

Company number: 1544957

Charity number: 282305

Minority Rights Group

Report and Financial Statements

31 December 2013

sayer vincent

auditors and advisors

Minority Rights Group

Contents

For the year ended 31 December 2013

Contents	Pages
Reference and administrative details	2
Report of the Council	3
Independent auditors' report	9-10
Statement of Financial Activities (incorporating an income and expenditure account)	11
Balance sheet	12
Notes to the financial statements	13-25

Minority Rights Group

Reference and administrative details

For the year ended 31 December 2013

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 LLP 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 2013

The Council of Management present their report and the audited financial statements for the year ended 31 December 2013.

Introduction

2013 saw Minority Rights Group (MRG) begin to implement a new 4 year strategy. It was a year of growth and new programmes for MRG with significant new work starting across the Middle East as well as in the Caucasus and Russia. We completed the major Global Advocacy Programme which worked in 30 countries and our first Street Theatre project that proved the usefulness of the arts in human rights work. Our current programme of work in Sri Lanka and Kenya also both came to an end, both were positively evaluated and we hope to be able to continue work in 2014 in both countries. Externally several factors also continued to affect our work and that of our partners. Instability, conflict and authoritarian approaches by some governments to human and minority rights defenders added layers of difficulty to our work in Russia, Egypt, Iraq, Pakistan and Sri Lanka.

MRG remains very grateful to all the partners who have worked with us in 2013, to the decision makers who have listened and taken points on board, to the journalists and editors who have reported news, and, last, but of course, not least, all those donors – individuals and institutions – who have provided financial support, without which none of this important work could have taken place.

One external evaluator commented on the programme they had assessed:

"In conclusion, the project has been relevant and has addressed the needs of the target communities. The delivery mechanism has been effective in delivering certain outputs while the evaluators can agree that the partners have efficiently implemented the project. Whilst it is true that some activities were not completed to the full extent planned and some planned results did not materialize, in the evaluators' opinion considering the deteriorating security situation, this was not surprising (and may even have been inevitable and unavoidable). Beyond the strict assessment of the logframe, it seems to the evaluators that this project has been a very useful intervention and has been relevant and timely. It is important that organizations such as MRG continue its work in deteriorating political settings so that the 'counter-narrative' of local activists can be taken forward."

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 down on specific areas to try to achieve particular outcomes and impacts.

MRG's aims are to secure the rights of minorities and indigenous peoples and to promote cooperation and understanding between communities. 2013 was the first year of a four-year strategic period spanning 2013-2016. For this period, MRG has had the following three objectives:

Minority Rights Group

Report of the Council

For the year ended 31 December 2013

1. Countering Discrimination against minorities and indigenous people and ensuring they benefit equitably from development.

Under this objective, we have been working to support partner NGOs to document the discrimination and violations of rights their communities experience, including with regard to their rights to land, property, and their access to development assistance. MRG has worked for example in a number of countries in Eastern and Central Africa, providing support and legal assistance to marginalized communities, who in some cases represent the poorest of the poor. MRG's work has helped raise attention to their concerns and sometimes to change the attitudes of those who discriminate against them.

2. Protecting the existence of communities under threat and those persecuted for their minority or indigenous identity.

Under this heading, we have been supporting activists and organisations based in Egypt, Iraq, Pakistan, Russia and Sri Lanka to monitor and gather human rights abuses against members of their community and to report on these events nationally and internationally. MRG supported individuals from all of these countries to attend international advocacy events and to call for accountability for continuing threats to the life, liberty and religious freedom of minorities in all of these countries.

3. Strengthening the Voices of minorities and indigenous peoples.

This area of our work involves ensuring that the voices of minority and indigenous activists and community members are heard and understood, whether in their community, in their country or internationally. It involves work with journalists and the media (over 1280 mentions of MRG or partners' work in media articles or broadcasts in 2013), on our website and in building the capacity of partners to create effective messages and find ways to make them reach those who have influence.

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.

Structure, governance and management

MRG is a charitable company limited by guarantee and its governing document is its articles of association.

The governing body of MRG is a 12 member International Council, chaired by Dr. Mukesh Kapila. Membership of the Council is 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 2013 was 10 (2012 - 12). Members of the Council are members of the charity but this entitles them only to voting rights.

