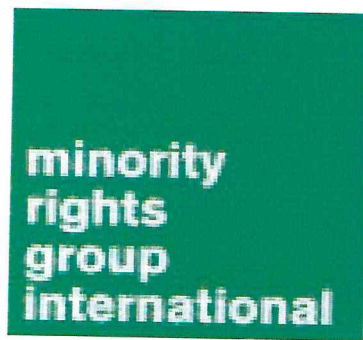


Company number: 01544957

Charity number: 282305



Minority Rights Group
Report and Financial Statements
For Year Ended 31 December 2020

Minority Rights Group
Contents
For the year ended 31 December 2020

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Minority Rights Group
Reference and administrative details
For the year ended 31 December 2020

Status

The organisation is a charitable company limited by guarantee, incorporated on 11th February 1981 and registered as a charity on 11th 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	Meena Varma	Chair
	Bill Samuel	Treasurer
	Joshua Castellino	Secretary

Members of the Council

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

Tom Astor
Albert Barume (Resigned May 2020)
Joe Frans (Elected Chair of Finance & General Purposes Committee May 2020)
Françoise Hampson (Resigned May 2020)
Mahdiz Keshavarz
Gay McDougall (Resigned May 2020)
Willy Mutunga (Resigned May 2020)
George Ngwane
Bill Samuel - Treasurer
Meena Varma (Elected Chair of the Council May 2020)

Principal staff	Joshua Castellino	Executive Director/ Company Secretary
	Claire Thomas	Deputy Director
	Carl Soderbergh	Director of Policy & Communications
	Berihu Mohammed	Director of Finance, Administration & IT
	Cecile Clerc	Director of Fundraising

Bankers	NatWest, 38 Strand, London, WC2H 5JB
Solicitors	Bates Wells and Braithwaite, 10 Queen Street Place, London, ECAR 1BE
Auditors	Moore Kingston Smith LLP, Devonshire House, 60 Goswell Road, London, EC1M 7AD

Minority Rights Group

REPORT OF THE COUNCIL FOR THE YEAR ENDED 31 DECEMBER 2020

Responding to Urgent Need

The outbreak of the coronavirus pandemic with its many accompanying challenges dominated the work of MRG in 2020. Like nearly every other organisation in the world, the impact of the virus itself, accompanying lockdowns, uncertainties of completing tasks, impacted the organisation's ability to carry out its usual array of functions.

The pandemic had two other specific impacts on our work. First it reiterated MRG's persistent call – for designing local, national and global systems to ensure that no one is left behind. As the pandemic ripped into societies, the communities MRG worked with were often among the most vulnerable in society, the most susceptible to illness, the ones with the most to lose in lockdowns, farthest away from protective equipment or information, and often last in queue for remedies. With limited or no response from many other quarters, the organisation became the focal point of their plea for assistance. Second, in many societies the stigmatization of minorities and indigenous peoples in a shrinking civil space exponentially raised the sense of threat to such communities, from majorities, as much as from disease.

While lockdowns and restrictions affected many aspects of how MRG works, the pandemic acted as a spotlight giving majorities a taste of the 'normal' exclusion and marginalisation that is central to the minority and indigenous experiences. As an organisation we were forced to respond innovatively, pivoting programmes to address urgent need with the blessing of donors, then finding ways to physically support the varying needs of communities. We had to be active in very local settings where the vulnerabilities were experienced acutely, while simultaneously advocating for these situations at the highest levels of global policy making.

The shameful murder of George Floyd in the summer of 2020 and the global outpouring in support of the call for structural change shook the foundations of society and had an internal echo at MRG. At international level the attention to this murder, like the pandemic, reinforced the necessity of our work in highlighting, unravelling and reconstructing societies to defeat the ossified structural discrimination that characterizes them. Yet the death also sparked internal questions about MRG as an organisation, our own privileged origins, our operations, and the implication of working within the deep structurally unjust charitable and donor driven systems. Much of the year since then has included an internal discussion seeking to understand and admit past failures in a bid to ensure that MRG itself is not a part of the problem it seeks to mitigate.

