

Company no. 1544957
Charity no. 282305

Minority Rights Group
Report and Financial Statements
31 December 2011

sayer vincent

auditors and advisors

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Minority Rights Group

Reference and administrative details

For the year ended 31 December 2011

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 articles of association, amended on 14 October 2011, establish the objects and powers of the charitable company and how it is governed.	
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	Mukesh Kapila Arjan Buteijn Mark Lattimer	Chair 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 2011

The Council of Management presents its report and the audited financial statements for the year ended 31 December 2011.

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 articles of association.

The governing body of MRG is an international Council. This was chaired by Mukesh Kapila 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 2011 was 12 (2010 - 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.

Objectives, activities and achievements

MRG's objects are to educate the public, prevent and relieve poverty, promote human rights, and promote conflict resolution and reconciliation, with particular reference to 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.

Minority Rights Group

Report of the Council

For the year ended 31 December 2011

MRG's aims are to secure the rights of minorities and indigenous peoples and to promote cooperation and understanding between communities. 2011 was the third 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 Africa, Asia and Eastern Europe. After training events, MRG also supports partner organisations to prepare and run advocacy projects and this work was going on during 2011 across Africa, Eastern Europe and Asia as well as in Iraq. 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 2011 we contributed to campaigns that achieved or worked towards better recognition of the rights of minorities in a number of countries in Africa and Asia.
3. **Changing Discriminatory Attitudes.** We continued work on 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.
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 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 reporting mechanisms. We also continued our work with UN agencies, African regional mechanisms and the OSCE.

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

2012 will be the final 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 expand our work to address pressing problems of minority rights violations in the Middle East, and to undertake a Strategic Review of our objectives and activities.

Minority Rights Group

Report of the Council

For the year ended 31 December 2011

Financial review

During the year under review, Minority Rights Group achieved an income of £3.0m, an increase of 13% on income achieved in the previous year (2010). Significant and continuing financial support was received from Baring Foundation, Cordaid, Matrix Chambers, the Eva Reckitt Charitable Trust, John Ellerman Foundation, the Lee Foundation, the Pilkington Charitable Trust, Kevin Boyle's legacy, the Sigrid Rausing Trust, the Governments of Finland, Ireland, the Netherlands, Norway, Sweden, Switzerland, and the United Kingdom; the Council of Europe, the UN High Commissioner for Human Rights, and the European Commission. These grants are greatly appreciated by the charity.

The charity's overall expenditure in 2011 amounted to £3.2m an increase of 4% on the previous year. After unrestricted income relating to 2010 activities was transferred from general to designated funds, the operating deficit for the year on the general fund was £39k. This increased to £54k after adjusting for exceptional items mainly the loss 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 2012, the level of reserve required is £403,641. The general reserves level of £392,410 at the year end is therefore marginally less than this amount.

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. In line with this policy, the charity sold part of its investment realising a loss of £13,410. The unrealised loss on the remaining part was £1,618. All the proceeds from the sale were reinvested. The value of the charity's investment portfolio stood at £183,004 at the year end.

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.

Minority Rights Group

Report of the Council

For the year ended 31 December 2011

Movement in funds

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

Statement of the Council of Management's responsibilities

The Council (who are also directors of Minority Rights Group for the purposes of company law) are responsible for preparing the Council's report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

The Council is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

In so far as the Council is aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Council has taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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 financial statements may differ from legislation in other jurisdictions.

Minority Rights Group

Report of the Council

For the year ended 31 December 2011

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	
Arjan Buteijn	
Yakin Erturk	
Hurst Hannum	
Mukesh Kapila	Chair of the Council
Mehr Khan Williams	
Lekha Klouda	Chair of the Finance & General Purposes Committee
Reem Mazzawi	(Until 6 May 2011)
Lydia Ramahobo	
William Samuel	
Rodolfo Stavenhagen	(From 6 May 2011)
Stella Tamang	
Melakou Tegegn	

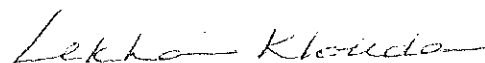
Auditors

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 4 May 2012 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 2011 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 trustees and auditors

As explained more fully in the Statement of the Council of Management's responsibilities 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. In addition, we read all the financial and non-financial information in the report of the Council to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements;

