

Company no. 1544957
Charity no. 282305

Minority Rights Group
Report and Financial Statements
31 December 2010

sayer vincent

consultants and auditors

Minority Rights Group

Reference and administrative details

For the year ended 31 December 2010

Status	The organisation is a charitable company limited by guarantee, incorporated on 11 February 1981 and registered as a charity on 11 May 1981.	
Governing document	The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association. The memorandum and articles of association were amended on 15 June 1987.	
Summary of investment powers	The governing document gives Minority Rights Group the power to invest the monies of the charity not immediately required for its purposes.	
Company number	1544957	
Charity number	282305	
Registered office and operational address	54 Commercial Street London E1 6LT	
Honorary officers	Kevin Boyle Arjan Buteijn Mark Lattimer	Chair (to December 2010) Treasurer Secretary
Principal staff	Mark Lattimer	Director
Bankers	National Westminster Bank PLC Strand Villiers House Branch 38 Strand London WC2N 5JQ	
Solicitors	Bates Wells & Braithwaite Cheapside House 138 Cheapside London EC2V 6BB	
Auditors	Sayer Vincent Chartered accountants and statutory auditors 8 Angel Gate City Road London EC1V 2SJ	

Minority Rights Group

Report of the Council

For the year ended 31 December 2010

The Council of Management presents its report and the audited financial statements for the year ended 31 December 2010.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities (revised March 2005).

Structure, governance and management

Minority Rights Group (MRG) is a charitable company limited by guarantee and its governing document is its memorandum and articles of association.

The governing body of MRG is an international Council. This was chaired by Kevin Boyle (to December 2010) and has 12 members. Membership of the Council is kept broadly balanced and includes members from different world regions and members of minority communities. Because of MRG's broad constituency and global remit, Council members do not represent any one particular community but rather ensure that MRG addresses minority rights needs and issues globally. Members of the charity guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2010 was 12 (2009 - 12). Members of the Council are members of the charity but this entitles them only to voting rights.

One third of Council members retire in rotation each year (but can be re-elected). Council members serve a maximum of 6 consecutive years (or 8 in the case of officers). As Council members step down, new Council members are identified who have particular skills, or who could bring relevant experience and expertise to the charity. New Council members are encouraged to visit MRG's offices for briefings with staff as part of the induction process. They are provided with relevant documents and access to information about the governance and the work of the charity.

The Council decides the organisational budget, approves the accounts, appoints the auditors and sets the strategic direction for MRG. All major new programme proposals are reviewed and agreed by the Council before they are implemented. The Council has established a sub-committee (the Finance and General Purposes Committee) which usually meets three times each year to ensure proper oversight of MRG's financial processes and procedures. The sub-committee also considers personnel, risk management and property issues.

Day to day management of the Charity is carried out by a Management Team of 5 senior staff led by the Executive Director who reports to the Council. MRG has two offices in Hungary and Uganda and cooperates with a number of like-minded charities to achieve common goals.

The Council and the Finance and General Purposes Committee regularly assess the risks to which the organisation is exposed. The Council has assessed the major risks that could affect MRG and is satisfied that systems are in place to mitigate exposure to these risks.

Minority Rights Group

Report of the Council

For the year ended 31 December 2010

Objectives, activities and achievements

MRG's objects are to promote studies, educate the public and disseminate knowledge about the problems of minority groups around the world. MRG's assessment of the problems of minority groups worldwide has led it to focus on the following specific objectives.

MRG's aims are to secure the rights of minorities and indigenous peoples and to promote cooperation and understanding between communities. 2010 was the second year of a four-year strategic period spanning 2009-2012. For this period, MRG has had the following six objectives:

1. **Strengthening the Voices of Minority and Indigenous Organisations.** This was achieved through a variety of training programmes designed to give minority activists the skills and confidence to carry out advocacy and promote the human rights of their communities. Training events took place in the Great Lakes region of Africa, East Africa, South Asia and South East Europe. After training events, MRG also supports partner organisations to prepare and run advocacy projects and this work was going on during 2010 across Africa, in South East Europe, four states in South Asia as well as in Iraq and Sri Lanka. Participants reported great benefits and many went on to design and run advocacy programmes on behalf of their communities using the skills that they had learnt.
2. **Reducing Poverty and Ending Discrimination.** This strand of our work has a particular focus on equality in education and land rights. Campaigns run by MRG and by partners, when successful, result in long-term changes to bring national-level policies, laws and practices in line with universal human rights standards. In 2010 we contributed to campaigns that achieved or worked towards better recognition of the rights of minorities in many countries notably India, Kenya, Somalia, Bosnia, Tanzania, and Uganda.
3. **Changing Discriminatory Attitudes.** This is a new area for MRG and we commenced a programme using Street Theatre to Challenge Racism which began work in Botswana, Dominican Republic, Kenya and Rwanda.
4. **Promoting Minority and Indigenous Participation.** We worked with partners to secure better participation rights for minority and indigenous peoples in East Africa and the Great Lakes as well as Bosnia, Botswana, and Sri Lanka. With UNDP and the Inter-Parliamentary Union we supported a programme to promote minority participation in national parliaments.
5. **Preventing Conflict and Mass Atrocities.** This year we have continued to work in East Africa with communities on how to manage tensions over scarce resources that can lead to conflict between communities. Our conflict prevention work has also continued in Cyprus, Iraq, Sri Lanka and Somalia.
6. **Strengthening international systems for minority protection.** We continued to work closely with the Human Rights mechanisms of the UN, in particular we supported over a dozen participants to attend the UN Forum on Minority Issues. We supported partners to submit shadow reports or other materials to UN, Council of Europe and EU reporting mechanisms. In association with UNICEF we published a review of how minority issues have been included in UNICEF's work and continued our work with UNDP, African regional mechanisms and the OSCE.

Minority Rights Group

Report of the Council

For the year ended 31 December 2010

Public benefit

The Council has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular the Council considers how planned activities will contribute to the aims and objectives they have set.

Plans for future periods

2011 will be the third year of our current four-year strategic period which runs from 2009 to 2012. During the year we plan to continue with many of the above activities in pursuit of our strategic objectives. In addition, we hope to add some more new work in the area of changing discriminatory attitudes and to expand our work in further regions of the world. We have also secured funding for a major new programme of minority-led advocacy in Europe, Asia, Africa and at the UN.

Financial review

During the year under review, Minority Rights Group achieved an income of £2.7m, a decrease of 8% on income achieved in the previous year (2009). Significant and continuing financial support was received from Alan and Babette Sainsbury Trust, Baring Foundation, Cordaid, Doen Foundation, the Eva Reckitt Charitable Trust, John Ellerman Foundation, the Lee Foundation, the Pilkington Charitable Trust, the Sigrid Rausing Trust, the Governments of Canada, Finland, Hungary, Ireland, the Netherlands, Norway, Sweden, Switzerland, and the United Kingdom; the Council of Europe, the UN High Commissioner for Refugees, UNICEF, and the European Commission. These grants are greatly appreciated by the charity.

The charity's overall expenditure in 2010 amounted to £3.1m an increase of 13% on the previous year. After unrestricted income relating to 2010 activities was transferred from general to designated funds, the operating surplus (deficit) for the year on the general fund was £13,282. This increased to £39,891 after adjusting for exceptional items mainly the gains on investment.

Reserves policy

The Council considers that there are sufficient reserves held at the year end to avoid an unacceptable level of disruption to the organisation in the event of a downturn in future income, and there is a reasonable expectation that the charity has adequate resources to continue in operation for the foreseeable future.

In order to ensure continuity of operations in case of temporary loss of funding and provide an adequate buffer to cushion the effect of temporary cash flow difficulties, MRG aims to establish a level of unrestricted reserves sufficient to cover essential core running costs for 6 months.

For the year 2011, the level of reserve required is £403,641. The general reserves level of £445,995 at the year end is therefore adequate.

Minority Rights Group

Report of the Council

For the year ended 31 December 2010

Investment policy and performance

For the level of investment and surplus funds available to the charity, it aims to secure the maximum return possible for minimal risk and a suitable degree of liquidity. Due to the continued recovery in the stock market, the value of the charity's investment portfolio increased by £26,609 in the year.

Grant making policy

MRG does not generally make grants to other organisations, but funds are provided to partners for production of reports, translations, and other follow-up activities arising from training events and workshops. The disbursement of these funds is governed by contracts that specify the work to be carried out by the partner, their reporting requirements, deadlines for completion of work, and the disbursement schedule for tranches of funds. MRG also provides small capital grants for partners for IT equipment as a component of some of its programmes. For these grants, partners must provide a motivation for the use of the equipment, and copies of purchase invoices to verify that funds have been utilised for the intended purpose.

Movement in funds

Please refer to note 12 of the accounts for a detailed analysis of the movement in funds.

Statement of responsibilities of the Council of Management

The Council is responsible for preparing the Council's report and the financial statements in accordance with applicable law and regulations.

Company law requires the Council to prepare financial statements for each financial year. Under that law the Council has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Council must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the net income or expenditure, of the charitable company for that period.