Minority Rights Group

Report of the Council

For the year ended 31 December 2013

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. 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.

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 locally registered offices in Hungary and Uganda and cooperates with a number of like-minded charities to achieve common goals.

Plans for future periods

A Strategic Review was undertaken in 2012 resulting in the current Strategic Plan which covers the four-year period 2013 – 2016. This centred on focusing the activities of MRG on three main objectives:

1. Countering discrimination against minorities and indigenous peoples and ensuring they benefit equitably from development
2. Protecting the existence of communities under threat and those persecuted for their minority or indigenous identity
3. Strengthening the voices of minorities and indigenous peoples and their participation in public life.

Financial review

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).

During the year under review, Minority Rights Group achieved an income of £2.34m, an increase of 8.6% on income achieved in the previous year (2012). Significant and continuing financial support was received from Anti-Slavery International, Mr T. Astor, the Blanes Trust, CAFOD, the Ericson Trust, the Eva Reckitt Charitable Trust Fund, Grundtvig Lifelong Learning Programme, Lee Foundation, Medico International E. V, the Sigrid Rausing Trust, T H Brunner's Charitable Trust, the Tides Center, Vodafone Foundation, the Governments of Belgium, Finland, Ireland, the Netherlands, Norway, Sweden, Switzerland, and the European Commission. In addition numerous individuals made donations in response to a charity appeal broadcast on the BBC Radio 4. These grants and gifts are greatly appreciated by the charity.

Minority Rights Group

Report of the Council

For the year ended 31 December 2013

The charity's overall expenditure in 2013 amounted to £2.4m an increase of 7.4% on the previous year. After unrestricted income relating to 2013 activities was transferred from designated to general, the operating deficit for the year on the general fund was £69k. This reduced to £31k after adjusting for exceptional items mainly the gain on investment and the return of funds to the EC on two closed projects.

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 2013, the level of reserve required is £403,641. The general reserves level of £286,206 at the year end is less than this amount but management aims to gradually build this up over the next 4- year strategic period.

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. All the income from investments were reinvested. The value of the charity's investment portfolio stood at £251,620 at the year end.

Grant making policy

Funds are provided to partners for joint activities including events, research, publications, translations, national and international advocacy campaigns, translations, and other activities within our mandate and charitable objects. 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 occasionally 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 (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).

Minority Rights Group

Report of the Council

For the year ended 31 December 2013

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 charity 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 2013

Members of the Council

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

Ade Adeniji
Arjan Buteijn - Treasurer
Hurst Hannum
Michelo Hansungule
Mukesh Kapila - Chair of the Council
Gay McDougall
William Samuel
Rodolfo Stavenhagen
Melakou Tegegn
Meena Varma - Chair of the Finance & General Purposes Committee (from 3 May 2013)

Auditors

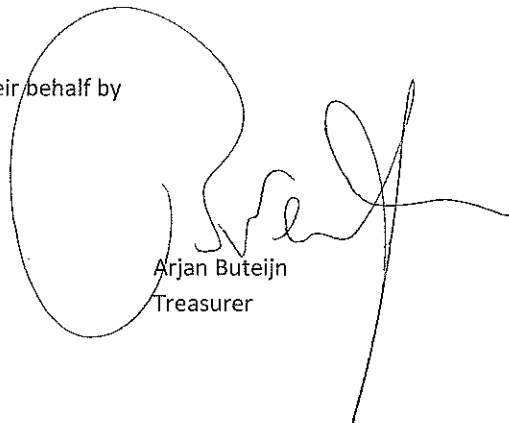
Sayer Vincent LLP were appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

The report of the Council has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime

Approved by the Council on 9 May 2014 and signed on their behalf by



Mark Lattimer
Chief Executive & Company Secretary



Arjan Buteijn
Treasurer

Independent auditor's report

To the members of

Minority Rights Group

We have audited the financial statements of Minority Rights Group for the year ended 31 December 2013 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2013 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 auditor's 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 of management members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the council of management members were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the report of the council.



