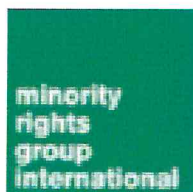


Company number: 01544957

Charity number: 282305



## **Minority Rights Group**

### **Report and Financial Statements**

**31 December 2017**

**Minority Rights Group**  
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**For the year ended 31 December 2017**

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**Minority Rights Group**  
**Reference and administrative details**  
**For the year ended 31 December 2017**

**Status**

The organisation is a charitable company limited by guarantee, incorporated on 11<sup>th</sup> February 1981 and registered as a charity on 11<sup>th</sup> 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 power to invest funds not immediately required for the charity's purposes.

**Company number** 1544957

**Charity number** 282305

**Registered office and operational address** 54 Commercial Street  
London, E1 6LT

**Honorary officers** Gay McDougall - Chair  
Bill Samuel - Treasurer  
Mark Lattimer - Secretary

**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:

Tom Astor  
Albert Barume  
Arjan Buteijn (until March 2018) - Treasurer  
Joshua Castellino (from November 2017)  
Joe Frans  
Françoise Hampson  
Michelo Hansungule (until April 2017)  
Mahdis Keshavarz  
Gay McDougall - Chair of the Council  
Willy Mutunga (from April 2018)  
Bill Samuel (from April 2018)  
Melakou Tegegn (until April 2017)  
Meena Varma - Chair of the Finance & General Purposes Committee

**Principal staff** Mark Lattimer Executive Director  
Claire Thomas Deputy Director  
Carl Soderbergh Director of Policy & Communications  
Lucy Claridge Legal Director  
Berihu Mohammed Director of Finance, Administration & IT

**Bankers** NatWest  
38 Strand  
London, CW2N 5JQ

**Solicitors** Bates Wells and Braithwaite  
10 Queen Street Place  
London, ECAR 1BE

**Auditors** Kingston Smith LLP  
Devonshire House  
60 Goswell Road  
London, EC1M 7AD

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**Report of the Council**

The Council of Management present their report and the audited financial statements for the year ended 31 December 2017.

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 (FRS 102).

**Introduction**

2017 saw the launch of our new strategy covering the period 2017-2020. The new strategy entitled "Countering Persecution, Promoting Inclusion" was shared with all our donors, partners and other stakeholders. It has two main objectives: 1-Countering religious and ethnic persecution, a root cause of forced migration; and 2-Promoting the inclusion of minorities and indigenous peoples in sustainable development and society. We have carried on our much needed work on the promotion of Freedom of Religion or Belief in regions where the needs remain overwhelming: for example, the year saw the consolidation of our work across the Middle East with a new programme launched in Tunisia (alongside existing in-country work in Iraq and Egypt and regional advocacy and capacity building).

2017 was also a year of great successes for our Strategic Litigation Program including the landmark judgement of the African Court of Human Rights in the ground-breaking Ogiek case, recognising indigenous land rights. We also launched a major new piece of work on migration, development and the media in the second half of the year.

Instability, conflict, migration and refugee flows continued to be major external factors that affected our work. Interference by the authorities in the operation of civil society organisations seeking peacefully and legitimately to hold governments and decision makers to account continued to be a significant factor that we needed to manage.

MRG remains very grateful to all the partners who have worked with us in 2017 (many of whom are working in difficult security environments). We are also grateful to the decision makers, whether at local, national or international level, who have listened to minority viewpoints and concerns and taken points on board, to all those who have reported news – whether in print, broadcast or on the internet – 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.

**Objectives, activities and achievements**

MRG's objects are to educate the public, promote human rights, prevent and relieve poverty, and promote conflict resolution and reconciliation, with particular reference to the problems faced by minorities around the world. MRG's assessment of the challenges faced by minorities and indigenous peoples worldwide has led it to focus on specific areas to try to achieve particular outcomes and impacts.

**Public benefit**

The MRG International 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. MRG's trustees have reviewed the charity's objects and have confirmed that they continue to meet the public benefit requirement of UK charitable law.

**Contribution of volunteers and interns**

MRG benefitted from the support of over 25 temporary interns who supported the work of the organisation through donating skills and time during 2017. This donated work time was very valuable to the organisation and is much appreciated.



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**Overall Results**

MRG's aims are to secure the rights of minorities and indigenous peoples and to promote cooperation and understanding between communities. For the strategic period beginning in January 2017, MRG has set the following two objectives:

**1. Countering religious and ethnic persecution, a root cause of forced migration**

Under this objective, we have continued and expanded our work to address the persecution of religious minority communities in the Middle East and North Africa and South Asia and have supported activists and organisations based in Egypt, Iraq and Pakistan, amongst others, to monitor and gather information on human rights abuses against members of their community and to report on these events nationally and internationally. This led to the publication of 5 reports in 2017 as well as media coverage of the risks to peoples under threat worldwide. 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.

A total of 290 activists facing religious and/or ethnic persecution (51% women) have been trained throughout our programmes. About 2/3 of those are civil society organisation (CSO) staff, activists and community members trained on skills, knowledge and strategies to monitor abuses and advocate for their rights. Activists come in particular from countries in the MENA region and from South and South-East Asia. Trainings are very well valued: for instance, in Pakistan, 97% of the participants reported that they learned more about minority rights.

Our Asia regional network for minority and indigenous CSOs working on the issue of Freedom of Religion or Belief (FoRB) (The South Asia Collective) remains active with on-going advocacy including a joint submission on Sri Lanka to the UN Committee on Economic, Social and Cultural Rights and to the Universal Periodic Review process. In the MENA region, we have continued to build on our efforts to create a network of religious minority activists. We held training/networking events to bring activists from the region together in Tunis in May 2017 and then in Geneva in November 2017. Small grants were also made to a number of civil society organizations to implement projects to advocate for minority rights in their respective communities.

Five reports were published, including one on India, two on Iraq, one on discrimination and displacement and one on racism and statelessness, as well as our annual Peoples Under Threats index/map published in July 2017: <http://peoplesunderthreat.org> A full programme of international advocacy included expert submissions at the UN Human Rights Council and associated mechanisms, UN treaty bodies, and a side event at the UN General Assembly to mark the 25<sup>th</sup> anniversary of the UN Declaration on the Rights of Minorities.