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2011 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 report of the Council for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditors' report

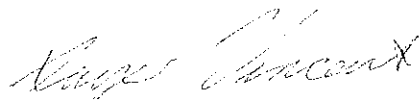
To the members of

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 trustees' 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)

14 May 2012

for and on behalf of Sayer Vincent, Statutory Auditors

Sayer Vincent, 8 Angel Gate, City Road, LONDON EC1V 2SJ

Minority Rights Group

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

For the year ended 31 December 2011

	Note	Restricted £	Designated £	General £	2011 Total £	2010 Total £
Incoming resources						
<i>Incoming resources from generated funds</i>						
Voluntary income	2	-	-	506,282	506,282	655,533
Investment income		-	-	1,911	1,911	2,519
<i>Incoming resources from charitable activities</i>						
Advocacy & Projects		2,448,270	-	-	2,448,270	1,962,895
Publications		-	-	5,861	5,861	9,151
Consultancy		-	-	6,454	6,454	8,888
Other income		-	-	44,166	44,166	33,433
Total incoming resources		<u>2,448,270</u>	<u>-</u>	<u>564,674</u>	<u>3,012,944</u>	<u>2,672,419</u>
Resources expended						
<i>Costs of generating funds:</i>						
Costs of generating voluntary income		-	-	141,877	141,877	117,390
<i>Charitable activities</i>						
Advocacy & Projects		2,741,108	-	113,764	2,854,872	2,867,071
Advocacy Support		-	-	26,660	26,660	11,060
Project support		-	-	67,671	67,671	36,793
Publications		-	-	73,436	73,436	20,289
Consultancy		-	-	34,322	34,322	13,276
Governance costs		-	-	38,337	38,337	40,389
Total resources expended	3	<u>2,741,108</u>	<u>-</u>	<u>496,067</u>	<u>3,237,175</u>	<u>3,106,268</u>
Net incoming/(outgoing) resources before transfers	4	(292,838)	-	68,607	(224,231)	(433,849)
Gross transfers between funds		191,562	(84,400)	(107,162)	-	-
Net incoming resources before other gains and losses		(101,276)	(84,400)	(38,555)	(224,231)	(433,849)
Unrealised investment gains/(loss)	8	-	-	(1,618)	(1,618)	26,609
Realised loss on sale of investment	8	-	-	(13,410)	(13,410)	-
Unrealised (loss) on foreign exchange		-	-	-	-	(17,849)
Net movement in funds		<u>(101,276)</u>	<u>(84,400)</u>	<u>(53,583)</u>	<u>(239,259)</u>	<u>(425,089)</u>
Funds at the start 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>
Funds at the end of the year		<u>445,944</u>	<u>75,000</u>	<u>392,410</u>	<u>913,354</u>	<u>1,152,613</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 2011

	Note	£	2011 £	2010 £
Fixed assets				
Tangible fixed assets	7		17,223	28,286
Investments	8		<u>183,004</u>	<u>198,033</u>
			200,227	226,319
Current assets				
Debtors	9	472,050		368,294
Cash at bank and in hand		<u>429,029</u>		<u>1,071,139</u>
		901,079		1,439,433
Creditors: amounts due within 1 year	10	<u>187,952</u>		<u>513,139</u>
Net current assets			<u>713,127</u>	<u>926,294</u>
Net assets	11		<u><u>913,354</u></u>	<u><u>1,152,613</u></u>
Funds	12			
Restricted funds				
In surplus			445,944	547,220
Unrestricted funds				
Designated fund			75,000	159,400
General fund			<u>392,410</u>	<u>445,993</u>
Total funds			<u><u>913,354</u></u>	<u><u>1,152,613</u></u>

Approved by the directors on 4 May 2012 and signed on their behalf by

Lekha Klouda

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

Minority Rights Group

Notes to the financial statements

For the year ended 31 December 2011

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. Exchange differences are taken into account in arriving at the net incoming resources for the year.
- 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.

Minority Rights Group

Notes to the financial statements

For the year ended 31 December 2011

1. Accounting policies (continued)

- 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.
- 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) Transfers are made from unrestricted and designated funds to restricted funds to cover shortfalls in project funding.
- o) 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.