Jonathan Orchard (Senior statutory auditor)

Date 21/5/14

for and on behalf of Sayer Vincent LLP, Statutory Auditors

Sayer Vincent LLP, 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 2013

	Note	Restricted £	Designated £	General £	2013 Total £	2012 Total £
Incoming resources						
<i>Incoming resources from generated funds</i>						
Voluntary income	2	-	-	349,649	349,649	398,659
Investment income		-	-	2,246	2,246	4,972
<i>Incoming resources from charitable activities</i>						
Advocacy & Projects		1,934,761	-	-	1,934,761	1,687,154
Publications		-	-	4,127	4,127	8,674
Consultancy		-	-	14,489	14,489	19,320
Other income		-	-	35,136	35,136	34,749
Total incoming resources		1,934,761	-	405,647	2,340,408	2,153,528
Resources expended						
<i>Costs of generating funds:</i>						
Costs of generating voluntary income		-	-	135,755	135,755	127,353
<i>Charitable activities</i>						
Advocacy & Projects		1,851,007	-	246,838	2,097,845	1,925,121
Advocacy Support		-	-	12,464	12,464	20,865
Project support		-	-	52,240	52,240	64,536
Publications		-	-	67,546	67,546	67,388
Consultancy		-	-	1,617	1,617	1,447
Governance costs		-	-	33,309	33,309	28,760
Total resources expended	3	1,851,007	-	549,769	2,400,776	2,235,470
Net incoming/(outgoing) resources before transfers	4	83,754	-	(144,122)	(60,368)	(81,942)
Gross transfers between funds		-	(75,000)	75,000	-	-
Net incoming/(outgoing) resources before other gains and losses		83,754	(75,000)	(69,122)	(60,368)	(81,942)
Unrealised investment gains	8	-	-	37,976	37,976	23,422
Unrealised loss on foreign exchange		(5,363)	-	-	(5,363)	(15,283)
Net movement in funds		78,391	(75,000)	(31,146)	(27,755)	(73,803)
Funds at the start of the year		447,199	75,000	317,352	839,551	913,354
Funds at the end of the year		525,590	-	286,206	811,796	839,551

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)

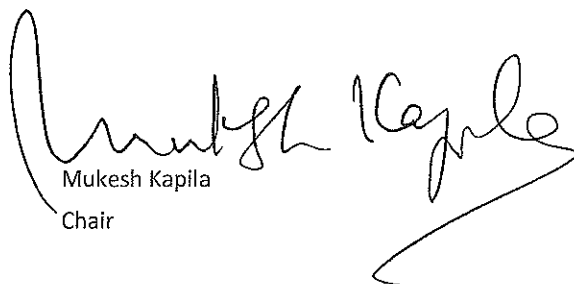
Balance sheet

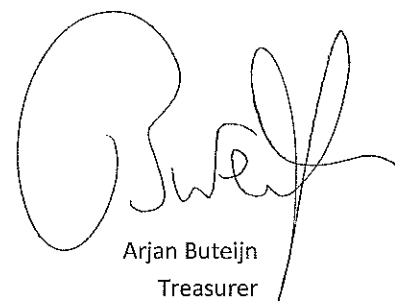
Company no. 1544957

As at 31 December 2013

	Note	£	2013 £	2012 £
Fixed assets				
Tangible fixed assets	7		13,294	10,712
Investments	8		<u>251,620</u>	<u>211,398</u>
			264,914	222,110
Current assets				
Debtors	9	398,988		315,714
Cash at bank and in hand		<u>211,821</u>		<u>367,616</u>
		610,809		683,330
Creditors: amounts due within 1 year	10	<u>63,927</u>		<u>65,889</u>
Net current assets			<u>546,882</u>	<u>617,441</u>
Net assets	11		<u><u>811,796</u></u>	<u><u>839,551</u></u>
Funds	12			
Restricted funds				
In surplus			525,590	447,199
Unrestricted funds				
Designated fund			-	75,000
Revaluation reserve			130,507	90,285
General fund			<u>155,699</u>	<u>227,067</u>
Total funds			<u><u>811,796</u></u>	<u><u>839,551</u></u>

Approved by the Council on 9 May 2014 and signed on its behalf by


 Mukesh Kapila
 Chair


 Arjan Buteijn
 Treasurer

Minority Rights Group

Notes to the financial statements

For the year ended 31 December 2013

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) 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.
- j) 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.