**2. Promoting inclusion of minorities and indigenous peoples in sustainable development and society**

Under this objective we held training programmes for activists under several of our projects including: Mauritania (15 activists trained), Macedonia (31), East Africa (86), Ukraine (147) and Botswana (25).

In East Africa, three emerging partners (from Uganda, DRC, Rwanda) were supported to implement small advocacy projects on issues including access to education, employment and health to benefit their communities. Furthermore, existing partners in Uganda, Kenya and DRC developed exciting proposals for accountability mechanisms, designed to enhance decision-makers' responsiveness to marginalized communities' needs. Bursary programs were also launched in order to help paralegal activists to put in practice their skills and knowledge on the ground.

National advocacy undertaken by MRG partners with our support included a series of representations on behalf of indigenous peoples in DRC and Rwanda, and for equal rights for non-Tswana tribes in Botswana. Shadow reports to UN bodies included the following: *Kenya*: Shadow report to the Committee on the Elimination of Racial Discrimination (CERD), which was submitted in April 2017. *Mauritania*: Shadow report to the Committee Against Torture. *Ukraine*: Two page advocacy brief to diplomatic missions ahead of the UPR focusing on the situation of Roma and Crimean Tatars. *Sri-Lanka*: Joint submission to the CESCR (noted above).

Two of our major legal cases were successful in 2017: the *Ogiek* case (Kenya, land rights) and the *Said & Yarg* case (Mauritania, slavery). *Kenya*: Following the historic judgement of the African Court in May 2017, follow up advocacy has been undertaken to

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guarantee the full implementation of the judgement, including in accordance with national legislation respecting communal property rights (2016 Community Land Act and the 2016 Forest & Conservation Management Act). On-going legal work also continued on cases relating to Sukenya Farm (Tanzania, land rights), Kahuzi-Biega National Park (DRC, land rights) as well as advocacy for the implementation of the *Endorois* decision (Kenya, land rights) and feasibility studies for new legal work in Egypt, Botswana and Uganda.

**Measuring success and impact**

MRG's work is primarily focused on ensuring the implementation of human rights through public education, advocacy and empowerment which are types of work widely recognised to be difficult to measure and evaluate. In particular, changes in attitude or behaviour are difficult to measure. Complex social change processes are hard to summarise in a very brief quantitative report. Nonetheless, MRG has persevered with finding ways and means of evaluating and reporting on its work and has a strong reputation among human rights organisations for evaluation and transparency of reporting. All of MRG's major programmes are independently evaluated when they have been completed and all evaluations are available to read on our website (our work/past programmes and evaluations section).

Examples of impact from our activities in 2017 include the following.

Establishing ongoing dialogues with national authorities on the human rights of vulnerable communities is an important outcome of our work.

- In *Ukraine*, three Community Action Groups have been established in the oblasts of Kirovograd, Zaporizhia and Kharkiv. An Inter-ministerial Working Group on the Implementation of the Roma National Action Plan was also established by MRG and partner Chiricli and the Ministry of Culture of the country.

Ensuring that duty bearers and the perpetrators of violations are held to account is also central to our work.

- In *Iraq* MRG has been advocating for an international mechanism to support the accountability process for serious violations. In September 2017 the UN Security Council authorised the establishment of an investigation team to support Iraq's domestic efforts to hold ISIS accountable for acts that may amount to war crimes, crimes against humanity and genocide committed in the country.
- In *Kenya*, a landmark ruling by the African Court on Human and Peoples' Rights in favour of the *Ogiek* community found a series of violations, including against the community's land rights. The case was brought by MRG together with the Ogiek Peoples Development Programme and represents the first ever public interest judgment by the African Court, on a vital issue of indigenous land rights.
- In *Mauritania*, following the submission of a shadow report to the UN Committee Against Torture, the CAT included in its list of issues to Mauritania a series of specific questions re. holding to account those responsible for slavery. A positive judgement from the African Committee on the Rights and Welfare of the Child in the *Said & Yarg* case found that Mauritania's authorities had failed to take adequate steps to prevent, investigate, prosecute, punish and remedy the widespread practice of slavery particularly affecting the country's Haratine community.

**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 an International Council, chaired by Gay McDougall. 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 2017 was 8. Members of the Council are members of the charity but this entitles them only to voting rights.



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

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

Day to day management of the Charity is carried out by a Management Team of 8 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 share information and achieve common goals. Another MRG entity has now also been established in Belgium during 2017 with the registration process completed as at March 2018.

**Reviewing risks to the charity**

The Council and the Finance and General Purposes Committee regularly assess the risks to which the organisation is exposed. Over 20 different risk areas are assessed for likelihood and impact. Detailed information and mitigation measures are discussed and confirmed in place. The highest risks to MRG are the risk to staff and assets when travelling in countries affected by insecurity or conflict, political risks to projects in country (e.g. harassment or interference by authorities).

Specific risk factors identified during the period include:

- 1- Continuing security threats in a number of project countries where conflict is ongoing, as well as growing threats to civil space: In the MENA region, virtually all countries fall into one of the following categories of civic space situation: close down, repression or obstruction. Appropriate action will be taken where necessary to safeguard staff, projects and partners following MRG's existing Security Policy.
- 2- "Brexit": As an organisation headquartered in the UK, with the EU institutions constituting an important source of funding, we had started planning ahead of the current scenario where the UK is on course to leave the European Union. We are pleased to report that a new MRG entity has now been set up and registered in Belgium.
- 3- Safeguarding: The recent admissions by leading international development charities have shaken up the whole sector. In addition to re-confirming our existing Dignity at Work policy, we are carrying out a review of our practices to assess whether they could be strengthened or made more transparent, including with regard to activities undertaken by our partner organisations around the world.

**Plans for future periods**

A Strategic Review was undertaken in 2015-6 resulting in the adoption of two new strategic objectives which focus the work of the organisation over the four year period (2017 – 2020):

1. Countering religious and ethnic persecution, a root cause of forced migration
2. Promoting inclusion of minorities and indigenous peoples in sustainable development and society.

