, *The Telegraph*, Jul 2020
https://www.telegraph.co.uk/news/2020/07/18/decaying-oil-tanker-became-massive-floating-bomb-risking-millions
[15] https://www.youtube.com/watch?v=Iofpv9IzZAY
[16] Decaying Oil Tanker Off Yemen Threatens Environmental Disaster, *Forbes,* Oct 2020
https://www.forbes.com/sites/noamraydan/2020/10/27/yemens-fso-safer-a-looming-environmental-disaster/?sh=3d8830e53f6a
[17] CEOBS, Why we're calling for a new agenda on the Environment, Peace and Security this #EnvConflictDay, Nov 2020
https://ceobs.org/why-were-calling-for-a-new-agenda-on-the-environment-peace-and-security-this-envconflictday
[18] The IES, *Environmental Scientist*, June 2020, Talking tactics: Environmental protection and armed conflicts
https://www.the-ies.org/sites/default/files/journals/environmental-protection-armed-conflicts.pdf

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- We created a video for Geneva Peace Week introducing elements of the legal framework protecting the environment in relation to armed conflicts,[19] and launched our own Youtube channel.[20]
- We co-convened meetings for civil society organisations interested in developing or collaborating on research and advocacy work on the environmental dimensions of conflicts.
- We launched the Friends of CEOBS to allow technical experts to contribute to our activities.[21]
- We received a grant to develop STEM teaching materials on conflict and the environment for school children,[22] although the pandemic has delayed implementation of the project.
- We continued to populate our website with conflict and thematic resources. One accessible overview of conflict and the environment published to coincide with World Environment Day has become our most accessed page.[23] We also responded to numerous requests for information from the media, students, researchers and the public, and for technical assistance on environmental issues from NGOs and states.

Results

- CEOBS enjoyed an increase in media coverage of our research, and provided technical advice to a diverse range of media organisations.
- During 2020 our website, www.ceobs.org, was visited by 28,954 users who viewed 59,446 pages. This was a modest increase on 2019. The site informs public understanding of the environmental and derived humanitarian dimensions of armed conflicts and military activities, and acts as a resource for researchers, governments and the media.
- During 2020 the 973 tweets from CEOBS made nearly one million impressions, more than twenty thousand engagements, 2,924 likes and 1,815 retweets. Comparing to 2019 shows the increased impact of our tweets. Per average tweet, the engagement rate is up 86%, retweets by 36%, likes 57%, url clicks 48%, and detail expands 225%. Follower numbers are not tracked by Twitter, but we estimate an increase of at least 20% over the year.

[19] CEOBS, A legal framework for environmental peacebuilding, Nov 2020 https://youtu.be/jBz5Y_MxdTo
[20] CEOBS, YouTube channel https://www.youtube.com/channel/UCEor3yzwZWzjATbpqQB4j_g
[21] https://ceobs.org/friends
[22] CEOBS, CEOBS' STEM schools programme for 2020-2021, Jun 2020 https://ceobs.org/ceobs-stem-schools-programme-for-2020-2021
[23] CEOBS, How does war damage the environment? Jun 2020 https://ceobs.org/how-does-war-damage-the-environment

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4. Contributing to the sound administration of legislation and commenting on proposed legislation.

In 2020, CEOBS monitored and documented a number of ongoing international legal processes, and provided technical support to those involved in them. The pandemic reduced the number of international meetings and therefore restricted some existing processes. However, these are examples of some of the initiatives and processes we contributed to:

- We provided legal support to conservation NGOs promoting a motion on armed conflicts and biodiversity ahead of the International Union for the Conservation of Nature's World Conservation Congress.[24]
- We initiated work on a joint civil society submission to the UN International Law Commission that aimed to identify ways through which its proposed legal principles could be improved to strengthen protection for people and the environment.
- We undertook a feasibility study for a vehicle to encourage the implementation of the International Law Commission's PERAC.
- Contributing policy advice to a range of stakeholders on the FSO SAFER oil tanker off Yemen as the topic was addressed by the UN Security Council.
- We provided technical advice to a state promoting environmental human rights in the context of the UN Human Rights Council.
- We worked with partners to promote environmental standards in the implementation of the Convention on Cluster Munitions.[25]
- We worked with partners to highlight the need to address the relationship between nature and conflict in the context of the Fifth UN Environment Assembly.[26]
- We undertook and published a review of the Canadian government's practice on the PERAC legal principles.[27]
- We analysed the legal framework governing the environmental conduct of corporations in areas affected by armed conflict (published 2021).
- We conducted a review of the Russian government's policy on environmental security (published 2021).