- p) 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.
- q) 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.
- r) 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.
- s) The results of the Hungarian and Ugandan offices have been consolidated into the accounts on a line by line basis.
- t) 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 2011

2. Voluntary income

	2011 £	2010 £
Kevin Boyle Legacy	5,000	-
Reuben Foundation	500	-
TBH Brunner Charitable Trust	1,000	1,000
The Sigrid Rausing Trust	150,000	150,000
Lee Foundation	5,000	5,000
Erickson Trust	3,000	3,000
Eva Reckitt Trust	-	1,000
Swedish International Development Cooperation Agency	232,772	225,993
Ministry of Foreign Affairs of Finland	7,852	-
Doen Foundation	-	86,783
Alan and Babette Sainsbury Charitable Fund	-	10,000
Swets & Zeitlinger	-	459
Pilkington Charitable Trust	-	1,500
Cordaid	100,007	168,800
Donations and other income	1,151	1,998
	<u>506,282</u>	<u>655,533</u>

Minority Rights Group

Notes to the financial statements

For the year ended 31 December 2011

3. Charitable expenditure

	Costs of generating voluntary income	Advocacy & Projects	Advocacy Support	Project Support	Publications	Consultancy	Governance costs	Support costs	2011 Total	2010 Total
	£	£	£	£	£	£	£	£	£	£
Staff Costs (note 5)	99,459	937,281	24,670	52,857	51,887	21,212	-	69,372	1,256,738	1,139,205
Consultancy & Volunteers	3,278	249,047	-	414	728	103	-	728	254,298	184,289
Recruitment	13	1,469	-	3	3	-	-	42	1,530	14,462
Staff Training & Development	986	4,313	-	1,442	739	-	-	1,093	8,573	14,300
Staff Travel	1,759	132,731	-	2,209	244	1,117	-	3,167	141,227	205,090
Regional Offices	-	31,329	-	-	-	-	-	-	31,329	18,622
Partners' Activities	-	273,131	-	-	-	10,029	-	-	283,160	431,500
Partner attendance at events	-	415,845	-	815	-	10	-	1	416,671	374,932
Training Events	14	193,685	-	3	38	-	-	45	193,785	137,801
Publications Production	26	125,376	-	-	1,294	-	-	-	126,696	65,877
Media, PR & Marketing	8	7,131	-	2	981	-	-	26	8,148	29,570
Communications	2,747	58,648	-	649	784	21	-	7,773	70,622	55,490
Office Running costs	1,417	38,078	-	239	4,813	-	-	3,464	48,011	35,466
Premises costs	16,148	170,088	-	3,589	6,542	-	-	52,033	248,400	217,548
IT & Equipment	2,598	31,773	-	577	1,227	-	-	8,371	44,546	66,598
Depreciation	1,036	8,560	-	230	230	-	-	3,339	13,395	20,996
Bank charges and forex	687	13,530	235	547	169	75	-	2,069	17,312	16,723
Professional Fees	-	31,941	-	-	-	-	20,404	-	52,345	41,294
Charity Management & Statutory	-	2,209	-	-	247	-	17,933	-	20,389	28,505
Irrecoverable grant written off	-	-	-	-	-	-	-	-	-	8,000
	130,176	2,726,165	24,905	63,576	69,926	32,567	38,337	151,523	3,237,175	3,106,268
Support costs	11,701	128,707	1,755	4,095	3,510	1,755	-	(151,523)	-	-
Total resources expended	141,877	2,854,872	26,660	67,671	73,436	34,322	38,337	-	3,237,175	3,106,268

Minority Rights Group

Notes to the financial statements

For the year ended 31 December 2011

4. Net outgoing resources for the year

This is stated after charging / crediting:

	2011 £	2010 £
Depreciation	13,395	20,996
Council members' remuneration	-	-
Council members' expenses	16,024	28,505
Auditors' remuneration:		
▪ audit	16,200	12,500
▪ other services	15,900	11,200
Operating lease rentals:		
▪ property	143,900	143,900
▪ other	6,111	12,221
	<u>143,900</u>	<u>143,900</u>
	<u>6,111</u>	<u>12,221</u>

Council members' reimbursed expenses represent the reimbursement of travel and subsistence costs to 8 (2010: 12) members relating to attendance at meetings of the Council.