In preparing these financial statements, the Council is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (United Kingdom Generally Accepted Accounting Practice) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

Minority Rights Group

Report of the Council

For the year ended 31 December 2010

The Council is responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Council is 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 the financial statements may differ from legislation in other jurisdictions.

Each Member of the Council confirms that to the best of his/her knowledge there is no information relevant to the audit of which the auditors are unaware. Each Member of the Council also confirms that he/she has taken all necessary steps to ensure that he/she is aware of all relevant audit information and that this information has been communicated to the auditors.

Members of the Council

The Council of Management who served during the year and up to the date of this report were as follows:

Ade Adeniji	
Kevin Boyle	(Chair to December 2010)
Arjan Buteijn	
Hurst Hannum	
Mukesh Kapila	
Mehr Khan Williams	
Lekha Klouda	(Chair of the Finance & General Purposes Committee)
Reem Mazzawi	
Lydia Ramahobo	
William Samuel	
Stella Tamang	
Melakou Tegegn	

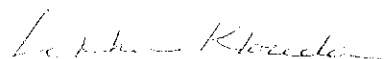
Auditors

Sayer Vincent were re-appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

Approved by the Council on 6 May 2011 and signed on their behalf by



Mark Lattimer
Chief Executive & Company Secretary



Lekha Klouda
Director (& Chair of Finance & General
Purposes Committee)

Independent auditors' report

To the members of

Minority Rights Group

We have audited the financial statements of Minority Rights Group for the year ended 31 December 2010 which comprise the statement of financial activities, balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Council and auditors

As explained more fully in the Council's Responsibilities Statement set out in the report of the Council, the Council (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2010 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Independent auditors' report

To the members of

Minority Rights Group

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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



Pamela Craig, Senior Statutory Auditor
for and on behalf of Sayer Vincent, Statutory Auditors

SAYER VINCENT
8 Angel Gate
City Road
LONDON
EC1V 2SJ

18 May 2011

Minority Rights Group

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2010

	Note	Restricted £	Designated £	General £	2010 Total £	2009 Total £
Incoming resources						
<i>Incoming resources from generated funds</i>						
Voluntary income	2	-	-	655,533	655,533	646,469
Investment income		-	-	2,519	2,519	4,649
<i>Incoming resources from charitable activities</i>						
Advocacy & Projects		1,962,895	-	-	1,962,895	2,181,480
Publications		-	-	9,151	9,151	6,509
Consultancy		-	-	8,888	8,888	25,100
Other income		-	-	33,433	33,433	55,964
Total incoming resources		<u>1,962,895</u>	<u>-</u>	<u>709,524</u>	<u>2,672,419</u>	<u>2,920,171</u>
<i>Resources expended</i>						
<i>Costs of generating funds:</i>						
Costs of generating voluntary income		-	-	117,390	117,390	102,957
<i>Charitable activities</i>						
Advocacy & Projects		2,571,347	-	295,724	2,867,071	2,526,057
Advocacy Support		-	-	11,060	11,060	4,915
Project support		-	-	36,793	36,793	32,043
Publications		-	-	20,289	20,289	37,250
Consultancy		-	-	13,276	13,276	11,866
Governance costs		-	-	40,389	40,389	28,671
Total resources expended	3	<u>2,571,347</u>	<u>-</u>	<u>534,921</u>	<u>3,106,268</u>	<u>2,743,759</u>
Net incoming resources before transfers	4	(608,452)	-	174,603	(433,849)	176,412
Gross transfers between funds		<u>219,818</u>	<u>(58,495)</u>	<u>(161,323)</u>	<u>-</u>	<u>-</u>
Net incoming resources before other gains and losses		(388,634)	(58,495)	13,280	(433,849)	176,412
Unrealised investment gains	8	-	-	26,609	26,609	31,035
Unrealised (loss) on foreign exchange		<u>(17,849)</u>	<u>-</u>	<u>-</u>	<u>(17,849)</u>	<u>(4,267)</u>
Net movement in funds		(406,483)	(58,495)	39,889	(425,089)	203,180
Funds at the start of the year		<u>953,703</u>	<u>217,895</u>	<u>406,104</u>	<u>1,577,702</u>	<u>1,374,522</u>
Funds at the end of the year		<u>547,220</u>	<u>159,400</u>	<u>445,993</u>	<u>1,152,613</u>	<u>1,577,702</u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 12 to the financial statements.