Our mission, reignited in 2020 through the new strategic plan, remains the securing of the rights of minorities and indigenous peoples and the promotion of cooperation and understanding between communities. We do this by working up from the most grassroots of levels - supporting organisations to form and grow, ensuring that people experiencing discrimination know their rights and ensuring that those facing multiple forms of discrimination concurrently are not left or pushed behind. We work at local, provincial and national levels, ensuring decision makers are aware of and support dialogue and the design and implementation of solutions. Where solutions are feasible and available but not implemented, we may support communities to take legal action or to lobby. We increasingly seek to protect and support those monitoring and combating hate and dangerous speech both online and offline. The strange circumstances of 2020 hindered the use of the usual international advocacy channels such as the United Nations human rights machinery, but we continued to support minority and indigenous representatives to hold governments and duty bearers to account in using international media leverage to push for positive change on the ground. This international sphere grew in importance as many states sought to restrict civil space and significantly limit freedoms, especially in dissent. The consequences of this was a trend of partners and activists being harassed and threatened, an increase in surveillance, organisations being closed, and funding mechanisms disrupted to limit civil societies' abilities to scrutinise governments. The continued rise of 'populist' political movements, fuelled by stigmatizing specific communities in a bid to artificially construct overwhelming majorities to

Minority Rights Group

REPORT OF THE COUNCIL FOR THE YEAR ENDED 31 DECEMBER 2020

dominate the political space presented significant challenge, with many instances of racist rhetoric by leaders accompanied by scapegoating of minority communities to raise tensions between those deemed or artificially constructed as being ‘different’.

Minority Rights Group’s Strategy

With a new strategy taking effect from January 2021, work was undertaken across the year to complete consultations that commenced in 2019 to reframe MRG priorities based on the challenges, experiences and perspectives of our diverse stakeholders. The new strategy is available on our [website](#). In the final year of our 2016-2020 strategy, our focus was firmly on:

- 1) Countering religious and ethnic persecution, and,
- 2) Promoting inclusion of minorities and indigenous peoples in sustainable development and society.

Our work on *countering persecution* came into sharp focus in many countries including Egypt, India, Iraq, Iran, Myanmar and Pakistan. These high-risk contexts entailed significant dangers to activists that often constrained our ability to report fully and freely. Our report on [Iran](#) constitutes an example of how even in such contexts, we supported processes that monitor and record persecution, working creatively to bring this to the attention of international influencers and decision makers.

We explored a range of options and activities in seeking to monitor and document hate speech, while supporting activists who were threatened as a result of legitimate human rights endeavours. Defending the land rights of indigenous peoples in Africa continued as a specific focus. Indigenous land is under imminent threat, from development activities including commercial farming, but equally, from the establishment of national nature reserves or parks which are sold as mitigating climate change. This policy, derived from colonial era policies of [Fortress Conservation](#), excludes people from their ancestral homes in the name of conservation despite evidence that indigenous peoples are the best custodians of the environment. We actively campaigned to draw this evidence together in showing how removing indigenous peoples from their lands is not only a fundamental violation of their rights. It is also [counter-productive in protecting the environment](#). This work left us well placed at the end of the strategy period for a more concerted focus on our environmental work.

Our activities to **promote inclusion of minority and indigenous peoples** to equal opportunities, and to thrive and contribute to society, spanned much of the globe from the Roma in Serbia and Hungary to Christian sanitation workers in Pakistan, and covering much of Africa from Tunisia to Zimbabwe. With decision makers focused on pandemic responses, we construed opportunities to advance minority and indigenous rights in law and policy, especially in advocating for universal health coverage. Some highlights in this realm included:

- A court judgement in [Tunisia](#) allowing a man to legally change his name to remove a word (‘Atig’) denoting slave ancestry.
- The appointment of the Director of MRG’s longstanding partner in Rwanda to the [Senate](#) to represent the Batwa community.
- A Bill to amend the Third Schedule to the Ugandan Constitution to include the [Maragoli](#) as one of Uganda’s indigenous communities. When passed it will end the risk of statelessness & address the demand for citizenship and opening doors for tribes excluded from the schedule to claim their identity.