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[24] IUCN, motion 052 - Protection of the environment in relation to armed conflict, https://www.iucncongress2020.org/motion/052

[25] CEOBS and partners, Joint position on the Convention on Cluster Munitions and the environment, Jul 2020 https://ceobs.org/joint-ngo-position-on-the-convention-on-cluster-munitions-and-the-environment

[26] Joint position paper on UNEA-5, May 2020 https://ceobs.org/joint-ngo-position-on-unea-5s-contribution-to-nature-peace-and-security

[27] CEOBS, Canada's practice on the protection of the environment in relation to armed conflicts, Jan 2021 https://ceobs.org/canadas-practice-on-the-protection-of-the-environment-in-relation-to-armed-conflicts

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Results

- The World Conservation Congress adopted a resolution on biodiversity and conflicts.
- The latest implementation plan for the Convention on Cluster Munitions features new environmental standards.
- Our analysis of Canadian PERAC practice and our PERAC implementation feasibility study will help inform our future work on PERAC implementation.

Beneficiaries of our services

The trustees have ensured that CEOBS' work during the period has complied with Section 17 of the Charities Act 2011. The trustees have also referred to the Charity Commission's guidance on the public benefit, particularly when considering the design and focus areas of new projects, and in identifying goals and objectives for existing programmes.

As stated in our Objects, the ultimate beneficiaries of our work are individuals, communities and ecosystems, which will be better protected from the effects of environmental damage related to armed conflicts and military activities as a result of our activities. All of the work that we do contributes to this overarching goal. The general public also benefits from the awareness raising work that we undertake, for example outreach and fundraising events, as well as the open-access reports and updates we provide on our website.

Financial review

During 2020 CEOBS had a total income of £251,847 (2019: £195,392). The primary donor was the Norwegian Ministry of Foreign Affairs, via our partners Norwegian People's Aid, from which we received £161,014 (2019: £137,485). This was the second year of a three-year funding agreement. Significant further income of £52,500 was received from the Joseph Rowntree Charitable Trust (2019: £51,169). The charity received £397 (2019: £74) in donations, however, our main fundraising activity was not possible in 2020 due to the pandemic.

The overall expenditure for 2020 was £223,277 (2019: £181,599). This left a net income of £28,570 (2019: £13,794). Of this, £16,701 was restricted funds (2019: £6,217).

The total unrestricted income for the year was £76,372 (2019: £20,198) and the total unrestricted expenditure was £64,503 (2019: £12,621). The total restricted income was £175,475 (2019: £175,195) and the total restricted expenditure was £158,774 (2019: £168,978).

There was a transfer of £3,359 between funds, leaving the charity funds at the end of the year consisting of unrestricted funds of £26,625 (2019: £11,397) and restricted funds of £26,358 (2019: £13,016).

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During the year CEOBS was successful in securing new project funding from the Knowledge Management Fund, the British Ecological Society and the Nahrein Network, and delivered a project for the Ministry for Foreign Affairs of Finland.

The trustees are satisfied that the charity will continue to be a going concern for the foreseeable future.

The charity has no subsidiary undertakings or funds.

Reserves

Reserves are required for the organisation to be financially robust and continue operating in the event of a short-term funding shortfall or an emergency funding requirement. The reserves policy and balance are reviewed annually by the Board of Trustees.

CEOBS is a new organisation that has operated for fewer than five years, and the COVID-19 pandemic prevented our main fundraising activity from taking place in 2020. Nevertheless, we significantly increased our reserves level in 2020: on the 31st December the organisation had free reserves of £26,625 (2019: £10,607).

Wherever possible all unrestricted funds are put towards reserves to build these up as quickly as possible. CEOBS also seeks to raise additional funds for reserves within project proposals. Our target is to add one month of running costs to our reserves every year until an ideal situation of six months of reserves is achieved. Our interim target, set in 2019 for 2020 onwards, is three months' running costs in three years. With average monthly running costs at 2020 levels, this is approximately £55,819. We are on track to meet this target having already raised 47% of it.

