

Company no. 1544957
Charity no. 282305

Minority Rights Group
Report and Financial Statements
31 December 2012

sayer vincent

auditors and advisors

Minority Rights Group

Reference and administrative details

For the year ended 31 December 2012

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 2012

The Council of Management present their report and the audited financial statements for the year ended 31 December 2012.

Introduction

2012 was a year of both continuity and change for MRG. It was the final year of a 4 year strategy which saw the culmination of many projects and strands of work with good progress in all areas (although of course, much remains to be done). At the same time, 2012 was a year of reflection and planning for the next strategic period and provided the opportunity for us to consult partners and stakeholders about what is most needed and rethink our strategic directions and ambitions for the next 4 years. Externally several factors also continued to affect our work and that of our partners. The economic crisis in Europe and North America continued to constrain most donors and the income of charities generally in these regions; MRG has managed to withstand this to a very great extent but this still represented a continuing challenge in 2012. Events in North Africa and the Middle East soon proved the value of our work as religious and other minorities came under attack and as divides along ethnic and religious lines that had been suppressed during years of authoritarian rule began to open up and posed challenges in fast changing social and political contexts. The debate about development goals to replace the MDGs after 2015 has also provided an opportunity for discussions about inequality, discrimination and exclusion at the highest level and support for a mechanism to take this into account in the future development goals gained ground during 2012.

MRG remains very grateful to all the partners who have worked with us in 2012, 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 of our partners sums it up like this:

"In essence, OPDP-MRG collaboration has yielded positive ideas that have improved the identity and recognition of minority Ogiek locally, nationally and internationally." Chair, Ogiek People's Development Programm, Kenya

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. 2012 was the final year of a four-year strategic period spanning 2009-2012. For this period, MRG has had the following six objectives:

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For the year ended 31 December 2012

1. Strengthening the Voices of Minority and Indigenous Organisations. This was achieved through a variety of training programmes designed to give minority and indigenous 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. Importantly MRG continued to implement online distance training for activists (which can be delivered without incurring travel or accommodation costs and which reduces security risks). A new departure this year was the development of para-legal training specifically to alert activists to legal avenues to claim rights and seek redress for rights abuses. We also worked with organisations to strengthen their fundraising, finance and governance to ensure that they can be sustained and grow their work on behalf of minority and indigenous communities. After training events, MRG also supports partner organisations to prepare and run advocacy projects and this work was going on during 2012 across Africa, Eastern Europe and Asia as well as in parts of the Middle East and North Africa. 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. We have focused particularly on equal access to quality education, landrights and minority women including supporting litigation on abuses of minority rights at international fora (including the first case on minority or indigenous issues to be submitted to the African Court on Human and Peoples' Rights), publication of research, media work and international advocacy. Work on land rights issues has taken place in Belize, Kenya, Tanzania and Uganda. Work on minority women's rights runs throughout our work but has been a particular focus of work in Mauritania, Sri Lanka and Somalia.
3. Changing Discriminatory Attitudes. We completed work on a programme using Street Theatre to Challenge Racism in Botswana, Dominican Republic, Kenya and Rwanda. The programme was a pilot to allow us to test out new approaches and has been very successful. We have therefore designed two more programmes using similar methods and will continue to develop this new and innovative strand of our work in the next strategic period.
4. Promoting Minority and Indigenous Participation. This work is all about ensuring that minority and indigenous peoples have some say in decisions that affect them. This can mean encouraging minority and indigenous community leaders to stand for election to local, regional and national bodies but it can also mean encouraging minority and indigenous community members to register for and use their right to vote. In this area we have also worked towards ensuring full consultation of communities when decisions affecting their community are taken. We worked with partners towards securing better participation rights for minority and indigenous peoples in East Africa and the Great Lakes as well as Bosnia, Botswana, Fiji and Sri Lanka.
5. Preventing Conflict and Mass Atrocities. In 2012, work in this area particularly focused on the Middle East, with work continuing in Iraq and continuing in Egypt. However, we also continued to work in Georgia, Kyrgyzstan and Sri Lanka and we began new strands of work in Pakistan and Fiji. We again published our respected People Under Threat analysis and continued working to ensure that policy makers understand that treating minorities equally and with respect is a key factor in preventing future conflict.
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 15 participants to attend the UN Forum on Minority Issues. We supported numerous partners to submit shadow reports or other materials to UN reporting mechanisms. We also continued our work with UN agencies, African Commission on Human and Peoples Rights, the African Court on Human Rights, the Council of Europe and the OSCE.