Further details on the strategy, including planned results and specific targets, are published by MRG and available on our website at [www.minorityrights.org](http://www.minorityrights.org)

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**Financial review**

During the year under review, Minority Rights Group's income rose from £2.2m in 2016 to £2.7m - an increase of just under 23% or £500K. In contrast, total expenditure fell from £2.8m in 2006 to £2.4m - a fall of £400K or 14%. The overall surplus for the year of £358K is made up of a surplus in restricted of £173K and £185K in unrestricted financial activities. Consequently, group reserves including unrealised gains on investments and exchange rate transactions - £20K and £21K respectively - have gone up from £384K in 2016 to £783K in 2017 - a rise of £399K or just over 100%. Our cash flow position as at 31<sup>st</sup> December was also substantially better, with net cash in hand and at bank at £462K compared to £199K a year before.

MRG is very grateful for the financial support that we received from a wide variety of funders and stakeholders during the year - The Blane Trust, The Ericson Trust, The Prevo Trust, The Pilkington Trust, the Eva Reckitt Trust Fund, The Swedish International Development Cooperation Agency and the Norwegian Ministry of Foreign Affairs to name but a few. These grants and donations provide valuable support to the core aims and activities, and to our diverse and global set of projects. We are also particularly grateful this year for the pro bono support provided by Allen and Overy LLP, Ashurst LLP in supporting us to register an entity in Belgium and in consolidating our office space and renewing our lease.

This is the second year that the charity has prepared its financial statements under FRS 102. The last financial statements prepared under previous UK GAAP were for the year ended 31 December 2015 and the date of transition to FRS 102 was 1 January 2016. A reconciliation of amounts presented under previous UK GAAP was carried out in 2016 together with an explanation in accounting policies on transition. The most important effect of the new accounting regulations is they require MRG to make a significant contingent liability provision relating to pension deficit reported on previously. This provision was backdated to 2014 and its cumulative value as at 31 December 2017 was £117K down from £133K and £129K in 2015 and 2016 respectively.

**Reserves policy**

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 for a level of unrestricted reserves sufficient to cover essential central running costs for a period of 3 to 6 months. Core management and support costs are estimated at £450K and £322K pa respectively before and after recovering eligible overheads from projects. Therefore, after charging eligible overheads, these costs are estimated at £80K and £160K for a period of 3 and 6 months respectively.

**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. Pursuant to these objectives, the charity's surplus funds were invested in two high-rated, unit-based funds to limit risk and provide good liquidity, and all the income from investments were reinvested. The market value of the charity's investment portfolio stood at just £175K.

**Grant making policy**

Funds are provided to partners for joint activities including events, research, publications, national and international advocacy, 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.

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**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 its income and expenditure, 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 the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The 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.

**Remuneration Policy**

The governing principles of the Charity's remuneration policy are as follows:

- To ensure delivery of the Charity's objectives
- To attract and retain a motivated workforce with the skills and expertise necessary for organisational effectiveness
- That remuneration should be equitable and coherent across the organisation
- To take account of the purposes, aims and values of the Charity
- To ensure that pay levels and pay increases are appropriate in the context of the interests of our beneficiaries.

**Senior Executive Remuneration**

In relation to deciding remuneration for the Charity's senior executives, the Charity considers the potential impact of remuneration levels and structures of senior executives on the wider Charity workforce and will take account of the following additional principles:

- To ensure that the Charity can access the types of skills, experiences and competencies that it needs in its senior staff operating in an international environment, the specific scope of these roles in the Charity and the link to pay



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- The nature of the wider employment offer made to senior employees, where pay is one part of a package that includes personal development, personal fulfilment and association with the public benefit delivered. The Charity recognises that it is, on occasion, possible to attract senior executives at a discount to rates in the public or private sectors.

In line with the recommendations of the NCVO Inquiry into Executive Remuneration published in April 2014, the Charity has decided to disclose the remuneration of all staff who earned more than £50,000 per annum (pro rata). This is currently the Executive Director and the Deputy Director as all other staff earned below £50,000 per annum.

Remuneration for the year ended 31 December 2017 comprised salary and pension contributions. There are no other pecuniary benefits for senior or other staff at the Charity.



Meena Varma  
Vice-chair and Chair of Finance & General Purposes Committee



Mark Lattimer  
Executive Director

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF XYZ CHARITY LIMITED

### Opinion

We have audited the financial statements of Minority Rights Group (the 'company') for the year ended 31 December 2017 which comprise of the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. 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) including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2017 and of the group's 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 and the Charities Act 2011.

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 and, in respect of the consolidated financial statements, to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company, the charitable company's members, as a body, and the charity's trustees, as a body, for our audit work, for this report, or for the opinion we have formed.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's and parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.



## Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report has been prepared in accordance with applicable legal requirements.

## Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 require us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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; or
- the trustees 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 Trustees' Annual Report and from preparing a strategic report.

## Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 8, the trustees (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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and section 151<sup>1</sup> of the Charities Act 2011 and report in accordance with those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

<sup>1</sup> If a charity which is below the thresholds where a charity audit is required decides to have its group accounts audited voluntarily, the auditor is appointed under section 152 of the Charities Act 2011.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*Neil Finlayson*

Date 15/5/2018

Neil Finlayson (Senior Statutory Auditor)  
for and on behalf of Kingston Smith LLP, Statutory Auditor

Devonshire House  
60 Goswell Road  
London  
EC1M 7AD

Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

**Minority Rights Group (Limited by guarantee)**  
**Group and Charity Statement of Financial Activities\***  
**(Including Income and Expenditure Accounts)**