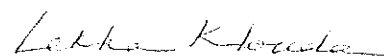
Minority Rights Group (Limited by guarantee)

Balance sheet

As at 31 December 2010

	Note	£	2010 £	2009 £
Fixed assets				
Tangible fixed assets	7		28,286	41,494
Investments	8		<u>198,033</u>	<u>171,424</u>
			226,319	212,918
Current assets				
Debtors	9	368,294		597,527
Cash at bank and in hand		<u>1,071,139</u>		<u>948,742</u>
		1,439,433		1,546,269
Creditors: amounts due within 1 year	10	<u>513,139</u>		<u>181,485</u>
Net current assets			<u>926,294</u>	<u>1,364,784</u>
Net assets	11		<u><u>1,152,613</u></u>	<u><u>1,577,702</u></u>
Funds	12			
Restricted funds				
In surplus			547,220	953,703
In deficit				
Unrestricted funds				
Designated fund			159,400	217,895
General fund			<u>445,993</u>	<u>406,104</u>
Total funds			<u><u>1,152,613</u></u>	<u><u>1,577,702</u></u>

Approved by the directors on 6 May 2011 and signed on their behalf by



Lekha Klouda
Director (& Chair of Finance & General
Purposes Committee)

Minority Rights Group

Notes to the financial statements

For the year ended 31 December 2010

1. Accounting policies

- a) The financial statements have been prepared under the historical cost convention as modified by the inclusion of investments at market value, and in accordance with applicable accounting standards and the Companies Act 2006. They follow the recommendations in the Statement of Recommended Practice, Accounting and Reporting by Charities (issued in March 2005).
- b) Voluntary income is received by way of donations and gifts and is included in full in the statement of financial activities when receivable. Intangible income is recognised as an incoming resource where the provider of the service has incurred a financial cost. Volunteer time is not included in the financial statements.
- c) Grants are recognised in full in the statement of financial activities in the year in which they are received or receivable whichever is earlier. Grants paid in arrears are deemed to be receivable when the related expenditure has been incurred. Grants received in advance for a specific future accounting period are deferred until such time as they are allowed to be expended.
- d) Income received from overseas is translated at the sterling amount on the day of receipt. Costs incurred overseas are translated into sterling at the average rate of exchange for the month. Foreign funds held are translated into sterling at the rates of exchange ruling at the balance sheet date.
- e) Interest and dividends are recognised when receivable.
- f) Subscriptions are included in income in the year in which they fall due.
- g) Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.
- h) Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the basis of actual staff time attributable to each activity.

Amounts transferred to partners for project activities are treated as advances and only charged to project cost when proper returns are received.

Governance costs include the management of the charitable company's assets, organisational management and compliance with constitutional and statutory requirements.
- i) Advocacy and Project support costs comprise costs incurred in supporting advocacy and project activities which are not covered by specific restricted fund grants.

Other support costs comprise costs incurred in running the charity, which cannot be directly allocated to the charity's projects or fundraising.
- j) The costs of generating funds relate to the costs incurred by the charitable company in raising funds for the charitable work.
- k) Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund together with a fair allocation of management and support costs.

Minority Rights Group

Notes to the financial statements

For the year ended 31 December 2010

1. Accounting policies (continued)

- l) Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity.
- m) Designated funds are unrestricted funds earmarked by the Council of Management for particular purposes.
- n) Depreciation is calculated so as to write off the cost of fixed assets on a straight line basis over their estimated useful lives as follows:

Furniture and equipment	3 years
Fixtures, fittings, plant and machinery	duration of lease for office premises

Items of equipment are capitalised where the purchase price exceeds £250. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

- o) Investments held as fixed assets are revalued at mid-market value at the balance sheet date. The gain or loss for the period is taken to the statement of financial activities.
- p) Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities in the year in which they fall due.
- q) The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the charity to the fund. The charity has no liability under the scheme other than for the payment of those contributions.
- r) The results of the Hungarian and Ugandan offices have been consolidated into the accounts on a line by line basis.
- s) Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the Statement of Financial Activities on a straight line basis over the minimum lease term.

Minority Rights Group

Notes to the financial statements

For the year ended 31 December 2010

2. Voluntary income

	2010 £	2009 £
TBH Brunner Charitable Trust	1,000	1,000
The Sigrid Rausing Trust	150,000	150,000
Lee Foundation	5,000	10,000
Erickson Trust	3,000	-
Eva Reckitt Trust	1,000	1,000
Swedish International Development Cooperation Agency	225,993	208,014
Doen Foundation	86,783	89,130
Alan and Babette Sainsbury Charitable Fund	10,000	5,000
Swets & Zeitlinger	459	1,020
Pilkington Charitable Trust	1,500	1,500
Cordaid	168,800	178,216
Donations and other income	1,998	1,589
	<u>655,533</u>	<u>646,469</u>