Minority Rights Group

Notes to the financial statements

For the year ended 31 December 2013

1. Accounting policies (continued)

- k) The costs of generating funds relate to the costs incurred by the charitable company in raising funds for the charitable work.
- l) The charitable company operates a pension scheme on behalf of its employees. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the charitable company to the fund. The charitable company has no current liability under the scheme other than for the payment of those contributions although there is a contingent liability in respect of guarantees given by the pension fund trustee which is described more fully in note 15 to the financial statements.
- m) 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.
- n) Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity.
- o) Designated funds are unrestricted funds earmarked by the Council of Management for particular purposes.
- p) Transfers are made from unrestricted and designated funds to restricted funds to cover shortfalls in project funding.
- q) 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.

- r) 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.
- s) The results of the Hungarian and Ugandan offices have been consolidated into the accounts on a line by line basis. These offices are separate legal entities, being registered with the registrars of companies in Hungary and Uganda, and have their own separate boards. However, as management control over the activities of these entities remains with MRG UK, in substance they are branches of MRG and they have been treated accordingly within the accounts.

Minority Rights Group

Notes to the financial statements

For the year ended 31 December 2013

2. Voluntary income

	2013	2012
	£	£
The Blanes Trust	25,000	-
CAFOD	1,000	-
TBH Brunner Charitable Trust	1,000	1,000
The Sigrid Rausing Trust	-	150,000
Lee Foundation	5,000	5,000
Ericson Trust	2,000	2,000
The Eva Reckitt Trust Fund	1,000	1,000
Swedish International Development Cooperation Agency	298,659	230,183
Mr Astor	5,500	5,500
Pilkington Charitable Trust	-	1,000
BBC Appeal	6,528	-
Donations and other income	3,962	2,976
	<u>349,649</u>	<u>398,659</u>

Minority Rights Group

Notes to the financial statements

For the year ended 31 December 2013

3. Charitable expenditure	Costs of									
	generating voluntary income	Advocacy & Projects	Advocacy Support	Project Support	Publications	Consultancy	Governance costs	Support costs	2013 Total	2012 Total
Staff Costs (note 5)	£ 92,460	£ 708,915	£ 10,643	£ 38,479	£ 54,320	£ -	£ -	£ 66,145	£ 970,962	£ 1,063,648
Consultancy & Volunteers	1,333	166,884	-	25	521	-	-	360	169,123	156,691
Recruitment	1,481	3,881	-	4	4	-	-	61	5,431	1,516
Staff Training & Development	1,054	9,481	-	228	468	-	-	1,561	12,792	13,181
Staff Travel	3,657	66,147	204	3,218	90	-	-	1,312	74,628	90,086
Regional Offices	-	38,346	-	-	-	-	-	-	38,346	23,851
Partners' Activities	-	158,223	-	-	-	-	-	-	158,223	131,472
Partner attendance at events	-	253,901	-	946	-	-	-	-	254,847	166,641
Training Events	-	215,052	-	113	-	-	-	-	215,165	149,622
Publications Production	255	61,358	-	57	2,175	-	-	823	64,668	75,684
Media, PR & Marketing	640	18,797	-	-	270	-	-	-	19,707	5,657
Communications	3,198	35,968	-	715	385	-	-	5,579	45,845	38,316
Office Running costs	1,310	14,365	-	440	839	-	-	2,911	19,865	22,203
Premises costs	15,541	131,045	-	3,440	4,418	-	-	49,535	203,979	189,007
IT & Equipment	1,982	25,690	-	441	441	-	-	6,387	34,941	40,095
Depreciation	624	4,857	-	138	139	-	-	2,010	7,768	6,511
Bank charges and forex	1,438	16,742	-	222	241	-	-	2,946	21,589	17,428
Refund to donors	-	31,182	-	-	-	-	-	-	31,182	-
Professional Fees	-	18,406	-	-	-	-	19,452	-	37,858	27,615
Charity Management & Statutory	-	-	-	-	-	-	13,857	-	13,857	16,246
Support costs	124,973	1,979,240	10,847	48,466	64,311	-	33,309	139,630	2,400,776	2,235,470
	10,782	118,605	1,617	3,774	3,235	1,617	-	(139,630)	-	-
Total resources expended	135,755	2,097,845	12,464	52,240	67,546	1,617	33,309	-	2,400,776	2,235,470