5. Staff costs and numbers

Staff costs were as follows:

	2011 £	2010 £
Salaries and wages	917,135	824,690
Social security costs	94,067	83,343
Pension contributions	39,565	34,558
Other staff cost	60,000	196,614
Regional Office staff	145,971	-
	<u>1,256,738</u>	<u>1,139,205</u>

One employee earned between £60,000 - £75,000 during the year (2010: 1). Employer pension contributions for that employee totalled £7,179 in 2011 (2010: £6,949).

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

	2011 No.	2010 No.
Directors' office including fundraising	5.4	5.3
Administration and finance	4.5	4.0
Projects and project support- UK	14.9	16.6
Projects and project support- Regional Office	19.5	7.2
	<u>44.3</u>	<u>33.1</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 2011

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	194,173
Additions in year	2,483
Disposal	(439)
At the end of the year	<u>196,217</u>
Depreciation	
At the start of the year	165,887
Disposal	(288)
Charge for the year	<u>13,395</u>
At the end of the year	<u>178,994</u>
Net book value	
At the end of the year	<u><u>17,223</u></u>
At the start of the year	<u><u>28,286</u></u>

8. Investments

	2011 £	2010 £
Market value at the start of the year	198,032	171,424
Realised loss on investment sale	(13,410)	-
Unrealised gain/(loss)	<u>(1,618)</u>	<u>26,609</u>
Market value at the end of the year	<u>183,004</u>	<u>198,033</u>
Historic cost at the end of the year	<u>121,113</u>	<u>67,877</u>
Investments representing over 5% by value of the portfolio comprise:		
	2011 £	2010 £
80697.267 shares in AXA Ethical Distribution fund R/20,226	79,398	91,646
73168 ordinary shares in Friends Provident Stewardship Income Trust	<u>103,606</u>	<u>106,386</u>
	<u>183,004</u>	<u>198,032</u>

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Notes to the financial statements

For the year ended 31 December 2011

9. Debtors

	2011 £	2010 £
Trade debtors	33,227	23,306
Outstanding with Partners	48,343	-
Other debtors	30,417	41,892
Prepayments	16,238	12,490
Accrued income	343,825	290,606
	<u>472,050</u>	<u>368,294</u>

10. Creditors: amounts due within 1 year

	2011 £	2010 £
Trade creditors	349	16,939
Taxation and social security	3,039	3,436
Accruals	120,819	87,877
Deferred Income	63,745	404,887
	<u>187,952</u>	<u>513,139</u>

11. Analysis of net assets between funds

	Restricted funds £	Designated funds £	General funds £	Total Funds £
Fixed assets	-	-	200,227	200,227
Net current assets	445,944	75,000	192,183	713,127
Net assets at the end of the year	<u>445,944</u>	<u>75,000</u>	<u>392,410</u>	<u>913,354</u>

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Notes to the financial statements