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Report of the Council

For the year ended 31 December 2012

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

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 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 2012 was 12 (2011 - 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. 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.

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Report of the Council

For the year ended 31 December 2012

Plans for future periods

A Strategic Review was undertaken in 2012 and a new Strategic Plan agreed for the four-year period 2013 – 2016. This centred on re-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 £2.15m, a decrease of 29% on income achieved in the previous year (2011). Significant and continuing financial support was received from CAFOD, the Ericsson Trust, The Eva Reckitt Trust Fund, the Lee Foundation, the Pilkington Charitable Trust, The Sigrid Rausing Trust, TBH Brunner Charitable Trust, 2 Garden Court Chambers, the Governments of Belgium, Finland, Ireland, the Netherlands, Norway, Sweden, the Commonwealth Foundation for Democracy, the Office of the High Commissioner on Human Rights and the European Commission. These grants are greatly appreciated by the charity.

The charity's overall expenditure in 2012 amounted to £2.24m a decrease of 31% on the previous year. After unrestricted income was transferred from general to restricted funds to meet the matchfunding requirement of restricted projects, the operating deficit for the year on the general fund was £98,000. This decreased to £75,000 after adjusting for exceptional items mainly the gain 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 2013, the level of reserve required is £403,641. The general reserves level of £317,351 at the year end is less than this amount but management aims to gradually build this up over the next 4- year strategic period.

Minority Rights Group

Report of the Council

For the year ended 31 December 2012

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 investment were reinvested. The value of the charity's investment portfolio stood at £211,398 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).

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.

Minority Rights Group

Report of the Council

For the year ended 31 December 2012

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.

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 - Treasurer
Hurst Hannum
Michelo Hansungule (from May 2012)
Mukesh Kapila - Chair of the Council
Lekha Klouda - Chair of the Finance & General Purposes Committee (until May 2012)
Gay McDougall (from May 2012)
Lydia Ramahobo
William Samuel
Rodolfo Stavenhagen
Stella Tamang
Melakou Tegegn

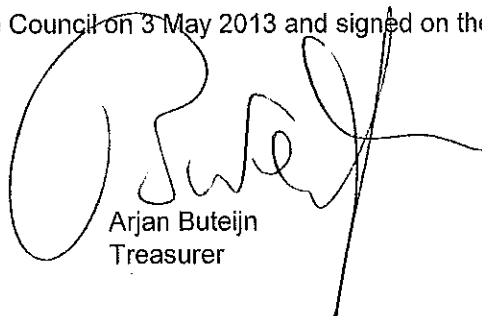
Auditors

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 3 May 2013 and signed on their behalf by



Mark Lattimer
Chief Executive & Company Secretary



Arjan Buteijn
Treasurer

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 2012 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 2012 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)

9 May 2013

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 2012

	Note	Restricted £	Designated £	General £	2012 Total £	2011 Total £
Incoming resources						
<i>Incoming resources from generated funds</i>						
Voluntary income	2	-	-	398,659	398,659	506,282
Investment income		-	-	4,972	4,972	1,911
<i>Incoming resources from charitable activities</i>						
Advocacy & Projects		1,687,154	-	-	1,687,154	2,448,270
Publications		-	-	8,674	8,674	5,861
Consultancy		-	-	19,320	19,320	6,454
Other income		-	-	34,749	34,749	44,166
Total incoming resources		1,687,154	-	466,374	2,153,528	3,012,944
Resources expended						
<i>Costs of generating funds:</i>						
Costs of generating voluntary income		-	-	127,353	127,353	141,877
<i>Charitable activities</i>						
Advocacy & Projects		1,678,788	-	246,333	1,925,121	2,854,872
Advocacy Support		-	-	20,865	20,865	26,660
Project support		-	-	64,536	64,536	67,671
Publications		-	-	67,388	67,388	73,436
Consultancy		-	-	1,447	1,447	34,322
Governance costs		-	-	28,760	28,760	38,337
Total resources expended	3	1,678,788	-	556,682	2,235,470	3,237,175
Net outgoing resources before transfers	4	8,366	-	(90,308)	(81,942)	(224,231)
Gross transfers between funds		8,172	-	(8,172)	-	-
Net outgoing resources before other gains and losses		16,538	-	(98,480)	(81,942)	(224,231)
Unrealised investment gains/(loss)	8	-	-	23,422	23,422	(1,618)
Realised loss on sale of investment		-	-	-	-	(13,410)
Unrealised loss on foreign exchange		(15,283)	-	-	(15,283)	-
Net movement in funds		1,255	-	(75,058)	(73,803)	(239,259)
Funds at the start of the year		445,944	75,000	392,410	913,354	1,152,613
Funds at the end of the year		447,199	75,000	317,352	839,551	913,354