Minority Rights Group

Notes to the financial statements

For the year ended 31 December 2013

4. Net incoming/(outgoing) resources for the year

This is stated after charging / crediting:

	2013 £	2012 £
Depreciation	7,768	6,511
Council members' remuneration	-	-
Council members' expenses	13,680	16,232
Auditors' remuneration:		
▪ audit	17,950	17,400
▪ other services (donor audits)	19,195	9,006
Operating lease rentals:		
▪ property	125,088	143,900
▪ other	3,840	2,532
	<u>174,491</u>	<u>172,149</u>

Council members' reimbursed expenses represent the reimbursement of travel and subsistence costs to 9 (2012: 9) members relating to attendance at meetings of the Council.

5. Staff costs and numbers

Staff costs were as follows:

	2013 £	2012 £
Salaries and wages	700,816	741,012
Social security costs	69,834	75,640
Pension contributions	39,552	30,264
Other staff cost	20,219	22,800
Regional Office staff	140,541	193,932
	<u>970,962</u>	<u>1,063,648</u>

One employee earned between £70,001 - £80,000 during the year (2012: 1). Employer pension contributions for that employee totalled £7,303 in 2013 (2012: £7,251).

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

	2013 No.	2012 No.
Directors' office including fundraising	3.4	4.5
Administration and finance	4.0	4.0
Projects and project support- UK	9.2	11.9
Projects and project support- Regional Office	12.5	14.8
	<u>29.1</u>	<u>35.2</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.

Minority Rights Group

Notes to the financial statements

For the year ended 31 December 2013

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	196,217
Additions in year	<u>10,350</u>
At the end of the year	<u>206,567</u>
Depreciation	
At the start of the year	185,505
Charge for the year	<u>7,768</u>
At the end of the year	<u>193,273</u>
Net book value	
At the end of the year	<u><u>13,294</u></u>
At the start of the year	<u><u>10,712</u></u>

8. Investments

	2013 £	2012 £
Market value at the start of the year	211,398	183,004
Investment Income rolled over	2,246	4,972
Unrealised gain	<u>37,976</u>	<u>23,422</u>
Market value at the end of the year	<u><u>251,620</u></u>	<u><u>211,398</u></u>
Historic cost at the end of the year	<u><u>121,113</u></u>	<u><u>121,113</u></u>
Investments representing over 5% by value of the portfolio comprise:		
	2013 £	2012 £
80697,267 shares in AXA Ethical Distribution fund R/20,226 shares in	101,114	89,574
73168 ordinary shares in Friends Provident Stewardship Income Trust	<u>150,506</u>	<u>121,824</u>
	<u><u>251,620</u></u>	<u><u>211,398</u></u>

Minority Rights Group

Notes to the financial statements

For the year ended 31 December 2013

9. Debtors

	2013 £	2012 £
Trade debtors	13,437	13,438
Outstanding with Partners	147,765	97,063
Regional Offices balances	17,235	-
Other debtors	21,974	34,626
Prepayments	12,731	12,800
Accrued income	185,846	157,787
	<u>398,988</u>	<u>315,714</u>

10. Creditors: amounts due within 1 year

	2013 £	2012 £
Trade creditors	249	361
Taxation and social security	1,075	1,973
Refund due to the EC	13,542	-
Accruals	49,061	63,555
	<u>63,927</u>	<u>65,889</u>

11. Analysis of net assets between funds

	Restricted funds £	General funds £	Total Funds £
Tangible fixed assets	-	13,294	13,294
Fixed asset investments	-	251,620	251,620
Net current assets	525,590	21,292	546,882
Net assets at the end of the year	<u>525,590</u>	<u>286,206</u>	<u>811,796</u>