Minority Rights Group

REPORT OF THE COUNCIL FOR THE YEAR ENDED 31 DECEMBER 2020

Minority Rights Group's Strategy

MRG's pivoted pandemic response work took on a variety of forms:

- Ensuring that Covid 19 prevention information on measures and awareness of symptoms reached minority and indigenous communities through radio broadcasts in minority and indigenous languages;
- production of leaflets in minority and indigenous languages that were included in state or UN relief supplies or hygiene kits to vulnerable families;
- Recording a song in an indigenous language by a popular young artist with key Covid19 prevention and awareness messages;
- Distributing soap and supporting erection of handwashing stations in remote communities;
- Distributing PPE to religious minority sanitation workers cleaning hospital wards and quarantine centres in Pakistan;
- Supporting partners with equipment, connectivity and data to ensure participation.

- In a few cases where communities reported being "skipped" or discriminated against in aid distribution, arranging with donors or supplying limited food aid and soap to vulnerable households, including those led by minority and indigenous people living with a disability.

International media

The rise of overly simplistic populist messages linked to scapegoating of "others" including minority and indigenous communities prompted MRG to step-up efforts to ensure that positive messages about minority and indigenous communities reach were widely disseminated. Some highlights of our media coverage in 2020 include:

- Minorities & Climate Change: What We Need to Do to Instil Change (116 million reached)
- The Ba'aka: Walking with Elephants (116 million reached)
- Clandestine hospital pickups and pushbacks from Croatia continue (104 million reached)
- Martin Short obituary (87 million reached)
- Vulnerability of Stateless People to the Coronavirus Crisis (43 million reached)
- Online Trolling and Hate Surges on Pakistani Social Media Post Coronavirus Lockdown (28 million reached)
- In Tunisia, a family was authorized to change its name to no longer suffer discrimination (26 million reached)
- With "Black Lives Matter", black Yemenis raise their voice (25 million reached)
- Marsh Migration, Climate Change, and Coastal Resilience: Human Dimensions Considerations for a Fair Path Forward (24 million reached)
- Nobody will cry for strangers (Refugees crossing the Mediterranean Sea) (22 million reached)

A documentary film produced by MRG *Stolen Fish* highlighting links between unsustainable fish industry in West Africa, impacts on local minority communities and migration was selected to be shown at 23 film festivals (to date) all over the world (including the prestigious *Sheffield Doc*, *Environmental Film Festival in the Nation's Capital* or *DCEFF* and *DOCEDGE International Documentary Film Festival* in New Zealand). The film was selected for educational programs in local editions of *One World Film Festival* and *Watch Docs Educational Programme for Schools*, as a brilliant example of illustrating the drivers of migration from Africa to Europe. A planned screening the European Parliament (with Compassion in World Farming and Miquel Urban, Spanish MEP) will further challenge the narrative on migration into Europe. The reviews of the film reached thousands of readers and were published in +50 media outlets (including VICE magazine and *El Pais*).

International advocacy

The pandemic necessitated three responses in terms of international advocacy: reacting, adapting and thinking forward. Some of the activities undertaken included:

- Monitoring and submitting evidence of the particular impact of the pandemic and of state measures and social reactions on ethnic, religious or linguistic minorities and indigenous peoples. MRG inputted into the drafting of the OHCHR's guidance note on COVID-19 and minorities and to the OHCHR's guidance note on COVID-19 and indigenous peoples.
- Regular updates about the impact of the situation on minorities and IPs were submitted to the SR on racism, the SR on minority issues, the SR on indigenous peoples, the SR on freedom of religion or belief, the SR on cultural rights and the SR on health.
- Joining a call on states to protect the rights of the stateless in their COVID-19 responses
- Engaging with the new SR on slavery as his work is relevant to minorities and indigenous peoples, including in the context of COVID-19.
- Addressing the UN Human Rights Council on COVID-19 and minority rights.