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)

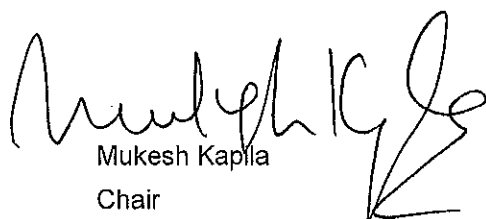
Balance sheet

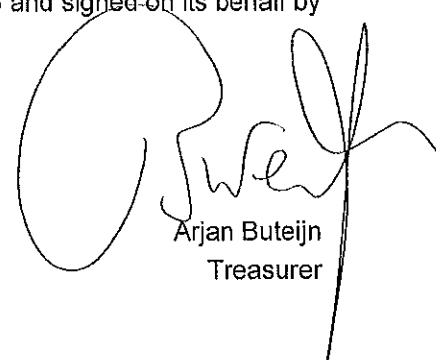
Company no. 1544957

As at 31 December 2012

	Note	£	2012 £	2011 £
Fixed assets				
Tangible fixed assets	7		10,712	17,223
Investments	8		<u>211,398</u>	<u>183,004</u>
			222,110	200,227
Current assets				
Debtors	9	315,714		472,050
Cash at bank and in hand		<u>367,616</u>		<u>429,029</u>
		683,330		901,079
Creditors: amounts due within 1 year	10	<u>65,889</u>		<u>187,952</u>
Net current assets			<u>617,441</u>	<u>713,127</u>
Net assets	11		<u>839,551</u>	<u>913,354</u>
Funds				
Restricted funds	12			
In surplus			447,199	445,944
Unrestricted funds				
Designated fund			75,000	75,000
General fund			<u>317,352</u>	<u>392,410</u>
Total funds			<u>839,551</u>	<u>913,354</u>

Approved by the directors on 3 May 2013 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 2012

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
- 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.

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Notes to the financial statements

For the year ended 31 December 2012

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 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.
- 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 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.

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Notes to the financial statements

For the year ended 31 December 2012

2. Voluntary income

	2012	2011
	£	£
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	2,000	3,000
Eva Reckitt Trust	1,000	-
Swedish International Development Cooperation Agency	230,183	232,772
Ministry of Foreign Affairs of Finland	-	7,852
Mr Astor	5,500	-
Pilkington Charitable Trust	1,000	-
Cordaid	-	100,007
Donations and other income	2,976	1,151
	<u>398,659</u>	<u>506,282</u>

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Notes to the financial statements