Plans for the future

In 2021, CEOBS will continue to work on its four core programmes: conflict monitoring and public awareness, the provisions within international law for PERAC, environmental mainstreaming in humanitarian mine action, and international advocacy. We expect international processes halted by the pandemic to begin again and create opportunities for engagement with a range of stakeholders.

Using what we have learned over the past three years, we are developing plans to expand our conflict monitoring capacity and work on the implementation of the PERAC legal framework.

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Structure, governance and management

The organisation is a charitable incorporated organisation (CIO), registered on 3 August 2017. The charity was established under a constitution which states the objects and powers of the charity and its governance.

The trustees are members of the charity but this entitles them only to voting rights. They have no beneficial interest in the charity. All trustees give their time voluntarily and receive no benefits from their role as trustees of the charity. Any expenses reclaimed from the charity are set out in note 11 to the accounts.

CEOBS recognises that an effective board of trustees is essential if the charity is to achieve its objectives. There must be at least three trustees, who serve for a renewable term of two years or until they resign. Trustees may form sub-committees or working groups, with or without staff members, on an ad-hoc basis.

The board of trustees has responsibility for and oversight of the recruitment of new trustees, and they are supported by staff in this. The organisation uses skills audits to identify knowledge and expertise of existing trustees. These may also be used to identify gaps and desired characteristics of new trustees. Advertising may be done through appropriate channels. As a result of the specialised nature of the organisation's work, approaches to individuals known to CEOBS through its activities may also be made.

CEOBS seeks to avoid conflicts of interest and ensure diversity in its board of trustees, as well as in its staff. Consideration is given to ways in which groups that are under-represented on the board might be reached and encouraged to apply.

New trustees are appointed by a decision at a properly convened meeting of the existing trustees. They receive an induction pack that includes copies of the latest Trustees Annual Report and Accounts, the charity's Constitution, copies of Board minutes and finance reports, a role description and the Charity Commission guidance 'The Essential Trustee' (CC3). They are required to confirm they have read the last of these in a minuted meeting, and to submit a Trustee Eligibility Declaration, as provided by the Charity Commission, and a declaration of interests form.

Operational decision-making

CEOBS' trustees are responsible for the governance of the organisation. This includes, but is not restricted to, deciding on policy and strategy, appointing and overseeing staff, monitoring performance and finances and providing guidance and knowledge. Day-to-day management of CEOBS is provided by its Research and Policy Director, working with our staff.

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Related parties and relationships with other organisations

CEOBS works with other organisations as necessary to further its aims; these are typically collaborations for research or advocacy purposes. CEOBS does not have any affiliates or subsidiaries.

During the period, CEOBS worked with the following:

Research: Harvard Law School.

Projects: Norwegian People's Aid (Norway).

Fundraising (grants): Norwegian People's Aid (Norway).

Other: We worked with Amnesty International, the Environmental Law Institute (US), PAX (Netherlands), Zoï Environment Network (Switzerland) and the Zoological Society of London on advocacy initiatives on nature and conflict. And with Harvard Law School, The HALO Trust and Mines Action Canada on advocacy on cluster munitions.

Remuneration policy for key management personnel

The trustees consider the board of trustees and the Research and Policy Director as comprising the key management personnel of the charity. The board has responsibility for directing and controlling the charity, and they delegate the responsibility for running and operating the charity on a day to day basis to the Research and Policy Director. All trustees are volunteers and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in note 11 to the accounts; there were no related party transactions.

CEOBS has a Conflict of Interest Policy and Register. Trustees are required to disclose all relevant interests and register them with the Research and Policy Director and, in accordance with the charity's constitution, withdraw from decisions where a conflict of interest arises. No such situations arose during the year.

The Board of Trustees has responsibility for approving the salaries and remuneration of all staff, including key management personnel. Remuneration is set within the boundaries of budgets presented in grant applications and aligns with pay grades for comparable sectoral roles and skill sets.