Minority Rights Group

Notes to the financial statements

For the year ended 31 December 2013

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	287,898	529,493	(699,722)	-	117,669
ASIA PACIFIC REGION	58,022	33,372	(91,394)	-	-
EUROPE / CIS REGION	-	285,899	(237,072)	-	48,827
MINORITIES & CONFLICT PREVENTION	-	5,018	(5,018)	-	-
STRATEGIC COMMUNICATIONS	-	287,571	(220,553)	-	67,018
INTERNATIONAL ADVOCACY	110,592	508,503	(514,063)	-	105,032
HUMAN RIGHTS IN CONFLICTS	5,970	284,905	(83,185)	-	207,690
	462,482	1,934,761	(1,851,007)	-	546,236
AFRICA & MIDDLE EAST REGION					
DP1 Religious Freedom in transition States	34,063	118,449	(81,889)	-	70,623
Netherlands Ministry of Foreign Affairs	34,063	118,449	(81,889)	-	70,623
ED3 Religious Minorities in Egypt	36,317	123,650	(159,967)	-	-
European Commission	36,317	80,383	(116,700)	-	-
Netherlands Ministry of Foreign Affairs	-	43,267	(43,267)	-	-
IR2 Marginalised Minorities in East and Central Africa	71,925	232,927	(284,150)	-	20,702
Irish Aid *	71,925	171,180	(222,403)	-	20,702
FI2 Ministry for Foreign Affairs of Finland	-	61,747	(61,747)	-	-
SM1 Somali Minority Women	101,121	10,920	(85,697)	-	26,344
European Commission	101,121	-	(74,777)	-	26,344
Ministry for Foreign Affairs of Finland	-	10,920	(10,920)	-	-
AS2 Kenya Governance Project	44,472	43,547	(88,019)	-	-
European Commission	44,472	38,424	(82,896)	-	-
Ministry for Foreign Affairs of Finland	-	5,123	(5,123)	-	-
Sub Total Africa & Middle East Region	287,898	529,493	(699,722)	-	117,669

* Additional Match Funding was spent on this project under Legal Cases (£17k) and additional funding was raised and spent by partners

Minority Rights Group

Notes to the financial statements

For the year ended 31 December 2013

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					
BE1	Promoting Minority Rights-Sri Lanka	25,586	11,239	(36,825)	-	-
	Belgium Ministry of Foreign Affairs	25,586	-	(25,586)	-	-
	Medico International E.V.	-	4,220	(4,220)	-	-
	Ministry for Foreign Affairs of Finland	-	7,019	(7,019)	-	-
AS3	Promoting Minority Rights- Sri Lanka SL II 129174	32,436	22,133	(54,569)	-	-
	European Commission	16,816	16,476	(33,292)	-	-
	Ministry for Foreign Affairs of Finland	-	5,657	(5,657)	-	-
	Belgium Ministry of Foreign Affairs	15,620	-	(15,620)	-	-
	Sub Total Asia & Pacific Region	58,022	33,372	(91,394)	-	-
	EUROPE / CIS REGION					
BH1	Bosnia	-	46,061	(53,036)	-	(6,975)
	European Commission	-	46,061	(53,036)	-	(6,975)
EP1	Eastern Partnership	-	165,171	(120,126)	-	45,045
	European Commission	-	165,171	(120,126)	-	45,045
RS1	Russia	-	63,724	(60,955)	-	2,769
	European Commission	-	63,724	(60,955)	-	2,769
GR1	Sustainable Citizenship Participation	-	10,943	(2,955)	-	7,988
	Grundtvig Lifelong Learning Programme	-	10,943	(2,955)	-	7,988
	Sub Total Europe / CIS Region	-	285,899	(237,072)	-	48,827
	MINORITIES & CONFLICT PREVENTION					
AO6	Iraq/Somalia Project	-	5,018	(5,018)	-	-
	Ministry for Foreign Affairs of Finland	-	5,018	(5,018)	-	-
	Sub Total Minority Rights & Conflict	-	5,018	(5,018)	-	-
	STRATEGIC COMMUNICATIONS					
BP8	Minority Realities	-	281,591	(214,573)	-	67,018
	European Commission	-	207,803	(148,167)	-	59,636
	Ministry for Foreign Affairs of Finland	-	55,788	(48,406)	-	7,382
	CAFOD	-	18,000	(18,000)	-	-
	Awareness-raising in the Global South	-	5,980	(5,980)	-	-
FI2	Ministry for Foreign Affairs of Finland	-	5,980	(5,980)	-	-
	Sub Total Strategic Communications	-	287,571	(220,553)	-	67,018