For the year ended 31 December 2012

3. Charitable expenditure	Costs of generating voluntary income	Advocacy & Projects		Advocacy Support		Project Support		Publications		Consultancy		Governance costs		Support costs		2012 Total		2011 Total	
		£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Staff Costs (note 5)	87,405	802,839	19,418	52,979	51,977	-	-	-	-	-	-	-	-	49,030	1,063,648	1,256,738			
Consultancy & Volunteers	2,070	152,150	-	1,155	729	-	-	-	-	-	-	-	-	587	156,691	254,298			
Recruitment	224	1,127	-	10	10	-	-	-	-	-	-	-	-	145	1,516	1,530			
Staff Training & Development	1,204	9,557	-	272	667	-	-	-	-	-	-	-	-	1,481	13,181	8,573			
Staff Travel	2,422	84,737	-	1,479	611	-	-	-	-	-	-	-	-	837	90,086	141,227			
Regional Offices	-	23,851	-	-	-	-	-	-	-	-	-	-	-	-	23,851	31,329			
Partners' Activities	-	131,472	-	-	-	-	-	-	-	-	-	-	-	-	131,472	283,160			
Partner attendance at events	116	166,017	-	102	34	-	-	-	-	-	-	-	-	372	166,641	416,671			
Training Events	53	148,819	-	12	568	-	-	-	-	-	-	-	-	170	149,622	193,785			
Publications Production	611	73,130	-	56	1,071	-	-	-	-	-	-	-	-	816	75,684	126,696			
Media, PR & Marketing	442	2,449	-	3	2,723	-	-	-	-	-	-	-	-	40	5,657	8,148			
Communications	2,896	27,187	-	523	580	-	-	-	-	-	-	-	-	7,130	38,316	70,622			
Office Running costs	1,214	16,540	-	215	1,222	-	-	-	-	-	-	-	-	3,012	22,203	48,011			
Premises costs	14,563	121,050	-	3,236	3,236	-	-	-	-	-	-	-	-	46,922	189,007	248,400			
IT & Equipment	3,075	25,683	-	683	744	-	-	-	-	-	-	-	-	9,910	40,095	44,546			
Depreciation	458	4,372	-	102	102	-	-	-	-	-	-	-	-	1,477	6,511	13,395			
Bank charges and forex	955	13,022	-	251	220	-	-	-	-	-	-	-	-	2,980	17,428	17,312			
Professional Fees	-	7,861	-	-	-	-	-	-	-	-	-	-	19,754	-	27,615	52,345			
Charity Management & Statutory	-	7,158	-	82	-	-	-	-	-	-	-	-	9,006	-	16,246	20,389			
	117,708	1,819,021	19,418	61,160	64,494	-	-	28,760	124,909	2,235,470	3,237,175								
Support costs	9,645	106,100	1,447	3,376	2,894	1,447	(124,909)	-	-	-	-								
Total resources expended	127,353	1,925,121	20,865	64,536	67,388	1,447	28,760	124,909	2,235,470	3,237,175									

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Notes to the financial statements

For the year ended 31 December 2012

4. Net outgoing resources for the year

This is stated after charging / crediting:

	2012 £	2011 £
Depreciation	6,511	13,395
Council members' remuneration	-	-
Council members' expenses	16,232	16,024
Auditors' remuneration:		
▪ audit	17,400	16,200
▪ other services	9,006	15,900
Operating lease rentals:		
▪ property	143,900	143,900
▪ other	2,532	6,111

Council members' reimbursed expenses represent the reimbursement of travel and subsistence costs to 9 (2011: 8) members relating to attendance at meetings of the Council.

5. Staff costs and numbers

Staff costs were as follows:

	2012 £	2011 £
Salaries and wages	741,012	917,135
Social security costs	75,640	94,067
Pension contributions	30,264	39,565
Other staff cost	22,800	60,000
Regional Office staff	193,932	145,971
	<u>1,063,648</u>	<u>1,256,738</u>

One employee earned between £70,001 - £80,000 during the year (2011: 1). Employer pension contributions for that employee totalled £7,251 in 2012 (2011: £7,179).

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

	2012 No.	2011 No.
Directors' office including fundraising	4.5	5.4
Administration and finance	4.0	4.5
Projects and project support- UK	11.9	14.9
Projects and project support- Regional Office	14.8	19.5
	<u>35.2</u>	<u>44.3</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 2012

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	-
Disposals in the year	-
At the end of the year	<u>196,217</u>
Depreciation	
At the start of the year	178,994
Disposals in the year	-
Charge for the year	6,511
At the end of the year	<u>185,505</u>
Net book value	
At the end of the year	<u><u>10,712</u></u>
At the start of the year	<u><u>17,223</u></u>

8. Investments

	2012 £	2011 £
Market value at the start of the year	183,004	198,032
Realised loss on investment sale	-	(13,410)
Investment Income rolled over	4,972	-
Unrealised gain/(loss)	23,422	(1,618)
Market value at the end of the year	<u>211,398</u>	<u>183,004</u>
Historic cost at the end of the year	<u>121,113</u>	<u>121,113</u>

Investments representing over 5% by value of the portfolio comprise:

	2012 £	2011 £
80697.267 shares in AXA Ethical Distribution fund R/20,226	89,574	79,398
73168 ordinary shares in Friends Provident Stewardship Income Trust	121,824	103,606
	<u>211,398</u>	<u>183,004</u>

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Notes to the financial statements

For the year ended 31 December 2012

9. Debtors

	2012 £	2011 £
Trade debtors	13,438	33,227
Outstanding with Partners	97,063	48,343
Other debtors	34,626	30,417
Prepayments	12,800	16,238
Accrued income	157,787	343,825
	<u>315,714</u>	<u>472,050</u>