The trustees aim to provide employees, including key management personnel, with yearly inflationary pay rises where feasible and subject to the constraints of funding. Beyond this, salary increases are based on changes in responsibilities and experience. It is the charity's aim to employ effective staff and the trustees recognise that the rates of pay offered should be appropriate.

The charity does not offer bonuses or benefits in kind, other than the statutory pension scheme (currently NEST).

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The trustees have reviewed the remuneration policy with reference to the Living Wage, gender pay ratios, maximum pay ratios and pay bench-marking.

Risk management

It is the staff and trustees' responsibility to identify, assess and manage risks.

The biggest risk to the charity is that of lack of funds and work has been undertaken throughout the period to secure funds and diversify our funding sources. Controls are in place to reduce risks associated with financial, administrative and operational procedures.

In 2020 a risk mapping exercise was completed by the board of trustees. The resulting Risk Register is reviewed when deemed necessary by the trustees and not less than once a year. Risks are continuously assessed by the staff and trustees and reviewed at both the project and governance level, and risk management is ongoing. Actions to mitigate risks are taken at appropriate levels of the organisation.

Funds held as custodian trustee on behalf of others

No funds were held by the Charity as a custodian trustee on behalf of others.

Environmental and social policy

During 2020, the pandemic had a significant impact on CEOBS' environmental footprint, primarily through its impact on travel.

CEOBS' environmental and social policies consider the impact of our office and of our travel footprint.

To reduce the environmental impact and increase the social benefits of our office we are:

- Using local suppliers, such as for printing.
- Reducing single use plastics, for example milk deliveries and, where possible, plastic-free stationery.
- Utilising Fair Trade and ethically sourced products.
- To the greatest extent possible using recycled IT equipment.

Our travel policy seeks to:

- Minimise flights where other options are available, within the constraints of staff time and financial resources.
- Encourage staff to avoid flights by accepting additional travel hours as working hours and absorbing additional travel and accommodation costs.
- Encourage staff to consider and address the higher environmental footprint of periods away travelling, such as increased use of single-use plastics.

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We have decided not to utilise a carbon offsetting scheme to address emissions from travel. Instead our policy is to volunteer staff time throughout the year to local environmental projects. The Calder Valley, in which we are based, is prone to flooding and in 2019 our efforts were focussed on tree and willow planting to support initiatives to address this. The pandemic reduced such opportunities during 2020, however, in the aftermath of dreadful flooding in February, members of the CEOBS team spent a day helping to clean up a local playgroup and preschool with brooms, spades and pressure-washers. We hope to resume preventative activities when conditions allow.

Statement of responsibilities of the trustees

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

Charity law requires the trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity 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 judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity 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.

The trustees' annual report has been approved by the trustees on 14 / 10 / 2021

and signed on their behalf by: Teresa Lappe-Osthege .....

Teresa Lappe-Osthege (Trustee)

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Independent examiner's report to the trustees of The Conflict and Environment Observatory

I report on the accounts of the charity for the period ended 31 December 2020 set out on pages 18 to 33.

Respective responsibilities of trustees and examiner
The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- to state whether particular matters have come to my attention.

Basis of independent examiner's statement
My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement
In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that, in any material respect, the requirements:
   - to keep accounting records in accordance with section 130 of the Charities Act; and
   - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act

   have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

P Morrello

Patrick Morrello ACA
Third Sector Accountancy Limited, Holyoake House,
Hanover Street, Manchester, M60 0AS

Date: 14 / 10 / 2021

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The Conflict and Environment Observatory
Statement of Financial Activities
(including Income and Expenditure account)
for the year ended 31 December 2020

	Note	Unrestricted funds £	Restricted funds £	Total funds 2020 £	*Unrestricted funds £*	*Restricted funds £*	*Total funds 2019 £*
Income from:							
Donations and legacies	3	55,626	-	55,626	*13,533*	*37,710*	*51,243*
Charitable activities	4	20,746	175,475	196,221	-	*137,485*	*137,485*
Other trading activities	5	-	-	-	*6,665*	-	*6,665*
Total income		**76,372**	**175,475**	**251,847**	***20,198***	***175,195***	***195,393***
Expenditure on:							
Raising funds	6	-	-	-	*2,245*	-	*2,245*
Charitable activities	7	64,503	158,774	223,277	*10,376*	*168,978*	*179,354*
Total expenditure		**64,503**	**158,774**	**223,277**	**12,621**	**168,978**	***181,599***
Net income/(expenditure) for the year	9	**11,869**	**16,701**	**28,570**	**7,577**	**6,217**	*13,794*
Transfer between funds		3,359	(3,359)	-	*(49)*	49	-
Net movement in funds for the year		**15,228**	**13,342**	**28,570**	**7,528**	**6,266**	***13,794***
Reconciliation of funds							
Total funds brought forward		11,397	13,016	24,413	*3,869*	6,750	*10,619*
Total funds carried forward		**26,625**	**26,358**	**52,983**	**11,397**	**13,016**	***24,413***