Minority Rights Group

Notes to the financial statements

For the year ended 31 December 2010

3. Charitable expenditure	Costs of generating voluntary income	Costs of generating voluntary income							2010 Total	2009 Total
		£	Advocacy & Projects	Advocacy Support	Project Support	Publications	Consultancy	Governance costs	Support costs	£
Staff Costs (note 5)	78,311	971,810	9,595	27,252	2,039	1,278	-	-	48,870	1,000,722
Consultancy & Volunteers	1,637	178,211	-	197	1,418	206	-	-	2,620	120,553
Recruitment	373	12,118	-	687	83	-	-	-	1,201	10,015
Staff Training & Development	1,486	10,085	-	145	480	-	-	-	2,104	16,214
Staff Travel	3,417	198,945	-	159	452	54	-	-	2,063	160,054
Regional Offices	-	18,622	-	-	-	-	-	-	-	18,622
Partners' Activities	-	421,369	-	-	-	10,131	-	-	-	79,195
Partner attendance at events	-	374,932	-	-	-	-	-	-	-	654,398
Training Events	-	137,219	-	-	-	-	-	-	-	151,348
Publications Production	89	64,172	-	-	582	-	-	-	-	32,438
Media, PR & Marketing	9	28,180	-	-	1,616	-	-	-	-	66,687
Communications	1,560	49,366	-	2	1,349	-	-	-	30	7,006
Office Running costs	1,752	25,920	-	269	359	30	-	-	3,896	45,991
Premises costs	14,920	145,798	-	454	2,599	-	-	-	4,741	20,053
Office Relocation	-	-	-	3,316	5,438	-	-	-	48,076	225,758
IT & Equipment	2,283	56,272	-	-	-	-	-	-	-	2,681
Depreciation	1,218	15,313	-	487	487	-	-	-	7,069	48,188
Bank charges and forex	572	13,941	-	271	271	-	-	-	3,923	16,062
Professional Fees	-	20,763	-	127	127	112	-	-	1,844	12,075
Charity Management & Statutory	-	8,637	-	10	-	-	-	20,531	-	40,632
Unrecoverable grant written off	-	8,000	-	-	-	-	-	19,858	-	20,925
	107,627	2,759,673	9,595	33,376	17,360	11,811	-	40,389	126,437	2,743,759
Support costs	9,763	107,398	1,465	3,417	2,929	1,465	-	-	(126,437)	-
Total resources expended	117,390	2,867,071	11,060	36,793	20,289	13,276	-	40,389	-	2,743,759

Minority Rights Group

Notes to the financial statements

For the year ended 31 December 2010

4. Net outgoing resources for the year

This is stated after charging / crediting:

	2010 £	2009 £
Depreciation	20,996	16,062
Council members' remuneration	-	-
Council members' reimbursed expenses	28,505	18,889
Auditors' remuneration:		
▪ audit	12,500	12,500
Operating lease rentals:		
▪ property	143,900	128,213
▪ other	12,221	9,714
	<u>143,900</u>	<u>128,213</u>
	<u>12,221</u>	<u>9,714</u>

Council members' reimbursed expenses represent the reimbursement of travel and subsistence costs to 12 (2009: 14) members relating to attendance at meetings of the Council.

5. Staff costs and numbers

Staff costs were as follows:

	2010 £	2009 £
Salaries and wages	824,690	754,528
Social security costs	83,343	77,088
Pension contributions	34,558	40,037
Regional Office staff	196,614	129,069
	<u>1,139,205</u>	<u>1,000,722</u>

One employee earned between £60,000 - £70,000 during the year (2009: one). Employer pension contributions for that employee totalled £6,949 in 2010.

The average weekly number of employees (full-time equivalent) during the year was as follows:

	2010 No.	2009 No.
Directors' office including fundraising	5.3	4.3
Administration and finance	4.0	4.0
Projects and project support- UK	16.6	11.3
Projects and project support- Regional Office	7.2	6.9
	<u>33.1</u>	<u>26.5</u>

Operational and management staff time is assigned to activities on the basis of time actually worked. Support staff time is assigned to activities pro rata based on the numbers of employees (full-time equivalent) working on those activities.