The organisation also adapted to new circumstances by developing new avenues of advocacy and supporting minority rights defenders remotely. MRG's track record of facilitating minority and indigenous representatives'

Minority Rights Group's Strategy

voices at the UN has usually involved complicated, expensive, time-consuming visa, travel and logistical arrangements. As recently as Nov 2018 our attempt at facilitating submission of evidence by communities affected by statelessness (facing travel difficulties) through video link or pre-recorded video was denied. The pandemic changed this in 2020 and MRG responded by grasping the new opportunities for remote participation, submitting a range of video statements by MRG staff and partners to events. Among notable interventions were:

- Our Roma partner *Chirikli*, whose participation in the UN scrutiny on human rights Ukraine was facilitated in September and in December 2020. Our Kenyan partner OPDP participated in a panel discussion on the situation of indigenous human rights defenders.
- In collaboration with local partners, we submitted alternative reports when reviews were maintained, like for the CRC review of Tunisia, the UPR of Rwanda and the UPR of Lebanon. We also reacted to the adoption of the UPR reports of Egypt and of Iraq.
- We did not let the pandemic impact our call for UN action on the situation of human rights in China, on Sri Lanka (in February and again in July), in the context of raising alarm at the situation with Citizenship Amendment Act in India and on the crackdown on the human rights movement in Egypt, joining an NGO call for the release of HRDs in the country.
- The focus of our annual report called for UN attention on the impact of technologies on minority and indigenous communities, including in the framework of UN discussions on digital technologies and human rights, discussions of the impact of technologies on the work of law-enforcement, and in engagements with the SR on racism. MRG also engaged with the new SR on indigenous peoples on the issue of "fortress conservation".

MRG actively advocated keeping the human rights protection system functioning throughout the pandemic to avoid protection gaps for the most vulnerable, and participated in institutional reflections about practices of remote participation that could be kept post-pandemic to facilitate minority and indigenous rights defenders, who may not have access to Geneva or New York. In this respect MRG:

- Advocated active continuation of the work of treaty bodies.

Minority Rights Group

REPORT OF THE COUNCIL FOR THE YEAR ENDED 31 DECEMBER 2020

- Engaged with the Secretariat of the CERD, alongside partners for continuation of its work despite the pandemic.
- Engaged with the Secretariat of the *UN Forum on Minority Issues* and was involved reflecting on whether the Forum should take place, and what form it could take. We advocated long-awaited changes, including permanent possibilities for remote participation, that could make the Forum more inclusive in future.
- Before the pandemic started, early in 2020 MRG facilitated the participation of a Tunisian delegation of in the review of Tunisia by the Human Rights Committee.

The international response to the killing of George Floyd spurred a worldwide campaign to denounce systemic racism in law enforcement and beyond in the wake of the *#BlackLivesMatter* movement. MRG supported ACLU and others' call for a strong reaction (in this letter and through this statement) from the UN Human Rights Council and intervened during the Urgent Debate organized at the UN as well as during the general debate on racial discrimination. We joined others in follow-up calls for the UN to further the reach of the resolution on systemic racism against persons of African descent in law-enforcement (through this letter and through this statement).

Fundraising

Despite the challenges of the pandemic, we continued to fundraise successfully for project funding reaching 108% of our breakeven target despite considerable work of engaging donors and re-articulating work plans to pivot existing funding to respond to urgent needs of communities. Despite this overall success, the difficulty of raising match funding where required by donors, remains a challenge. We carried out two successful appeals, a *BBC Radio 4* appeal presented by actor Paterson Joseph, who also participated in online events and social media support of MRG's work; and an appeal linked to Covid 19 run from our website. During the year we also worked actively with two of our core statutory donors to shape their worldview from the minority and indigenous perspectives in terms of influencing their development priorities and actively shaping interventions and responses to further the reach and impact of our work through their good offices.

MRG is extremely grateful for the financial support received from a wide variety of funders and stakeholders during the year including the *Eleanor Rathbone Charitable Trust*, the *Ericson Trust*, the *Blanes Trust* and the *Sylvia Adams Charitable Trust* amongst others. We would also like to take this opportunity to thank all the individuals who generously responded to the two appeals we launched in 2020 as well as *Dorsey & Whitney LLP* for their support towards our strategic litigation work. All our statutory donors including *Irish Aid*, the *Finnish Ministry of Foreign Affairs*, *UKAidDirect* and the *EU* have been instrumental in enabling us to adapt our work to respond to the impact of COVID-19 on the communities we work with. We are also very thankful to the *Swedish International Development Cooperation Agency* and the *Norwegian Ministry of Foreign Affairs* for their long-standing financial support and commitment to our work. Their grants in particular provide the bulk of the funding needed to co-finance our wide-ranging portfolio of projects, local NGO's and partners, and to sustain MRG and its strategic objectives. This year in particular their support played a vital role in allowing us to quickly and efficiently respond to COVID-19 challenges.