**For year ended 31 December 2017**

		2017			2016		
		Un -			Restated		
	Note	Restrict	restricte	Total	Un -	Total	
		d	d	Restricted	restricted		
		£	£	£	£	£	£
<b>Income from:</b>							
Donations and legacies	2	-	786,599	786,599	1,045,042	1,045,042	
Investment income		-	7,576	7,576	14,046	14,046	
Transfer between		-	-	-	-	-	
Advocacy & Projects		1,906,737	-	1,906,737	-	1,157,717	
Policy and publications		-	5,642	5,642	3,625	3,625	
Other		-	42,237	42,237	45,794	45,794	
<b>Total</b>	15/2	<b>1,906,737</b>	<b>842,054</b>	<b>2,748,792</b>	<b>1,157,717</b>	<b>1,108,507</b>	<b>2,266,223</b>
<b>Expenditure on:</b>							
Raising funds	3	-	135,372	135,372	-	139,692	139,692
Advocacy & Projects	3	1,733,332	338,715	2,072,048	2,063,264	324,459	2,387,723
Policy and publications	3	-	183,480	183,480	-	261,670	261,670
<b>Total</b>	15/3	<b>1,733,332</b>	<b>657,567</b>	<b>2,390,900</b>	<b>2,063,264</b>	<b>725,821</b>	<b>2,789,085</b>
<b>Net income/(Expenditure)</b>		<b>173,405</b>	<b>184,487</b>	<b>357,892</b>	<b>(905,547)</b>	<b>382,686</b>	<b>(522,862)</b>
Unrealised gain on investments	8	-	20,369	20,369	-	2,317	2,317
Unrealised gain on foreign exchange transactions		21,027	-	21,027	28,268	-	28,268
Transfer between funds		273,239	(273,239)	-	322,860	(322,860)	-
<b>Net movement in funds</b>		<b>467,671</b>	<b>(68,383)</b>	<b>399,288</b>	<b>(554,420)</b>	<b>62,143</b>	<b>(492,278)</b>
<b>Reconciliation of funds:</b>							
Funds at the start of the year		214,764	169,186	383,950	769,184	107,043	876,227
<b>Funds at the end of the year</b>	15	<b>682,435</b>	<b>100,803</b>	<b>783,238</b>	<b>214,764</b>	<b>169,186</b>	<b>383,950</b>

\* being a consolidation of the UK charity and the charity in Hungary, in line with FRS 102.

All 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 15 to the Financial Statements.

Company number. 1544957

Charity number: 282305

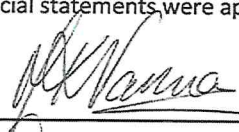
**Minority Rights Group (Limited by guarantee)**  
**Group Balance Sheet**

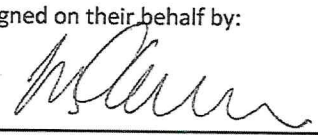
**As at 31 December 2017**

	Note	£	2017 £	2016 £
<b>Fixed assets</b>				
Tangible fixed assets	7		7,570	2,572
Investments	8		<u>264,016</u>	<u>236,073</u>
			271,586	238,645
<b>Current assets</b>				
Debtors	9	268,997	446,344	
Cash at bank and in hand		<u>462,176</u>	<u>199,726</u>	
		731,172	646,070	
<b>Creditors: amounts due within 1 year</b>	10a	<u>(102,520)</u>	<u>(371,765)</u>	
<b>Net current assets</b>			<u>628,652</u>	<u>274,305</u>
<b>Pension provision</b>	10b		<u>(117,000)</u>	<u>(129,000)</u>
<b>Net assets</b>	11		<u><u>783,238</u></u>	<u><u>383,950</u></u>
<b>Funds</b>	15			
Restricted funds				
In surplus			682,435	214,765
Unrestricted funds				
Pension provision			(117,000)	(129,000)
Reserves			<u>217,802</u>	<u>298,185</u>
<b>Total funds</b>			<u><u>783,238</u></u>	<u><u>383,950</u></u>

The notes form part of the financial statements.

The financial statements were approved by the Council on 27 April 2018, and signed on their behalf by:

  
 \_\_\_\_\_  
 Meena Varma  
 Vice chair and Chair of Finance & General Purposes  
 Committee

  
 \_\_\_\_\_  
 Mark Lattimer  
 Executive Director

Company number. 1544957  
 Charity number: 282305



**Minority Rights Group (Limited by guarantee)**  
**Charity Balance Sheet**

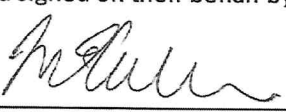
**As at 31 December 2017**

	Note	£	2017 £	2016 £
<b>Fixed assets</b>				
Tangible fixed assets	7		<b>7,232</b>	2,572
Investments	8		<b>264,016</b>	<b>236,073</b>
			<b>271,248</b>	<b>238,645</b>
<b>Current assets</b>				
Debtors	9	<b>287,037</b>	474,988	
Cash at bank and in hand		<b>147,890</b>	<b>149,289</b>	
		<b>434,926</b>	<b>624,277</b>	
<b>Creditors: amounts due within 1 year</b>	10a	<b>(94,814)</b>	<b>(369,850)</b>	
<b>Net current assets</b>			<b>340,112</b>	<b>254,427</b>
<b>Pension provision</b>	10b	<b>(117,000)</b>		<b>(129,000)</b>
<b>Net assets</b>	11		<b>494,360</b>	<b>364,072</b>
<b>Funds</b>	15			
Restricted funds				
In surplus			<b>415,358</b>	214,765
Unrestricted funds				
Pension provision			<b>(117,000)</b>	<b>(129,000)</b>
Reserves			<b>196,001</b>	<b>278,307</b>
<b>Total funds</b>			<b>494,360</b>	<b>364,072</b>

The notes form part of the financial statements.