For the year ended 31 December 2011

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	127,455	378,147	(460,701)	-	44,901
ASIA PACIFIC REGION	93,826	191,606	(295,525)	83,397	73,304
EUROPE / CIS REGION	47,736	123,906	(143,267)	(3,093)	25,282
MINORITY RIGHTS & DEVELOPMENT	686	-	-	-	686
MINORITIES & CONFLICT PREVENTION	139,321	436,540	(584,983)	9,122	-
HUMAN RIGHTS IN CONFLICTS	20,669	28,000	(27,000)	-	21,669
STRATEGIC COMMUNICATIONS	35,000	324,613	(359,613)	-	-
INTERNATIONAL ADVOCACY	100,376	965,458	(870,019)	84,287	280,102
	565,069	2,448,270	(2,741,108)	173,713	445,944
AFRICA & MIDDLE EAST REGION					
AA8 Poverty Reduction Strategy Process	-	16,602	(16,602)	-	-
Irish Aid Block Grant	-	16,602	(16,602)	-	-
PG1 Pastoralist Gender project	-	20,247	(20,247)	-	-
PG1 Irish Aid Block Grant	-	20,247	(20,247)	-	-
BA1 Batwa Programme -2010	-	35,697	(35,697)	-	-
Irish Aid Block Grant	-	35,697	(35,697)	-	-
Programme Quality	-	51,219	(51,219)	-	-
IR1 Irish Aid Block grant	-	51,219	(51,219)	-	-
MRG Africa partners' Capacity	-	74,179	(74,179)	-	-
IR1 Irish Aid Block grant	-	74,179	(74,179)	-	-
AA6 Pastoralist Project 2010	-	38,430	(38,430)	-	-
Irish Aid Block grant	-	38,430	(38,430)	-	-
Cordaid	-	-	-	-	-
RW1 EC Rwanda Gender Project	50,060	-	(50,060)	-	-
Irish Aid Block grant	15,647	-	(15,647)	-	-
European Commission	34,413	-	(34,413)	-	-
AO5 Endorois Project	77,395	-	(77,395)	-	-
Baring Foundation*	50,470	-	(50,470)	-	-
John Ellerman Foundation	26,925	-	(26,925)	-	-
AS2 Kenya Governance Project	-	141,773	(96,872)	-	44,901
Irish Aid Block grant	-	14,712	(14,712)	-	-
European Commission	-	110,061	(72,160)	-	37,901
Ministry for Foreign Affairs of Finland	-	17,000	(10,000)	-	7,000
Cordaid	-	-	-	-	-
Sub Total Africa & Middle East Region	127,455	378,147	(460,701)	-	44,901

* £1,100 of the Barings grant was spent on activities relating to the East Africa Governance project as matchfunding for the EC grant

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For the year ended 31 December 2011

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	15,001	64,978	(170,132)	90,153	-
Cordaid Block Grant	-	-	(90,153)	90,153	-
Netherlands Ministry of Foreign Affairs	15,001	64,978	(79,979)	-	-
Religious Minorities in Asia 2002-2005	4,500	-	-	-	4,500
Christian Aid	4,500	-	-	-	4,500
AO7 Promoting Minority Rights- Sri Lanka SL I 126617	74,325	3,466	(71,035)	(6,756)	-
European Commission	74,325	-	(67,569)	(6,756)	-
Ministry for Foreign Affairs of Finland	-	3,466	(3,466)	-	-
AS3 Promoting Minority Rights- Sri Lanka SL II 129174	-	123,162	(54,358)	-	68,804
European Commission	-	65,463	(54,358)	-	11,105
Belgium Ministry of Foreign Affairs	-	57,699	-	-	57,699
Sub Total Asia & Pacific Region	93,826	191,606	(295,525)	83,397	73,304
EUROPE / CIS REGION					
Hungarian office Dev Ed Project	12,154	-	-	(11,093)	1,061
European Commission	12,154	-	-	(11,093)	1,061
BP5 Promoting Development Policy project	35,582	123,906	(143,267)	8,000	24,221
European Commission	35,582	122,396	(133,757)	-	24,221
MRG- Matchfunding	-	-	(8,000)	8,000	-
British Embassy	-	1,510	(1,510)	-	-
Sub Total Europe / CIS Region	47,736	123,906	(143,267)	(3,093)	25,282
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 2011

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					
BP3 Cyprus	45,396	8,585	(63,103)	9,122	-
* European Commission	24,072	8,585	(32,657)	-	-
Alan and Nesta Ferguson Charitable Trust	21,324	-	(21,324)	-	-
Match funding shortfall -MRG	-	-	(9,122)	9,122	-
AO8 Conflict East Africa	63,373	257,165	(320,538)	-	-
Ministry for Foreign Affairs of Finland	-	7,600	(7,600)	-	-
European Commission	63,373	228,369	(291,742)	-	-
Irish Aid Block grant	-	21,196	(21,196)	-	-
AO6 Iraq/Somalia Project	30,552	170,790	(201,342)	-	-
Reuben Foundation	500	-	(500)	-	-
Ministry for Foreign Affairs of Finland	-	22,000	(22,000)	-	-
Irish Aid Block grant (for Somalia)	-	19,000	(19,000)	-	-
European Commission	30,052	129,790	(159,842)	-	-
Sub Total Minority Rights & Conflict Prevention	139,321	436,540	(584,983)	9,122	-