Minority Rights Group

Notes to the financial statements

For the year ended 31 December 2013

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	21,733	73,213	(100,630)	-	(5,684)
LG6	Royal Norwegian Ministry of Foreign Affairs 2012	21,733	-	(21,733)	-	-
FI1	Ministry for Foreign Affairs of Finland	-	12,164	(12,164)	-	-
LG5	The Tides Center	-	4,286	(7)	-	4,279
LG5	Other income (Birbeck Uni, ect)	-	675	(675)	-	-
LG7	Royal Norwegian Ministry of Foreign Affairs 2013	-	56,088	(66,051)	-	(9,963)
ME1	Minorities in the MENA Region	-	103,385	(50,806)	-	52,579
	Royal Norwegian Ministry of Foreign Affairs 2012	-	103,385	(50,806)	-	52,579
AA7	Street Theatre project	8,006	2,563	(10,569)	-	-
	European Commission	-	2,563	(2,563)	-	-
	Ministry for Foreign Affairs of Finland	8,006	-	(8,006)	-	-
AA9	Street Theatre Dominican Republic*	-	108,710	(96,499)	-	12,211
	European Commission	-	91,260	(79,049)	-	12,211
	Ministry for Foreign Affairs of Finland	-	14,700	(14,700)	-	-
	Vodafone Foundation	-	2,750	(2,750)	-	-
BP4	Global Advocacy Project*	253	115,297	(115,550)	-	-
	Ministry for Foreign Affairs of Finland	253	35,640	(35,893)	-	-
	European Commission	-	79,657	(79,657)	-	-
AN1	Mauritania project	35,606	64,870	(71,036)	-	29,440
	European Commission	31,263	49,750	(61,708)	-	19,305
LG5	Anti Slavery International	4,343	-	(4,343)	-	-
	Ministry for Foreign Affairs of Finland	-	15,120	(4,985)	-	10,135
AD3	Minority representation at the UN	-	28,664	(12,178)	-	16,486
	Swiss FDFA	-	28,664	(12,178)	-	16,486
FT2	Fiji project	44,994	11,801	(56,795)	-	-
	European Commission	44,994	7,895	(52,889)	-	-
	Ministry for Foreign Affairs of Finland	-	3,906	(3,906)	-	-
	Sub Total International Advocacy	110,592	508,503	(514,063)	-	105,032

* Additional match funding was raised and spent by partner organisations

Minority Rights Group

Notes to the financial statements

For the year ended 31 December 2013

12.	Movements in funds (continued)	At the start of the year £	Incoming resources £	Outgoing resources £	Transfers £	At the end of the year £
	HUMAN RIGHTS IN CONFLICTS	5,970	42,967	(42,937)	-	6,000
FI3	Ministry for Foreign Affairs of Finland	(30)	42,967	(42,937)	-	-
	Sage Publications	6,000	-	-	-	6,000
		-	-	-	-	-
AA4	EU Iraq - Civil society	-	241,938	(40,248)	-	201,690
	European Commission	-	209,976	(8,286)	-	201,690
DP1	Netherlands Ministry of Foreign Affairs	-	14,055	(14,055)	-	-
	Ministry for Foreign Affairs of Finland	-	17,907	(17,907)	-	-
	Sub Total Human Rights in Conflict	5,970	284,905	(83,185)	-	207,690
	Total restricted funds before unrealised foreign exchange	462,482	1,934,761	(1,851,007)	-	546,236
	Unrealised foreign exchange differences on restricted fund balances	(15,283)	-	(5,363)	-	(20,646)
	Total restricted funds after unrealised foreign exchange	447,199	1,934,761	(1,856,370)	-	525,590
	Designated fund	75,000	-	-	(75,000)	-
	Revaluation Reserve	90,285	40,222	-	-	130,507
	General fund	227,067	403,401	(549,769)	75,000	155,699
	Total unrestricted funds	392,352	443,623	(549,769)	-	286,206
	Total funds	839,551	2,378,384	(2,406,139)	-	811,796

Minority Rights Group

Notes to the financial statements

For the year ended 31 December 2013

12. Movements in funds (continued)

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 July 2012 to support core costs for a twelve month period. £75,000 of the grant carried forward as a designated fund was utilised in the first six months of 2013 to support core costs.