The financial statements were approved by the Council on 27 April 2018, and signed on their behalf by:

  
 \_\_\_\_\_  
 Meena Varma  
 Vice-chair and Chair of Finance & General Purposes

  
 \_\_\_\_\_  
 Mark Lattimer  
 Executive Director

Company number: 1544957  
 Charity number: 282305

**Minority Rights Group (Limited by guarantee)**  
**Group and Charity Cash Flow Statement**

**For year ended 31 December 2017**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Net incoming (outgoing) resources	<b>357,892</b>	(522,862)
Interest received	<b>(19)</b>	(4,902)
Interest paid	<b>9,012</b>	3,298
Investment income	<b>(7,576)</b>	(9,127)
Depreciation charges	<b>6,473</b>	1,476
Decrease/ (increase) in debtors	<b>177,347</b>	(55,043)
(Decrease)/ increase in creditors	<b>(281,245)</b>	65,707
Net cash inflow/(outflow) from operating activities	<b>261,885</b>	(574,526)
Purchase of tangible fixed assets	<b>(13,706)</b>	(2,020)
Disposal of tangible fixed assets	<b>(2,236)</b>	-
Sale of investments	<b>-</b>	54,027
Interest received	<b>19</b>	4,902
Interest paid	<b>(9,012)</b>	(3,298)
Net currency exchange adjustments	<b>25,500</b>	81,341
Increase/(decrease) in cash in the period	<b>262,450</b>	(439,574)
Net cash in hand and at bank on 1 January 2017/2016	<b>199,726</b>	639,300
Net cash in hand and at bank at the end of the year	<b>462,176</b>	199,726
	<b>31 December</b>	<b>31 December</b>
<b>Cash in hand and at bank</b>	<b>2017</b>	<b>2016</b>
Cash in hand - GBP	<b>3,410</b>	2,753
Cash at bank - GBP	<b>(316,929)</b>	(63,234)
Cash in hand - foreign currencies (GBP equivalent)	<b>6,281</b>	2,556
Cash at bank - foreign currencies (GBP equivalent)	<b>769,414</b>	257,651
Net cash in hand and at bank	<b>462,176</b>	199,726

Foreign currency balances - the Euro, USD, Hungarian HUF and Ugandan Shillings - are converted into GBP at year-end rates of exchange as per standard practice.

Company number. 1544957

Charity number: 282305

**Minority Rights Group (Limited by guarantee)**

**Notes to the financial statements**

**For the year ended 31 December 2017**

**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 January 2015). Due to the introduction of the FRS 102 SORP the Group financial statements consolidate the financial statements of the Charity and its subsidiary undertakings for the year. Minority Rights Group Europe (Hungary) is consolidated in these financial statements as a subsidiary. All financial statements are made up to 31 December 2017. All intra-group transactions, balances and unrealised gains on transactions between group entities are eliminated on consolidation. Unrealised losses are eliminated unless the transaction provides evidence of impairment of the asset transferred. Where necessary, adjustments are made to the financial statements of the subsidiary to bring its accounting policies into line with those used by other members of the group. For the purpose of these accounts, Uganda is treated as a branch and Hungary as a subsidiary.
- b) All income is recognised when there is entitlement to the income, the receipt is probable and the amount can be measured reliably. 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 the year in which where the income recognition criteria (as above) have been satisfied. Grants received in advance for a specific future accounting period are deferred only if any pre-conditions of entitlement to the grant have not been met.
- 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 once there is a legal or constructive obligation to transfer economic benefits to a third party, it is probable that such a transfer will be required in settlement and the amount can be measured reliably. Expenditure is included in the Statement of Financial Activities on an accruals basis inclusive of any 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 direct expenditure attributable to that activity.



**Minority Rights Group (Limited by guarantee)**

**Notes to the financial statements**

**For the year ended 31 December 2017**

- i) Cash and cash equivalents include cash at banks and in hand and short term deposits with maturity date of three months or less.
- j) Debtors and creditors receivable or payable within one year of the reporting date are carried at their transaction price.

Debtors and creditors that are receivable or payable in more than one year and not subject to a market rate of interest are measured at the present value of the expected future receipts or payment discounted at a market rate of interest.

- k) 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.
- l) 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.

- m) The costs of raising funds relate to the costs incurred by the charitable company in raising funds for the charitable work.
- n) 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.
- o) 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.
- p) Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity.
- q) Designated funds are unrestricted funds earmarked by the Council of Management for particular purposes.

**Minority Rights Group (Limited by guarantee)**

**Notes to the financial statements**

**For the year ended 31 December 2017**

- r) Transfers are made from unrestricted and designated funds to restricted funds to cover shortfalls in project funding.
- s) 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:
- |   |                                       |
|---|---------------------------------------|
| General furniture and equipment         | 4 years                               |
| Project furniture and equipment         | Depreciated fully in year of purchase |
| 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.
- t) Investments held as fixed assets are re-valued at mid-market value at balance sheet date. The gain or loss for the period is taken to the statement of financial activities.
- u) The trustees have assessed whether the use of going concern is appropriate and have considered possible events or conditions might cast significant doubt on the ability of the charity to continue as a going concern. In particular the trustees have considered the Charity's forecasts and projections and the pressure on core income and have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operation for the foreseeable future.

**2. Unrestricted income analysis**

**Core grants, donations and legacies**

	2017	2016
	£	£
The Blanes Trust	25,000	25,000
Bill Samuel	-	10,200
Ericson Trust	2,500	2,000
Lee Foundation	-	-
Lucy Astor	50,000	50,000
Ministry of Foreign Affairs of Finland	-	288,922
Pilkington Trust	2,000	-
Swedish International Development Cooperation	459,253	426,126
T. H. Brunner Charitable Trust	1,000	1,000
Norwegian Ministry of Foreign Affairs	208,302	206,241
Mukesh Kapila	-	500
Eva Reckitt	1,000	1,000
Other donations and income	37,544	34,053
<b>Total</b>	<b>786,599</b>	<b>1,045,042</b>