* A partners received match funding of £5,000 from the Cyprus Commonwealth foundation

STRATEGIC COMMUNICATIONS

BP2 Minority Voices	35,000	324,613	(359,613)	-	-
European Commission	20,000	261,256	(281,256)	-	-
Ministry for Foreign Affairs of Finland	15,000	49,157	(64,157)	-	-
Matrix Chambers	-	4,200	(4,200)	-	-
CAFOD	-	10,000	(10,000)	-	-
Sub Total Strategic Communications	35,000	324,613	(359,613)	-	-

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Notes to the financial statements

For the year ended 31 December 2011

12. Movements in funds (continued)	At the start of the year £	Incoming resources £	Outgoing resources £	Transfers £	At the end of the year £
INTERNATIONAL ADVOCACY					
LG* Legal Cases Project	26,613	101,484	(98,755)	-	29,342
LG1 Matrix Chambers	-	3,000	(3,000)	-	-
LG1 Irish Aid Block grant- Legal cases Africa	-	29,839	(29,839)	-	-
LG3 Royal Norwegian Ministry of Foreign Affairs 2010	26,613	-	(26,613)	-	-
LG4 Royal Norwegian Ministry of Foreign Affairs 2011	-	62,407	(36,575)	-	25,832
LG5 UN High Commissioner for Human Rights	-	6,238	(2,728)	-	3,510
AA7 Street Theatre project	(809)	166,241	(165,432)	-	-
European Commission	(809)	166,241	(165,432)	-	-
PC8 Minority Women Project-Africa	-	11,085	(41,654)	30,569	-
Irish Aid	-	11,085	(11,085)	-	-
Cordaaid Block Grant	-	-	(30,569)	30,569	-
Minority Women Project - India	4,004	-	(57,722)	53,718	-
AO9 Cordaaid Block Grant	4,004	-	(57,722)	53,718	-
BP7 Minority Women Project - DRC	10,000	5,395	(15,395)	-	-
Irish Aid Block grant	10,000	5,395	(15,395)	-	-
BP4 Global Advocacy Project	60,568	560,845	(490,461)	-	130,952
Ministry for Foreign Affairs of Finland	11,833	100,000	(90,000)	-	21,833
European Commission	48,735	460,845	(400,461)	-	109,119
AN1 Mauritania project	-	59,308	(600)	-	58,708
European Commission	-	59,308	(600)	-	58,708
FT1 Fiji project	-	61,100	-	-	61,100
European Commission	-	61,100	-	-	61,100
Sub Total International Advocacy	100,376	965,458	(870,019)	84,287	280,102
HUMAN RIGHTS IN CONFLICTS					
Ministry for Foreign Affairs of Finland	20,669	28,000	(27,000)	-	21,669
Sage Publications	14,669	28,000	(27,000)	-	15,669
Sub Total Human Rights in Conflict	6,000	-	-	-	6,000
	20,669	28,000	(27,000)	-	21,669
Total restricted funds before unrealised foreign exchange losses	565,069	2,448,270	(2,741,108)	173,713	445,944
Unrealised foreign exchange differences on restricted fund balances	(17,849)	-	-	17,849	-
Total restricted funds after realised foreign exchange losses	547,220	2,448,270	(2,741,108)	191,562	445,944
Designated fund	159,400	-	-	(84,400)	75,000
General fund	445,993	564,674	(511,095)	(107,162)	392,410
Total unrestricted funds	605,393	564,674	(511,095)	(191,562)	467,410
Total funds	1,152,613	3,012,944	(3,252,203)	-	913,354

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For the year ended 31 December 2011

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 2011 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 2012 to support core costs.

£100,007 was received from CordAid in 2011 for project funding while £84,400 was brought forward from 2010 as designated funds. £174,440 of the total was allocated to restricted projects in Africa and Asia while the remaining £9,967 was spent on general projects.

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Notes to the financial statements

For the year ended 31 December 2011

13. Operating lease commitments

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

	Property		Equipment	
	2011	2010	2011	2010
	£	£	£	£
1 - 2 years	-	-	-	-
2 - 5 years	143,950	143,950	6,111	12,221
	<u>143,950</u>	<u>143,950</u>	<u>6,111</u>	<u>12,221</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 2011 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.