10. Creditors: amounts due within 1 year

	2012 £	2011 £
Trade creditors	361	349
Taxation and social security	1,973	3,039
Accruals	63,555	120,819
Deferred Income	-	63,745
	<u>65,889</u>	<u>187,952</u>

11. Analysis of net assets between funds

	Restricted funds £	Designated funds £	General funds £	Total Funds £
Tangible fixed assets	-	-	10,712	10,712
Fixed asset investments	-	-	211,398	211,398
Net current assets	447,199	75,000	95,242	617,441
Net assets at the end of the year	<u>447,199</u>	<u>75,000</u>	<u>317,352</u>	<u>839,551</u>

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Notes to the financial statements

For the year ended 31 December 2012

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	44,901	636,444	(393,447)	-	287,898
ASIA PACIFIC REGION	73,304	139,347	(154,629)	-	58,022
EUROPE / CIS REGION	25,282	-	(33,454)	8,172	-
MINORITY RIGHTS & DEVELOPMENT	686	-	(686)	-	-
MINORITIES & CONFLICT PREVENTION	-	25,566	(25,566)	-	-
STRATEGIC COMMUNICATIONS	-	94,967	(94,967)	-	-
INTERNATIONAL ADVOCACY	280,102	754,254	(923,764)	-	110,592
HUMAN RIGHTS IN CONFLICTS	21,669	36,576	(52,275)	-	5,970
	445,944	1,687,154	(1,678,788)	8,172	462,482
AFRICA & MIDDLE EAST REGION					
DP1 Religious Freedom in transition States	-	98,579	(64,516)	-	34,063
Netherlands Ministry of Foreign Affairs	-	98,579	(64,516)	-	34,063
ED3 Religious Minorities in Egypt	-	97,662	(61,345)	-	36,317
European Commission	-	81,105	(44,788)	-	36,317
Netherlands Ministry of Foreign Affairs	-	16,557	(16,557)	-	-
IR2 Marginalised Minorities in East and Central Africa	-	159,770	(87,845)	-	71,925
Irish Aid *	-	159,770	(87,845)	-	71,925
SI1 SIDA Evaluation (including Kampala event)	-	46,281	(46,298)	-	(17)
SIDA	-	46,281	(46,298)	-	(17)
SM1 Somali Minority Women	-	104,109	(2,971)	-	101,138
European Commission	-	104,109	(2,971)	-	101,138
AS2 Kenya Governance Project **	44,901	130,043	(130,472)	-	44,472
European Commission	37,901	99,418	(92,847)	-	44,472
Ministry for Foreign Affairs of Finland	7,000	30,625	(37,625)	-	-
Sub Total Africa & Middle East Region	44,901	636,444	(393,447)	-	287,898

* In addition to this, £2,000 was spent as matchfunding from Kenya Governance (EC); £16,421 from Global Advocacy Project (EC), £22,004 from Legal cases (Norway MFA), and £11,639 from SIDA grant

**In addition to this, £3,629 was spent as matchfunding from the Irish Aid grant; £4,516 by OPDP (FPW grant) £1,048 by EWC (CEDMAC grant); £2,742 by WIFIP (UN Women/ACORD grant)

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Notes to the financial statements

For the year ended 31 December 2012

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					
PS5 Religious Minorities in Asia 2002-2005	4,500	-	(4,500)	-	-
Christian Aid	4,500	-	(4,500)	-	-
BE1 Promoting Minority Rights-Sri Lanka	-	55,830	(55,244)	25,000	25,586
Belgium Ministry of Foreign Affairs	-	55,830	(55,244)	25,000	25,586
AS3 Promoting Minority Rights- Sri Lanka SL II 129174	68,804	83,517	(94,885)	(25,000)	32,436
European Commission	11,105	83,517	(77,806)	-	16,816
Belgium Ministry of Foreign Affairs	57,699	-	(17,079)	(25,000)	15,620
Sub Total Asia & Pacific Region	73,304	139,347	(154,629)	-	58,022
EUROPE / CIS REGION					
Hungarian office Dev Ed Project	1,061	-	(1,061)	-	-
European Commission	1,061	-	(1,061)	-	-
BP5 Promoting Development Policy project	24,221	-	(32,393)	8,172	-
European Commission	24,221	-	(24,221)	-	-
MRG- Matchfunding	-	-	(8,172)	8,172	-
Sub Total Europe / CIS Region	25,282	-	(33,454)	8,172	-
MINORITY RIGHTS & DEVELOPMENT					
Minority Rights & Development	686	-	(686)	-	-
Trocaire	686	-	(686)	-	-
Sub Total Minority Rights & Development	686	-	(686)	-	-