Measuring success and impact

MRG's work is primarily focused on ensuring implementation of human rights through public education, advocacy and empowerment, all types of work widely recognised to be difficult to measure and evaluate. Complex social change processes, and especially changes in attitude and behaviour are notoriously hard to summarise in a brief quantitative report. Nonetheless, MRG has persevered with finding means of evaluating and reporting on its work and has a strong reputation among human rights organisations for evaluation and transparency of reporting. All our major programmes are independently evaluated when completed with the evaluations made public on our website.

Minority Rights Group

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Minority Rights Group's Structure, governance and management

MRG is a charitable company limited by guarantee and its governing document is its articles of association. The organisation operates with an international governing Council that meets twice a year. It has consultative status with the United Nations Economic and Social Council (ECOSOC) and observer status with the African Commission for Human and Peoples' Rights.

The MRG Council is chaired by Meena Varma. Council membership is broadly balanced and includes members from different world regions and members of minority and indigenous communities. Because of MRG's broad constituency and global remit, Council members do not represent any particular community but safeguard the mandate that MRG address minority and indigenous peoples' rights 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 2020 was 7. 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 normally 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, and 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. It monitors and ensures control measures are in place for major risks. The Council operates through an established sub-committee - the *Finance & General Purposes Committee*, which meets a minimum of twice annually to ensure 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 9 senior staff led by the Executive Director who reports to the Council. To facilitate closer access to local partners, MRG is supported by two regional offices: *Minority Rights Group Africa* (Uganda) and *Minority Rights Group Europe* (Hungary). Another MRG entity was established in Belgium during 2018. We have staff based in countries where programs are implemented, including in Tunisia, Pakistan, Thailand and Kenya, in strategic locations such as Geneva, and cooperate with like-minded charities to share information and achieve common goals.

MRG adheres to the Charity Commission's public benefit guidance by making MRG International Council and Trustees aware of their duties. Our entire operation is subject to review and challenge to ensure the public benefit aspects of our charitable objectives.

Reviewing risks to the charity 2020

The *MRG Council* and the *Finance and General Purposes Committee* regularly assess the risks that the organisation is exposed to. Over 20 risk areas are identified and assessed for likelihood and impact, with detailed information and mitigation measures reviewed, discussed and confirmed. The reduction of space for civil society organisations and the growth in impunity of state actions is a clear signal of the risk climate that MRG operates within. The highest risks to MRG continue to be the risk to staff and assets in countries affected by insecurity or conflict or political risks to projects in country (e.g. harassment or interference by authorities). MRG has a business continuity plan which was partly activated as a result of the Corona Virus Pandemic in early 2020. While the pandemic required adjustment to activities and ways of working, it did not prevent continuing successful work to advance our mission. The organisation has taken steps to assess

Minority Rights Group

REPORT OF THE COUNCIL FOR THE YEAR ENDED 31 DECEMBER 2020

each risk, seek active measures to mitigate these, and verify both the substantive factors and our assessment of each risk.

Specific risk factors identified during the period include:

1. Continuing security threats in a number of project countries where conflict is ongoing, and growing threats to civil space: Virtually all countries in the MENA region have been impacted by shut-downs, repression or obstruction. Appropriate action has been taken where necessary to safeguard staff, projects and partners following MRG's existing Security Policy.
2. During the COVID-19 period we respected lock-down and travel and meeting/event restrictions. Most staff worked from home for most of the period from March 2020-December 2020. Remote management and monitoring of partners' activities became the norm with increased usage of online meeting and event facilities. Partners operating in remote areas with poor or intermittent online connectivity, frequent power cuts and/or costly or taxed data regimes faced particular difficulties in the new circumstances. The ability of governments to turn off internet and phone connections during periods of turmoil (e.g. in Ethiopia during 2020) remains an ongoing concern, with activists forced to find ways around such measures with mixed levels of success.