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

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The Conflict and Environment Observatory
Charity number 1169735

Balance sheet as at 31 December 2020

	Note	2020		*2019*	
		£	£	*£*	*£*
Fixed assets					
Tangible assets	14		1,680		*2,519*
Total fixed assets			**1,680**		***2,519***
Current assets					
Debtors	15	12,760		*454*	
Cash at bank and in hand	-	44,579		*28,128*	
Total current assets		**57,339**		***28,582***	
Liabilities					
Creditors: amounts falling due in less than one year	16	(6,036)		*(6,688)*	
Net current assets			**51,303**		***21,894***
Total assets less current liabilities			52,983		*24,413*
Net assets			**52,983**		***24,413***
The funds of the charity:					
Restricted income funds	17		26,358		*13,016*
Unrestricted income funds	18		26,625		*11,397*
Total charity funds			**52,983**		***24,413***

For the year in question, the charity was entitled to exemption from an audit under section 144 of the Charities Act 2011. The Charity Commission has not ordered an audit to be carried out under Section 146 of Charities Act 2011.

The notes on pages 20 to 33 form part of these accounts.

Approved by the trustees on 14 / 10 / 2021 and signed on their behalf by:

Teresa Lappe-Osthege

Teresa Lappe-Osthege (Trustee)

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1 Accounting policies

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Conflict and Environment Observatory meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £ sterling.

b Judgments and estimates

The trustees have made no key judgments which have a significant effect on the accounts.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next reporting period.

c Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. Full funding is secured until March 2022 and the charity has funding applications at an advanced stage in the approval process. Should relevant funding however not be received there are sufficient reserves to operate and continue some of the work whilst giving time to secure alternative funding. The charity therefore considers itself a going concern.

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d Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of a provision of a specified service is deferred until the criteria for income recognition are met.

e Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

f Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

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g Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of fundraising events, marketing and website costs, and their associated support costs.
- Expenditure on charitable activities includes the costs of personnel and conducting research projects undertaken to further the purposes of the charity and their associated support costs.

- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in note 8.

i Tangible fixed assets

The trustees have decided to set the capitalisation threshold for fixed assets at £500. Items costing £500 or more are capitalised at cost. They are depreciated over their estimated useful economic lives on a straight line basis as follows:

Office and computer equipment	25%

j Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

k Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

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l Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

m Pensions

Employees of the charity are entitled to join a defined contribution scheme. The charity's contribution is restricted to the contributions disclosed in note 10. There were no outstanding contributions at the year end. The costs of the defined contribution scheme are included within support and governance costs and allocated to the funds of the charity using the methodology set out in note 8.

2 Legal status of the charity

The charity is a charitable incorporated organisation registered with the Charity Commission and has no share capital. The registered office address is disclosed on page 1.

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3 Income from donations and legacies

	Unrestricted £	Restricted £	Total 2020 £	*Unrestricted £*	*Restricted £*	*Total 2019 £*
Donations and grants	55,626	-	55,626	13,533	37,710	*51,243*
Total	55,626	-	55,626	*13,533*	*37,710*	*51,243*

4 Income from charitable activities

	Unrestricted £	Restricted £	Total 2020 £	*Unrestricted £*	*Restricted £*	*Total 2019 £*
Grants	-	175,475	175,475	-	*137,485*	*137,485*
Charitable trading	20,746	-	20,746	-	-	-
Total	20,746	175,475	196,221	-	*137,485*	*137,485*