**Minority Rights Group (Limited by guarantee)**  
**Notes to the financial statements (continued)**

**For the year ended 31 December 2017**

**Note**

**3 Expenditure - Group and Charity**

	Costs of raising funds £	Advocacy & Projects £	Policy & Publications £	Support costs £	Total 2017 £	Total 2016 £
Staff Costs (note 5)	54,192	251,926	123,056	297,196	<b>726,370</b>	919,587
Regional Offices	-	200,848	-	-	<b>200,848</b>	91,247
Consultancy & Volunteers	40,535	169,978	1,485	-	<b>211,998</b>	215,710
Staff Training & Development	-	6,399	325	3,364	<b>10,089</b>	17,275
Staff Travel and subsistence	4,179	64,424	340	2,144	<b>71,087</b>	100,190
Partners' Activities	-	775,946	896	-	<b>776,842</b>	929,996
Policy, publications and information	-	11,440	8,061	256	<b>19,757</b>	113,919
Bank charges and forex	211	9,603	177	21,973	<b>31,964</b>	(8,171)
Professional Fees	-	26,548	-	25,151	<b>51,699</b>	79,305
<b>Sub-total</b>	<b>99,117</b>	<b>1,517,111</b>	<b>134,340</b>	<b>350,083</b>	<b>2,100,652</b>	<b>2,459,058</b>
Office Running costs	2,653	40,605	3,596	9,370	<b>56,223</b>	27,238
Premises costs	7,875	120,534	10,673	27,814	<b>166,897</b>	177,526
IT & Equipment	1,864	28,534	2,527	6,584	<b>39,510</b>	51,308
Depreciation	336	5,148	456	1,188	<b>7,128</b>	1,650
Other costs	967	14,799	1,310	3,415	<b>20,491</b>	72,305
<b>Sub-total</b>	<b>13,695</b>	<b>209,620</b>	<b>18,562</b>	<b>48,371</b>	<b>290,248</b>	<b>330,027</b>
<b>Total</b>	<b>112,812</b>	<b>1,726,731</b>	<b>152,902</b>	<b>398,454</b>	<b>2,390,900</b>	<b>2,789,085</b>
Support costs *	22,560	345,316	30,578	- 398,454	-	-
<b>Total expenditure</b>	<b>135,372</b>	<b>2,072,048</b>	<b>183,480</b>	<b>-</b>	<b>2,390,900</b>	<b>2,789,085</b>

\* Support costs are apportioned to primary activities in proportion to the total direct and allocated expenses of such activities.

Minority Rights Group (Limited by guarantee)  
Notes to the financial statements (continued)  
For the year ended 31 December 2017

Note

4. Incoming/(outgoing) resources for the year - Group and Charity

This is stated after charging / crediting:

	2017 £	2016 £
Depreciation	6,473	1,476
Council members' remuneration	-	-
Council members' expenses	9,219	20,151
Auditors' remuneration:		
Group and charity general audits	18,093	22,679
Other advice	5,161	-
Donor (project) audits	14,000	31,721
Operating lease rentals:		
Property	112,700	125,000
Other	18,278	5,074

Council members' reimbursed expenses represent the reimbursement of travel and subsistence costs to 9 (2016: 10) members relating to attendance at meetings of the Council.

5. Staff costs and numbers

Staff costs were as follows:

	2017 £	2016 £
Salaries and wages	607,240	767,936
Social security costs	73,049	82,342
Pension contributions	37,116	63,166
Other staff cost	8,965	6,143
	<b>726,370</b>	<b>919,587</b>

Salaries include those of 2 Key management personnel, the highest paid employees, who earned a total of £136,589 during the year (2016: £123,834). One employee earned between £70,001-£80,000 during the year (2016: 1). Employer pension contributions for that employee totalled £7,838 in 2017 (2016: £7,839). The salary and on-costs of the other key staff was £129,000 (2016: £157,000)

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

	2017 No.	2016 No.
Directors' office including fundraising	6	6
Administration and finance	4	4
Projects and project support including Regional Offices	16	24
	<b>26</b>	<b>34</b>

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. In addition, MRG also has a number of overseas based consultants on long term contracts.

6. Taxation

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

Minority Rights Group (Limited by guarantee)  
Notes to the financial statements  
For the year ended 31 December 2017

Note

7. Tangible fixed assets- Group and charity

	Group		Charity	
	Furniture & equipment	Furniture & equipment	Furniture & equipment	Furniture & equipment
	2017	2016	2017	2016
	£	£	£	£
<b>Cost</b>				
At the start of the year	173,449	171,429	161,250	161,230
Additions in the year	13,706	2,020	12,446	2,020
Disposal in the year	(148,893)	-	(148,935)	-
At the end of the year	38,263	173,449	24,761	163,250
<b>Depreciation</b>				
At the start of the year	170,877	169,401	160,678	159,028
Charge for the year	6,473	1,476	7,786	1,650
Disposal in the year	(146,657)	-	(148,935)	-
At the end of the year	30,693	170,877	19,529	160,678
<b>Net book value</b>				
At the end of the year	7,570	2,572	7,232	2,572
At the start of the year	2,572	2,028	2,572	2,202

8. Investments- group and Charity

	2017	2016
	£	£
Market value at the start of the year	236,073	278,655
Sale of investments	-	(54,027)
Investment income reinvested	7,574	9,128
Net gains	20,369	2,317
Market value at the end of the year	264,016	236,073
Historic cost at the end of the year	90,301	81,995

9. Debtors

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Trade debtors	-	3,782	-	3,782
Outstanding with Partners	-	117,785	-	117,785
Regional Offices balances	1,021		19,061	33,189
Other debtors	18,063	14,882	18,063	10,337
Prepayments	46,866	32,816	46,866	32,816
VAT	(10)	-	(10)	-
Accrued income	203,056	277,080	203,056	277,080
	268,997	446,344	287,037	474,988



Minority Rights Group (Limited by guarantee)

Notes to the financial statements (continued)

For the year ended 31 December 2017

Note

10a. Creditors: amounts due within 1 year

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Trade creditors	7,797	49,507	6,318	49,507
Taxation, social security & other payroll	15,212	4,121	13,064	4,121
Other Creditors	18,498	11,226	18,498	11,226
Accruals and deferred income	61,013	306,911	56,934	304,996
	<u>102,520</u>	<u>371,765</u>	<u>94,814</u>	<u>369,850</u>

10b. Pension provision

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Pension liability	(117,000)	(129,000)	(117,000)	(129,000)
	<u>(117,000)</u>	<u>(129,000)</u>	<u>(117,000)</u>	<u>(129,000)</u>

11. Analysis of net assets between funds

	Restricted funds	General funds	Total Funds
	£	£	£
Group			
Tangible fixed assets	-	7,570	7,570
Fixed asset investments	-	264,016	264,016
Long term liabilities	-	(117,000)	(117,000)
Net current assets	209,257	-	628,652
Net assets at the end of the year	<u>209,257</u>	<u>155,722</u>	<u>783,238</u>