Plans for future periods

A new strategic period for MRG commenced in January 2021. We seek to enhance our approach in achieving implementation of sustainable positive change for minority communities, proposing to increase work on climate justice and environmental issues where that intersects with minority or indigenous rights issues. We are also pursuing plans to grow the organisation in response to identified levels of unmet need for our support, expertise and insights globally.

Acknowledgements

MRG is very grateful to all the partners and activists who have worked with us in 2020, many in tough security environments. We are grateful to decision makers at local, national or international level who listened to minority and indigenous viewpoints and concerns and acted; to those who reported news in print, broadcast or the internet - and to all our donors – individuals and institutions – who provided financial support, without which none of this important work could have taken place.

MRG benefitted from the support of nearly 30 temporary interns who supported the organisation's work through their skills and time in 2020. This donated work time, whether through funded placements, as part of a course or freely offered, was invaluable to MRG and is much appreciated. We are mindful that using unpaid interns may reinforce restrictions in access to opportunities to those who can afford to work unpaid to gain experience, can confirm that we never use full-time unpaid interns, and are reviewing our general use of unpaid interns, especially when not interning as part of a course of study requirement.

Financial review

During the year under review, MRG's income rose to by 59% from £2.9 m (2019) to £4.6 m. This is thanks entirely to the increase in restricted income during the year. Total expenditure also rose by 41% from £3.0 m to £4.3 m, reflecting the sharp increase in our charitable activities. The overall surplus of £310K for the year is the combined effect of a surplus of £222K in restricted activities and £88K in unrestricted activities. Consequently, group reserves including unrealised gains/losses on investments and exchange rate transactions respectively gone up by £310K from £858K in 2019 to just under £1.17 m. The Group finances are therefore in a good and steady state position now and going forward.

Minority Rights Group

REPORT OF THE COUNCIL FOR THE YEAR ENDED 31 DECEMBER 2020

Despite of Covid19 and the potential adverse effect it could have had on our finances, the group and its partners across the world have proved strong and resilient enough to keep working and delivering our charitable activities at a higher level than ever before. Our cash flow position during the year was also strong. This was largely thanks to our long standing core funders, Sida and the Norwegian MFA, deciding to pay us the core grants in two instalments 6 months in advance rather than in one instalment in the middle of the year.

Reserves policy

The policy is reviewed by the Council annually, and such a review was conducted in 2021. The Council is committed to ensuring continuity of operations in case of temporary loss of funding, providing an adequate buffer to cushion the potential effects of temporary cash flow difficulties, and to covering unexpected expenses if and when they arise. MRG aims therefore for a level of unrestricted reserves sufficient to cover essential project and core running costs for a period of up to 6 months at all times. As MRG's core management, support and overhead costs are still estimated at £450K pa, the general (unrestricted) reserves policy target remains at £225K. However, in view of the worsening/increasingly challenging political climate in some of the areas/countries/regions where MRG operates, the Council is also now reviewing the Charity's options with respect to its policy on potential designated or specific contingency reserves.

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 £265,034.

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.

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) in 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 statement
- state whether applicable accounting standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;

Minority Rights Group

REPORT OF THE COUNCIL FOR THE YEAR ENDED 31 DECEMBER 2020

- 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.
- Ensure that statements comply with the Companies Act 2006.

The Council 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
- 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.

Senior Executive Remuneration

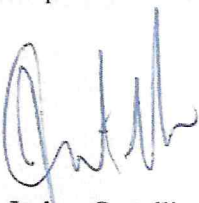
In relation to deciding remuneration for the Charity's senior executives, the Charity considers the potential impact of remuneration levels and structures of senior executives on the wider Charity workforce and will take account of the following additional principles:

- 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.
- 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.

Remuneration for the year ended 31 December 2020 comprised salary and pension contributions. There are no other pecuniary benefits for senior or other staff at the Charity.