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Notes to the financial statements

For the year ended 31 December 2010

6. Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

7. Tangible fixed assets

	Furniture and equipment £
Cost	
At the start of the year	190,264
Additions in year	7,788
Disposal	<u>(3,879)</u>
At the end of the year	<u>194,173</u>
Depreciation	
At the start of the year	148,770
Disposal	<u>(3,879)</u>
Charge for the year	<u>20,996</u>
At the end of the year	<u>165,887</u>
Net book value	
At the end of the year	<u><u>28,286</u></u>
At the start of the year	<u><u>41,494</u></u>

8. Investments

	2010 £	2009 £
Market value at the start of the year	171,424	140,389
Unrealised gain	<u>26,609</u>	<u>31,035</u>
Market value at the end of the year	<u>198,033</u>	<u>171,424</u>
Historic cost at the end of the year	<u>67,877</u>	<u>67,877</u>
Investments representing over 5% by value of the portfolio comprise:		
	2010 £	2009 £
20,226 ordinary shares in Charishare Common Investment Fund	91,646	81,574
73168 ordinary shares in Friends Provident Stewardship Income Trust	<u>106,386</u>	<u>89,850</u>
	<u>198,032</u>	<u>171,424</u>

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9. Debtors

	2010 £	2009 £
Trade debtors	23,306	18,516
Other debtors	41,892	31,916
Prepayments	12,490	30,245
Accrued income	290,606	516,850
	<u>368,294</u>	<u>597,527</u>

10. Creditors: amounts due within 1 year

	2010 £	2009 £
Trade creditors	16,939	33,921
Taxation and social security	3,436	12,831
Accruals	87,877	90,580
Deferred Income	404,887	-
Other creditors - Prior year exchange gains to be returned to EC	-	44,153
	<u>513,139</u>	<u>181,485</u>

11. Analysis of net assets between funds

	Restricted funds £	Designated funds £	General funds £	Total Funds £
Fixed assets	-	-	226,319	226,319
Net current assets	<u>547,220</u>	<u>159,400</u>	<u>219,674</u>	<u>926,294</u>
Net assets at the end of the year	<u>547,220</u>	<u>159,400</u>	<u>445,993</u>	<u>1,152,613</u>

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Notes to the financial statements

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12. Movement in funds (summary note)

	At the start of the year £	Incoming resources £	Outgoing resources £	Transfers £	At the end of the year £
Restricted funds:					
AFRICA & MIDDLE EAST REGION	101,266	534,522	(508,333)	-	127,455
ASIA PACIFIC REGION	96,760	197,168	(246,082)	45,980	93,826
EUROPE / CIS REGION	29,507	182,321	(210,623)	46,530	47,735
RESEARCH & DEVELOPMENT	-	18,662	(18,662)	-	-
MINORITY RIGHTS & DEVELOPMENT	686	-	-	-	686
MINORITIES & CONFLICT PREVENTION	49,072	466,832	(376,583)	-	139,321
HUMAN RIGHTS IN CONFLICTS	-	31,000	(10,331)	-	20,669
STRATEGIC COMMUNICATIONS	45,660	335,390	(346,050)	-	35,000
INTERNATIONAL ADVOCACY	630,752	196,999	(854,683)	127,308	100,376
	953,703	1,962,895	(2,571,347)	219,818	565,069

AFRICA & MIDDLE EAST REGION

Poverty Reduction Strategy Process	229	31,231	(31,460)	-	-
Irish Aid Block Grant	229	31,231	(31,460)	-	-
Batwa Programme -2010	-	35,136	(35,136)	-	-
Irish Aid Block Grant	-	35,136	(35,136)	-	-
Programme Quality	-	51,393	(51,393)	-	-
Irish Aid Block grant	-	51,393	(51,393)	-	-
MRG Africa Office Capacity	-	16,759	(16,759)	-	-
Irish Aid Block grant	-	16,759	(16,759)	-	-
Legal Cases Africa Project	18,214	1,091	(19,305)	-	-
Irish Aid Block grant	-	1,091	(1,091)	-	-
Ministry for Foreign Affairs of Finland	18,214	-	(18,214)	-	-
Endorois Project	82,823	73,423	(78,851)	-	77,395
Baring Foundation	55,270	48,951	(53,751)	-	50,470
John Ellerman Foundation	27,553	24,472	(25,100)	-	26,925
Pastoralist Project 2010	-	84,363	(84,363)	-	-
Irish Aid project grant	-	79,858	(79,858)	-	-
DanChurcaid Uganda	-	4,505	(4,505)	-	-
EC Rwanda Gender Project	-	58,056	(7,996)	-	50,060
Irish Aid Block grant	-	23,643	(7,996)	-	15,647
European Commission	-	34,413	-	-	34,413
East Africa Governance Project	-	175,256	(175,256)	-	-
Irish Aid Block grant	-	30,000	(30,000)	-	-
European Commission	-	145,256	(145,256)	-	-
Uganda NEPAD Project	-	7,814	(7,814)	-	-
Irish Aid Block grant	-	2,528	(2,528)	-	-
European Commission- Uganda	-	5,286	(5,286)	-	-
Sub Total Africa & Middle East Region	101,266	534,522	(508,333)	-	127,455