5 Income from other activities

	Unrestricted £	Restricted £	Total 2020 £	*Unrestricted £*	*Restricted £*	*Total 2019 £*
Fundraising event	-	-	-	*6,665*	-	*6,665*
	-	-	-	*6,665*	-	*6,665*

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6 Cost of raising funds

	Unrestricted £	Restricted £	2020 £	*Unrestricted £*	*Restricted £*	*2019 £*
Staff costs	-	-	-	*1,553*	-	*1,553*
Event costs	-	-		*272*	-	*272*
Administration	-	-	-	*140*	-	*140*
Governance costs (see note 8)	-	-	-	*88*	-	*88*
Support costs (see note 8)	-	-	-	*192*	-	*192*
	-	-	-	*2,245*	-	*2,245*

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7 Analysis of expenditure on charitable activities

	Total 2020 £	*Total 2019* *£*
Staff salary costs	167,029	*113,094*
Other staff costs	60	*5,686*
Premises cost	11,725	*12,628*
General office and administration costs	3,663	*4,900*
Travel, accommodation and subsistence	2,486	*11,752*
Conferences and events	562	*878*
Marketing	200	*464*
Subscriptions	214	*162*
Consultancy	12,657	*2,214*
Project costs	3,701	*4,457*
Depreciation	742	*733*
Governance costs (see note 8)	6,160	*7,036*
Support costs (see note 8)	14,078	*15,350*
	223,277	*179,354*
Restricted expenditure	158,774	*168,978*
Unrestricted expenditure	64,503	*10,376*
	223,277	*179,354*

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8 Analysis of governance and support costs

	Basis of apportionment	Support £	Governance £	*Total 2020 £*	*Support £*	*Governance £*	*Total 2019 £*
Staff costs	time spent	9,939	3,769	13,708	*10,811*	*3,702*	*14,513*
Premises costs	time spent	1,194	356	1,550	*1,850*	-	*1,850*
General administration	time spent	279	83	362	*677*	-	*677*
Bank charges	allocated	42	-	42	*132*	-	*132*
Accountancy fees	allocated	840	1,440	2,280	-	*2,400*	*2,400*
Insurance	allocated	940	-	940	*852*	-	*852*
Online services and design	allocated	162	-	162	*116*	-	*116*
Legal and professional	allocated	504	-	504	*565*	*618*	*1,183*
Staff events	allocated	103	-	103	*341*	-	*341*
Trustee expenses	allocated	-	490	490	-	*404*	*404*
Vehicle expenses - admin	allocated	-	-	-	*91*	-	*91*
Depreciation	time spent	75	22	97	*107*	-	*107*
		14,078	6,160	20,238	*15,542*	*7,124*	*22,666*

Support and governance costs are either allocated as costs directly identifiable with the function or apportioned by staff time spent on those functions. Normally these costs are then further apportioned to fundraising and charitable activities in proportion to their respective share of the total direct costs. Due to the Covid-19 pandemic the staff did not spend any time on direct fundraising nor were there any fundraising event costs.

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9 Net income/(expenditure) for the year

This is stated after charging/(crediting):	2020	*2019*
	£	*£*
Depreciation	839	840
Grant audit fees	1,200	1,320
Accountancy fees	840	840
Independent examiner's fee	240	240

10 Staff costs

Staff costs during the year were as follows:

	2020	*2019*
	£	*£*
Wages and salaries	163,000	116,885
Social security costs	12,460	8,580
Pension costs	5,277	3,700
	180,737	*129,165*

Allocated as follows:

Cost of raising funds	-	*1,553*
Charitable activities	167,029	*113,098*
Support costs	9,939	*10,811*
Governance costs	3,769	*3,703*
	180,737	*129,165*

No employee has employee benefits in excess of £60,000 (2019: Nil).

The average number of staff employed during the period was 5 (2019: 3.8).
The average full time equivalent number of staff employed during the period was 4.6 (2019: 4.5).

The key management personnel of the charity comprise the trustees and the Research and Policy Director. The total employee benefits of the key management personnel of the charity were £40,000 (2019: £39,999).

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11 Trustee remuneration and expenses, and related party transactions

Neither the trustees nor any persons connected with them received any remuneration. Three trustees were reimbursed travel and accommodation expenses during the year totalling £490 (2019: £404).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity, including guarantees, during the year (2019: nil).