	Restricted funds	General funds	Total Funds
	£	£	£
Analysis of net assets between funds			
Charity			
Tangible fixed assets	-	7,232	7,232
Fixed asset investments	-	264,016	264,016
Long term liabilities	-	(117,000)	(117,000)
Net current assets	420,534	(80,422)	340,112
Net assets at the end of the year	<u>420,534</u>	<u>73,825</u>	<u>494,360</u>

12. Operating lease commitments

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

Property	2017	2016
	£	£
Under 1 year	114,583	125,000
2-5 years	-	114,583
Over 5 years	-	-
	<u>114,583</u>	<u>239,583</u>
Equipment	2017	2016
	£	£
Under 1 year	2,597	5,537
2-5 years	6,240	7,277
Over 5 years	390	1,950
	<u>9,227</u>	<u>14,764</u>

**13 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 2017 in line with financial reporting standards.

However, these funds remain in foreign currency bank accounts. The EC, on the charity's funders, require conversions between currencies in particular ways stipulated in contract which may result in exchange differences between the GBP value of fund balances in Note 15 and the actual value when balances are spent or converted.

**14. Pension scheme**

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 services 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 Scheme Actuary has prepared a funding position update as of September 2016. The market value of the plan's assets compared with the plans Technical Provisions (i.e. past service liabilities) revealed a shortfall of £230.6 million (2016: a shortfall of £206.9 million), equivalent to a funding level of 80.7% (2016: 79.6%).

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 a shortfall. The proposed recovery plan requires participating employers from 1 April 2017 to pay £14,061 per annum. These payments increase by 3% each 1 April. Expected recovery plan payments from 1 April 2018 are £14,483.

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 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 of 30 September 2016. Minority Rights Group would have been liable for an estimated share of the employer debt of £317,201 (2015: £272,022) if it had left the scheme in September 2016.

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 likely to crystallise in the foreseeable future.



Minority Rights Group (Limited by guarantee)  
Notes to the financial statements (continued)  
For the year ended 31 December 2017

Note

15. Movement in funds

Restricted funds

Africa and Middle East Region	
Asia Pacific Region	
Europe/CIS Region	
Strategic Communications	
LEGAL EMPOWERMENT & STRATEGIC LITIGATION	
CULTURAL PROGRAMMES	
Human Rights in Conflicts	
Unrealised foreign exchange differences	
Total Restricted Funds	
AFRICA AND MIDDLE EAST REGION	
Yemen: Enhancing the Political and Civil Rights of the	
YM1 Muhamasheen Community - Project Suspended	
European Commission	
Realising the Rights of Minorities and Indigenous Peoples	
IR3 in East & Central Africa *	
Irish Aid	
DanChurchAid(Uganda)	
Defenders (Uganda)	
Strengthening Human Rights Advocacy for Freedom of	
DP2 Religion and Belief in MENA **	
Dutch Ministry of Foreign Affairs	
Protecting & Promoting the Human Rights of	
EG2 Discriminated Minorities in Egypt **	
European Commission	
AN1 Supporting Mauritanian CSOs to mainstream gender into	
European Commission	
Other/MRG Funds	
Sub Total Africa & Middle East Region	
ASIA & PACIFIC REGION	
Empowering Thai CSOs representing Marginalised	
TH1 Communities in the Southern Border Provinces	
European Commission	
Belgian Ministry of Foreign Affairs	
Swiss Embassy in Thailand	
SI2 Freedom of Religion & Belief in South Asia	
Transfer from unrestricted funds	
Promoting Tolerance through the Arts: Minority-Driven	
PK1 Theatre and Storytelling for Pakistan Youth	
Commonwealth Foundation for Democracy	
The Unity Theatre Trust	
Sub Total Asia & Pacific Region	

At start of the year	Incoming resources	Outgoing resources	Transfers	At end of the year
£	£	£	£	£
259,118	307,716	(343,772)	(9,585)	213,477
(82,211)	324,288	(378,666)	192,644	56,055
(98,634)	298,169	(276,096)	88,163	11,602
-	318,001	(32,228)	(18,695)	267,078
(67,041)	434,793	(367,338)	25,750	26,163
109,948	(127,428)	(30,330)	4,857	(42,953)
104,954	351,198	(304,901)	(9,895)	141,355
226,133	1,906,737	(1,733,332)	273,239	672,777
(11,369)	21,027	-	-	9,658
214,764	1,927,764	(1,733,332)	273,239	682,435
53,292	-	-	(3,486)	49,806
53,292	-	-	(3,486)	49,806
99,714	168,581	(189,166)	(5,177)	73,952
99,714	164,437	(185,022)	(5,177)	73,952
-	3,150	(3,150)	-	-
-	994	(994)	-	-
(11,624)	139,135	(95,143)	(2,118)	30,250
(11,624)	139,135	(95,143)	(2,118)	30,250
123,095	-	(59,463)	(4,163)	59,469
123,095	-	(59,463)	(4,163)	59,469
(5,359)	-	-	5,359	-
(5,359)	-	-	5,359	-
-	-	-	-	-
259,118	307,716	(343,772)	(9,585)	213,477
79,834	295,961	(357,436)	(1,201)	17,159
79,834	244,480	(305,955)	(1,201)	17,159
-	39,398	(39,398)	-	-
-	12,083	(12,083)	-	-
(190,704)	-	(5,864)	196,568	0
(190,704)	-	(5,864)	196,568	0
28,659	28,327	(15,366)	(2,723)	38,897
28,659	27,967	(15,006)	(2,723)	38,897
-	360	(360)	-	-
(82,211)	324,288	(378,666)	192,644	56,055

\* Additional match funding was raised and spent and is recorded under LG8 and LG11 below.

\*\* This funding match funds the Egypt project (EG2) and Iraq/Iran project (AA10) as it is operational in Egypt and Iraq as well as other countries in the Middle East.