13. Operating lease commitments

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

	Property		Equipment	
	2013	2012	2013	2012
	£	£	£	£
1 - 2 years	-	125,000	973	1,872
2 - 5 years	125,000	-	1,037	-
	<u>125,000</u>	<u>125,000</u>	<u>2,010</u>	<u>1,872</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 2013 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.

Minority Rights Group

Notes to the financial statements

For the year ended 31 December 2013

15. Contingent Liabilities

Pension scheme

Minority Rights Group participates in the Pensions Trust's Growth Plan. The Growth Plan is a multi-employer pension plan, which is funded and is not a contracted out state scheme. As at the balance sheet date there were six active members of the Growth Plan employed by Minority Rights Group and Minority Rights Group continues to offer membership of this growth plan to its employees.

Contributions paid into the Growth Plan up to and including September 2001 were converted to defined amounts of pension payable from normal retirement date. From October 2001 contributions were invested in personal funds which have a capital guarantee and which are converted to pension on retirement, either within the Growth Plan or by the purchase of an annuity.

The Trustee of the plan commissions an actuarial valuation every three years to determine the funding position of the plan by comparing the assets with the past service liabilities at the valuation date and the rules of the plan give the trustee the power to require employers to pay additional contributions in order to ensure that the statutory funding objective under the Pensions Act 2004 is met.

The actuarial valuation results at 30 September 2011 have now been completed and have been formalised. The valuation of the plan was performed by a professionally qualified actuary using the projected Unit Method. The market value of the plan's assets at the valuation date was £780 million and the plan's technical provisions (i.e. past service liabilities) were £928 million. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £148 million, equivalent to a funding level of 84 per cent.

The Scheme Actuary has prepared a funding position update as at 30 September 2012. The market value of the plan's assets at that date was £790 million and the plan's Technical Provisions (i.e. past service liabilities) were £984 million. The update, therefore revealed a shortfall of assets compared with the value of liabilities of £194 million, equivalent to a funding level of 80%.

If an actuarial valuation reveals a shortfall of assets compared to liabilities, the Trustees must prepare a recovery plan setting out the steps to be taken to make up the shortfall.

The 30 September 2011 valuation was formalised in the year. The preliminary valuation resulted in the preparation of a proposed recovery plan and participating employers have been notified that they will be required to pay additional contributions as part of the proposed plan to eliminate the scheme's deficit. Minority Rights Group began making additional contributions of £11,716 per annum, increasing by 3% each year, for ten years from 1 April 2013.

Following changes in legislation in September 2005 and November 2011, there is a potential debt on the employer that could be levied by the plan's trustee. The plan's trustee's policy was that the application of the potential debt only applied to employers with pre October 2001 liabilities in the plan. The Pensions Act 2011 has this year extended this definition to include post October 2001 contributions. The debt is only due in the event of the employer ceasing to participate in the plan or the plan winding up.

Minority Rights Group has been notified by the Pensions Trust of the estimated employer debt on withdrawal from the plan based on the financial position of the plan as at 30 September 2012. In May 2013, Pensions Trust estimated that Minority Rights Group would have been liable for an estimated share of the employer debt of £320,080 if it had left the scheme in September 2012.

In the opinion of the Council of Management, as the charity intends to continue offering membership of the plan and as they are unaware of any intention for the plan to be wound up, the debt is unlikely to crystallise in the foreseeable future.

EC funding

The charity is currently in negotiation with the EC in relation to the South East Europe Programme for which EC funding ended in June 2005 but expenditure in relation to this project continued beyond this date. We are currently negotiating with the EC and they have agreed to allow expenditure up to December 2005. The accounts include a provision of £13,542. The maximum amount that we would ever pay would be £48,630. However, our expectation is that we will be able to settle at the lower amount of £13,542.