12 Government grants

The government grants recognised in the accounts were as follows:

	2020 £	*2019* *£*
Norwegian Ministry of Foreign Affairs grant	161,014	*137,485*
Covid-19 CJRS grant	2,729	-
	163,743	*137,485*

There were no unfulfilled conditions and contingencies attaching to the grants.

13 Corporation tax

The charity is exempt from tax on income and gains falling within Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

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14 Fixed assets: tangible assets

	Computer equipment £
Cost	
At 1 January 2020	3,359
At 31 December 2020	3,359
Depreciation	
At 1 January 2020	840
Charge for the year	839
At 31 December 2020	1,679
Net book value	
At 31 December 2020	1,680
At 31 December 2019	*2,519*

15 Debtors

	2020 £	*2019 £*
Prepayments and accrued income	12,760	*454*
	12,760	*454*

16 Creditors: amounts falling due within one year

	2020 £	*2019 £*
Other creditors and accruals	6,036	*2,400*
Taxation and social security costs	-	*4,288*
	6,036	*6,688*

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17 Analysis of movements in restricted funds

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 December 2020 £
Direct charitable activities					
British Ecological Society	-	1,890	(300)		1,590
Norwegian Ministry of Foreign Affairs	13,016	161,014	(146,227)	(3,359)	24,444
Knowledge Management Fund	-	10,328	(10,328)	-	-
Nahrein Network	-	2,243	(1,919)	-	324
Total	13,016	175,475	(158,774)	(3,359)	26,358

The funds transfer from restricted to unrestricted funds was due to the charity purchasing computer equipment to the value of £3,359.

Comparative period

	Balance at 1 January 2019 £	*Income £*	*Expenditure £*	*Transfers £*	*Balance at 31 December 2019 £*
Direct charitable activities					
Joseph Rowntree Charitable Trust	*6,750*	*37,709*	*(44,508)*	*49*	*-*
Norwegian Ministry of Foreign Affairs	*-*	*137,485*	*(124,469)*	*-*	*13,016*
Total	*6,750*	*175,194*	*(168,977)*	*49*	*13,016*

Name of restricted fund	Description, nature and purposes of the fund
British Ecological Society	to develop science, technology, engineering and mathematics (STEM) educational resources on conflict and the environment
Knowledge Management Fund	to analyse international norms on the environmental conduct of business enterprises operating in fragile and conflict-affected areas
Nahrein Network	to contribute remote sensing data to academic research on the eco-tourism potential of the Iraqi marshlands
Norwegian Ministry of Foreign Affairs	grant for various specific projects related to the impact of war on environment and humanity

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18 Analysis of movements in unrestricted and designated funds

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers £	As at 31 December 2020 £
General fund	10,607	23,872	(11,213)	3,359	26,625
Joseph Rowntree Charitable Fund	790	52,500	(53,290)	-	-
	11,397	76,372	(64,503)	3,359	26,625

Comparative period

	Balance at 1 January 2019 £	*Income £*	*Expenditure £*	*Transfers £*	*As at 31 December 2019 £*
General fund	*3,869*	*6,738*	-	-	*10,607*
Joseph Rowntree Charitable Fund	-	*13,459*	*(12,620)*	*(49)*	*790*
	3,869	*20,197*	*(12,620)*	*(49)*	*11,397*

Name of unrestricted fund	Description, nature and purposes of the fund
General fund	The free reserves after allowing for all designated funds
Designated Fund Joseph Rowntree Charitable Fund	to be used as the charity sees fit to further its objects, for charitable purposes only and within the bounds of charity law, not to be used for reserves

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19 Analysis of net assets between funds

	General fund £	Designated funds £	Restricted funds £	Total 2020 £
Tangible fixed assets	1,680	-	-	1,680
Net current assets/(liabilities)	24,945	-	26,358	51,303
Total	26,625	-	26,358	52,983

Comparative period

	General fund £	*Designated funds £*	*Restricted funds £*	*Total 2019 £*
Tangible fixed assets	*2,519*	*-*	*-*	*2,519*
Net current assets/(liabilities)	*8,088*	*790*	*13,016*	*21,894*
Total	*10,607*	*790*	*13,016*	*24,413*

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