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12. Movements in funds (continued)	At the start of the year £	Incoming resources £	Outgoing resources £	Transfers £	At the end of the year £
ASIA & PACIFIC REGION					
Religious Minorities in Asia	79,609	51,990	(162,578)	45,980	15,001
Irish Aid	39,609	-	(39,609)	-	-
Cordaid Block Grant	40,000	-	(85,980)	45,980	-
Netherlands Ministry of Foreign Affairs	-	51,990	(36,989)	-	15,001
Religious Minorities in Asia 2002-2005	4,500	-	-	-	4,500
Christian Aid	4,500	-	-	-	4,500
Promoting Minority Rights - Sri Lanka	12,651	145,178	(83,504)	-	74,325
European Commission	12,651	114,409	(52,735)	-	74,325
Ministry for Foreign Affairs of Finland	-	30,769	(30,769)	-	-
Sub Total Asia & Pacific Region	96,760	197,168	(246,082)	45,980	93,826
EUROPE / CIS REGION					
South East Europe Programme CSCF	-	91,132	(124,844)	33,712	-
UK Department for International Development	-	91,132	(124,844)	-	(33,712)
MRG- Matchfunding	-	-	-	33,712	33,712
Hungarian office Dev Ed Project	16,034	-	(3,880)	-	12,154
European Commission	16,034	-	(3,880)	-	12,154
South East Europe Programme FIN	14,414	-	(14,414)	-	-
Ministry of Foreign Affairs of Finland	14,414	-	(14,414)	-	-
Promoting Development Policy project	-	91,154	(65,573)	10,000	35,581
European Commission	-	91,154	(55,573)	-	35,581
MRG- Matchfunding	-	-	(10,000)	10,000	-
UN Advocacy Project Hungary	(205)	-	-	205	-
Hungarian Ministry of Foreign Affairs	(205)	-	-	205	-
INFOCON	(736)	35	(1,912)	2,613	-
European Commission	(736)	35	(1,912)	2,613	-
Sub Total Europe / CIS Region	29,507	182,321	(210,623)	46,530	47,735
MINORITY RIGHTS & DEVELOPMENT					
Minority Rights & Development	686	-	-	-	686
Trocaire	686	-	-	-	686
Sub Total Minority Rights & Development	686	-	-	-	686

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Notes to the financial statements

For the year ended 31 December 2010

12. Movements in funds (continued)

	At the start of the year	Incoming resources	Outgoing resources	Transfers	At the end of the year
	£	£	£	£	£
MINORITIES & CONFLICT PREVENTION					
Cyprus	30,413	94,537	(79,554)	-	45,396
European Commission	30,413	66,613	(72,954)	-	24,072
Alan and Nesta Ferguson Charitable Trust	-	21,324	-	-	21,324
Partners match funding	-	6,600	(6,600)	-	-
Conflict East Africa	928	199,627	(137,182)	-	63,373
Irish Aid Block grant	1,228	26,162	(27,390)	-	-
European Commission	(300)	173,091	(109,418)	-	63,373
Partners match funding	-	374	(374)	-	-
Iraq Refugees	(724)	1,746	(1,022)	-	-
UNHCR	(724)	1,746	(1,022)	-	-
Iraq/Somalia Project	18,455	170,922	(158,825)	-	30,552
Reuben Foundation	-	500	-	-	500
Irish Aid Block grant (for Somalia)	3,081	34,403	(37,484)	-	-
European Commission	15,374	136,019	(121,341)	-	30,052
Sub Total Minority Rights & Conflict Prevention	49,072	466,832	(376,583)	-	139,321

STRATEGIC COMMUNICATIONS

Minority Voices	45,660	335,390	(346,050)	-	35,000
European Commission	33,660	254,803	(268,463)	-	20,000
Ministry for Foreign Affairs of Finland	-	65,997	(50,997)	-	15,000
Netherlands MFA	12,000	7,090	(19,090)	-	-
CAFOD	-	7,500	(7,500)	-	-
Sub Total Strategic Communications	45,660	335,390	(346,050)	-	35,000

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For the year ended 31 December 2010