Minority Rights Group

Notes to the financial statements

For the year ended 31 December 2012

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					
AO8 Conflict East Africa	-	6,488	(6,488)	-	-
Ministry for Foreign Affairs of Finland	-	-	-	-	-
European Commission	-	6,488	(6,488)	-	-
Irish Aid Block grant 2011	-	-	-	-	-
AO6 Iraq/Somalia Project	-	19,078	(19,078)	-	-
Ministry for Foreign Affairs of Finland	-	19,078	(19,078)	-	-
Sub Total Minority Rights & Conflict	-	25,566	(25,566)	-	-
STRATEGIC COMMUNICATIONS					
BP2// Minority Voices	-	94,967	(94,967)	-	-
European Commission	-	-	-	-	-
Ministry for Foreign Affairs of Finland	-	66,459	(66,459)	-	-
AD5 Ministry for Foreign Affairs of Finland- swm	-	14,308	(14,308)	-	-
CAFOD	-	10,000	(10,000)	-	-
Matrix Chambers	-	4,200	(4,200)	-	-
Sub Total Strategic Communications	-	94,967	(94,967)	-	-

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Notes to the financial statements

For the year ended 31 December 2012

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	29,342	78,783	(86,392)	-	21,733
LG1 Finnish Grant for Legal cases Africa	-	9,635	(9,635)	-	-
LG4 Royal Norwegian Ministry of Foreign Affairs 2011	25,832	-	(25,832)	-	-
LG5 UN High Commissioner for Human Rights	3,510	4,408	(7,918)	-	-
LG6 Royal Norwegian Ministry of Foreign Affairs 2012	-	63,740	(42,007)	-	21,733
LG5 Garden Court	-	1,000	(1,000)	-	-
AA7 Street Theatre project	-	162,278	(154,272)	-	8,006
European Commission*	-	147,363	(147,363)	-	-
Irish Aid Block grant 2011	-	-	-	-	-
Ministry for Foreign Affairs of Finland	-	14,915	(6,909)	-	8,006
BP4 Global Advocacy Project	130,952	507,193	(637,892)	-	253
Ministry for Foreign Affairs of Finland	21,833	40,580	(62,160)	-	253
Commonwealth foundation	-	9,566	(9,566)	-	-
European Commission	109,119	457,047	(566,166)	-	-
AN1 Mauritania project	58,708	6,000	(29,102)	-	35,606
European Commission	58,708	-	(27,445)	-	31,263
LG5 Anti Slavery International	-	6,000	(1,657)	-	4,343
FT2 Fiji project*	61,100	-	(16,106)	-	44,994
European Commission	61,100	-	(16,106)	-	44,994
Sub Total International Advocacy	280,102	754,254	(923,764)	-	110,592
* Additional match funding was raised and spent by partner organisations					
HUMAN RIGHTS IN CONFLICTS					
FI3 Ministry for Foreign Affairs of Finland	21,669	36,576	(52,275)	-	5,970
Sage Publications	15,669	36,576	(52,275)	-	(30)
	6,000	-	-	-	6,000
Sub Total Human Rights in Conflict	21,669	36,576	(52,275)	-	5,970
Total restricted funds before unrealised foreign exchange losses	445,944	1,687,154	(1,678,788)	8,172	462,482
Unrealised foreign exchange differences on restricted fund balances	-	-	(15,283)	-	(15,283)
Total restricted funds after unrealised foreign exchange losses	445,944	1,687,154	(1,694,071)	8,172	447,199
Designated fund	75,000	-	-	-	75,000
General fund	392,410	466,374	(533,260)	(8,172)	317,352
Total unrestricted funds	467,410	466,374	(533,260)	(8,172)	392,352
Total funds	913,354	2,153,528	(2,227,331)	-	839,551

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Notes to the financial statements

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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.

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Notes to the financial statements

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13. Operating lease commitments

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

	Property		Equipment	
	2012	2011	2012	2011
	£	£	£	£
1 - 2 years	125,000	-	1,872	-
2 - 5 years	-	143,950	-	6,111
	<u>125,000</u>	<u>143,950</u>	<u>1,872</u>	<u>6,111</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 2012 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.