Minority Rights Group (Limited by guarantee)

Notes to the financial statements (continued)

For the year ended 31 December 2017

Note

15. Movement in funds

EUROPE/CIS REGION

EP1\* Eastern Partnership Minorities Network

European Commission

UR1 Ukraine

European Commission

AA11 Caravan Project

European Cultural Foundation

Strengthening Basic Human Rights of Minority and Indigenous Peoples in

RS1 the Russian Federation

European Commission

Mobilising Civil Society for Monitoring Equality for Roma People in the

TR2 Education and Housing Systems in Turkey \*\*\*

European Commission

UK Foreign and Commonwealth Office

Sub Total Europe/CIS Region

STRATEGIC COMMUNICATIONS

MM1 Reporting Effectively on Development, Minorities & Migration

European Commission

LEGAL EMPOWERMENT & STRATEGIC LITIGATION

LG\* Legal Empowerment & Strategic Litigation

LG8 Other legal projects

LG9 US DRL: Mauritania \*\*

LG10 Action for equal Rights for Roma in Macedonia: Funding from Sons Adrr Tetvo

LG11 Legal Empowerment Evaluation: Funding from VOICE

LG12 To create a favourable environment to end Slavery in Mauritania: EU

Oxfam Novib, Netherlands

SP1 Uprisings and Homecomings

Swedish Postcode Lottery

Securing the Recognition of Minorities and Indigenous Peoples and their

BS1 Rights in Botswana

European Commission

Supporting Minority Victims of Discrimination in Accessing Human Rights in

BH1 Bosnia & Herzegovina

European Commission

CULTURAL PROGRAMMES

AA1 \* Drama, Diversity and Development

European Commission

Prince Claus Fund

Street Theatre & Community Consultation to promote participation &

AA9 \* access to services in the Dominico-Haitian Community \*\*\*

European Commission

UNCHR

UN1 Statelessness

UNHCR - Statelessness

AA5 'Walk into my Life'

European Cultural Foundation

Sub Total International Advocacy and culture

Start of the year	Incoming resources	Outgoing resources	Transfers	At end of the year
£	£	£	£	£
(41,410)	-	-	41,410	-
(41,410)	-	-	41,410	-
-	200,000	(120,888)	(5,176)	73,936
-	200,000	(120,888)	(5,176)	73,936
-	5,943	(2,816)	(205)	2,922
-	5,943	(2,816)	(205)	2,922
(52,134)	-	-	52,134	-
(52,134)	-	-	52,134	-
(5,090)	92,226	(152,393)	-	(65,257)
(5,090)	58,357	(118,524)	-	(65,257)
-	33,869	(33,869)	-	-
(98,634)	298,169	(276,096)	88,163	11,602
-	-	-	-	-
-	318,001	(32,228)	(18,695)	267,078
-	318,001	(32,228)	(18,695)	267,078
(67,041)	434,793	(367,338)	25,750	26,163
(61,230)	-	(30,138)	-	(91,368)
-	92,184	(85,012)	(469)	6,703
-	37,052	(20,985)	(1,051)	15,016
-	35,716	(33,486)	(146)	2,084
-	228,897	(167,443)	(4,020)	57,434
-	13,210	(13,210)	-	-
(1,075)	-	-	1,075	-
(1,075)	-	-	1,075	-
17,647	33,612	(12,423)	(2,541)	36,295
17,647	33,612	(12,423)	(2,541)	36,295
(22,383)	(5,878)	(4,641)	32,902	-
(22,383)	(5,878)	(4,641)	32,902	-
151,454	(136,507)	(7,525)	(486)	6,936
151,454	(123,263)	(20,769)	(486)	6,936
-	(13,244)	13,244	-	-
(41,153)	1,181	(9,917)	-	(49,889)
(41,153)	1,181	(9,917)	-	(49,889)
-	-	-	-	-
-	7,898	(12,888)	4,990	-
-	7,898	(12,888)	4,990	-
(353)	-	-	353	-
(353)	-	-	353	-
109,948	(127,428)	(30,330)	4,857	(42,953)

\* Additional match funding was raised and spent by partners and/or grantees on these projects.

This additional funding/expenditure is not included in the above figures.

\*\* This funding includes an element of match funding for LG12.

\*\*\* Two restricted EU projects were in deficit at the year end. These projects have not been finalised by the EU and matching funding has been allocated from funds received after the year end to cover the excess of expenditure on these projects.

Minority Rights Group (Limited by guarantee)  
Notes to the financial statements (continued)  
For the year ended 31 December 2017

Note 15 Movement in funds

**HUMAN RIGHTS IN CONFLICTS**  
**AA4 Human Rights in Conflicts EU Iraq - Civil society**  
European Commission  
**AA10 Iraq/Iran\***  
European Commission  
Sub-total: Human Rights in Conflict

Total restricted funds before unrealised foreign exchange gains/(losses)

Unrealised foreign exchange gains (losses) on restricted fund balances

Total restricted funds after unrealised foreign exchange rates

**Unrestricted Funds**

Revaluation reserve

Pension provision

General fund

Total unrestricted funds

Total funds

At start of year	Incoming resources	Outgoing resources	Transfers	At end of the year
£	£	£		£
104,954	124,945	(204,672)	(1,650)	23,577
104,954	124,945	(204,672)	(1,650)	23,577
-	226,253	(100,229)	(8,245)	117,779
-	226,253	(100,229)	(8,245)	117,779
104,954	351,198	(304,901)	(9,895)	141,356
226,133	1,906,737	(1,733,332)	273,239	672,777
(11,369)	21,027	-	-	9,658
214,764	1,927,764	(1,733,332)	273,239	682,435
154,078	20,369	-	-	174,447
(129,000)	12,000	-	-	(117,000)
144,107	830,054	(657,567)	(273,239)	43,355
-	-	-	-	-
169,185	862,423	(657,567)	(273,239)	100,802
383,950	2,790,187	(2,390,900)	-	783,237

\* This project is match funded by DP2.

The total fund is positive where the grant received is more than the amount spent up to the year end. The carried forward balances are spent on the grant activities in subsequent years. The fund balance is negative where the amount spent in the year end exceeds the grant received. The carried forward balances are reimbursed from payments from donors in subsequent years.