12. Movements in funds (continued)	At the start of the year £	Incoming resources £	Outgoing resources £	Transfers £	At the end of the year £
INTERNATIONAL ADVOCACY					
Legal Cases Project	45,818	104,105	(123,310)	-	26,613
Open Society Institute	47,942	47,487	(95,429)	-	-
Royal Norwegian Ministry of Foreign Affairs	(2,124)	56,618	(27,881)	-	26,613
Street Theatre project	240,768	-	(241,577)	-	(809)
European Commission	240,768	-	(241,577)	-	(809)
Minority Women Project-Africa	62,183	-	(118,399)	56,216	-
Irish Aid	62,183	-	(62,183)	-	-
Cordaid Block Grant	-	-	(56,216)	56,216	-
Minority Women Project - India	1,158	-	(68,246)	71,092	4,004
Cordaid Block Grant	1,158	-	(68,246)	71,092	4,004
Minority Women Project - DRC	-	21,397	(11,397)	-	10,000
Irish Aid Block grant	-	21,397	(11,397)	-	10,000
Global Advocacy Project	280,825	71,497	(291,754)	-	60,568
Ministry for Foreign Affairs of Finland	25,319	64,181	(77,667)	-	11,833
Irish Aid Block grant	-	7,316	(7,316)	-	-
European Commission	255,506	-	(206,771)	-	48,735
Sub Total International Advocacy	630,752	196,999	(854,683)	127,308	100,376
HUMAN RIGHTS IN CONFLICTS	-	31,000	(10,331)	-	20,669
Ministry for Foreign Affairs of Finland	-	25,000	(10,331)	-	14,669
Sage Publications	-	6,000	-	-	6,000
Sub Total Human Rights in Conflict	-	31,000	(10,331)	-	20,669
RESEARCH & DEVELOPMENT	-	18,662	(18,662)	-	-
Ministry for Foreign Affairs of Finland	-	18,662	(18,662)	-	-
Sub Total Research and Development	-	18,662	(18,662)	-	-
Total restricted funds before unrealised foreign exchange losses	953,703	1,962,895	(2,571,347)	219,818	565,068
Unrealised foreign exchange differences on restricted fund balances	-	-	(17,849)	-	(17,849)
Total restricted funds after unrealised foreign exchange losses	953,703	1,962,895	(2,589,196)	219,818	547,219
Designated fund	217,895	-	-	(58,495)	159,400
General fund	406,104	736,133	(534,921)	(161,323)	445,993
Total unrestricted funds	623,999	736,133	(534,921)	(219,818)	605,393
Total funds	1,577,702	2,699,028	(3,124,117)	-	1,152,612

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12. Movements in funds (continued)

Purposes of restricted funds

AFRICA & MIDDLE EAST REGION

To build the capacity of selected minority and indigenous communities to undertake effective advocacy to challenge discrimination, reduce abuses of human rights and improve living standards.

ASIA & PACIFIC REGION

To build the capacity of selected minority and indigenous communities to undertake effective advocacy to challenge discrimination, reduce abuses of human rights and improve living standards.

EUROPE / CIS REGION

To build the capacity of minority communities in selected states to undertake effective advocacy to challenge discrimination, and improve living standards. To contribute to processes designed to reduce inter-community tensions.

MINORITY & CONFLICT PREVENTION

To promote the constructive accommodation of the concerns of minorities and indigenous peoples within initiatives to prevent violent conflict, among governments, inter-governmental organizations, development agencies, NGOs and majority and minority/indigenous communities.

STRATEGIC COMMUNICATIONS

To provide comprehensive and up-to-date information on the situation of minorities and indigenous peoples worldwide to the global media and international policy-makers, including development agencies and officials responsible for early warning and early action on situations of mass human rights abuses.

INTERNATIONAL ADVOCACY

To build the capacity of selected minority and indigenous communities worldwide to participate effectively in international fora and international legal processes to represent the needs of their communities and pressure states to make policy changes that result in improvements in the day-to-day life for minorities.

Purposes of designated funds

£150,000 was received from the Sigrid Rausing Trust in 2010 to support core costs for a twelve month period. £75,000 of the grant is carried forward as a designated fund. It will be utilised in the first six months of 2011 to support core costs.

£168,800 was received from CordAid in 2010 for project funding for the period from July 2010 to July 2011. £84,400 was allocated to projects in Africa and Asia while £84,400 of this was held as a designated fund to be utilised to support project activities from January to July 2011.

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13. Operating lease commitments

The charity had annual commitments at the year end under operating leases expiring as follows:

	Property		Equipment	
	2010	2009	2010	2009
	£	£	£	£
1 - 2 years	-	-	-	-
2 - 5 years	143,950	143,950	12,221	9,442
Over 5 years	-	-	-	-
	<u>143,950</u>	<u>143,950</u>	<u>12,221</u>	<u>9,442</u>

14. Foreign exchange

Restricted fund balances held in foreign currencies at year end have been translated to UK Sterling at the exchange rate on 31 December 2010 in line with financial reporting standards. However, these funds remain in foreign currency bank accounts. The EC, one of Minority Rights Group's funders, require conversions between currencies in particular ways stipulated in contract which may result in exchange differences between the GBP value of the fund balances in Note 12 and the actual value when these balances are spent or converted.