Meena Varma
Chair MRG Council


Joshua Castellino
Executive Director

Independent Auditors' Report to the Members of Minority Rights Group

Opinion

We have audited the financial statements of Minority Rights Group ('the company') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the 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, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice).

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 2020 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.

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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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.

Independent Auditors' Report to the Members of Minority Rights Group

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 have 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 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 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.[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 X, 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 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 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

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to

Independent Auditors' Report to the Members of Minority Rights Group

those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, UK financial reporting standards as issued by the Financial Reporting Council and UK taxation legislation.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

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.
- 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 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 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 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.

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.

Independent Auditors' Report to the Members of Minority Rights Group

Use of our report

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 company's members those matters 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 and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

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

Devonshire House
60 Goswell Road
London
EC1M 7AD

Date 28/05/2021

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

For year ended 31 December 2020

	2020			2019			
	Note	Restricted	Un - restricted	Total	Restricted	Un - restricted	Total
		£	£	£	£	£	£
Income from:							
Donations and legacies	2	-	802,555	802,555	-	1,137,290	1,137,290
Investment income		-	7,679	7,679	-	9,516	9,516
Transfer between funds		-	-	-	-	-	-
Advocacy & Projects		3,761,882	-	3,761,882	1,725,565	-	1,725,565
Policy and publications		-	6,566	6,566	-	14,527	14,527
Other		-	5,264	5,264	-	16,681	16,681
Total	15/2	3,761,882	822,064	4,583,946	1,725,565	1,178,015	2,903,580
Expenditure on:							
Raising funds	3	-	156,918	156,918	-	167,815	167,815
Advocacy & Projects	3	3,556,047	424,259	3,980,306	2,407,510	342,197	2,749,707
Policy and publications	3	-	136,465	136,465	-	128,850	128,850
Total	15/3	3,556,047	717,642	4,273,690	2,407,510	638,862	3,046,372
Net income/(Expenditure)		205,835	104,421	310,256	(681,944)	539,153	(142,792)
Unrealised gain/Loss on investments	8	-	(29,302)	(29,302)	-	37,305	37,305
Unrealised gain on foreign exchange transactions		28,896	-	28,896	(52,329)	-	(52,329)
Transfer between funds		328,728	(328,728)	-	316,723	(316,723)	-
Net movement in funds		563,459	(253,608)	309,850	(417,550)	259,735	(157,816)
Reconciliation of funds:							
Funds at the start of the year		312,654	545,465	858,118	730,204	285,730	1,015,934
Funds at the end of the year	15	876,112	291,856	1,167,968	312,654	545,465	858,118

* 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 2020

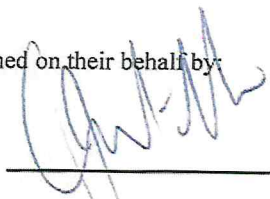
	Note	2020 £	2019 £
Fixed assets			
Tangible fixed assets	7	19,533	9,785
Investments	8	<u>265,034</u>	<u>286,656</u>
		284,567	296,441
Current assets			
Debtors	9	441,350	148,677
Cash at bank and in hand		<u>989,512</u>	<u>787,810</u>
		1,430,862	936,487
Creditors: amounts due within 1 year	10a	<u>(478,487)</u>	<u>(292,112)</u>
Net current assets		<u>952,375</u>	<u>644,375</u>
Pension provision	10b	<u>68,973</u>	<u>82,697</u>
Net assets	11	<u>1,167,968</u>	<u>858,118</u>
Funds	15		
Restricted funds			
In surplus		876,112	312,654
Unrestricted funds			
Pension provision		(68,973)	(82,697)
Reserves		<u>360,829</u>	<u>628,162</u>
Total funds		<u>1,167,968</u>	<u>858,118</u>

The notes form part of the financial statements.

The financial statements were approved by the Council on 17 May 2021, and signed on their behalf by:



 Meena Varma
 Chair of Council



 Joshua Castellino
 Executive Director/Secretary

Company number. 1544957

Charity number: 282305

Minority Rights Group (Limited by guarantee)
Charity Balance Sheet

As at 31 December 2020

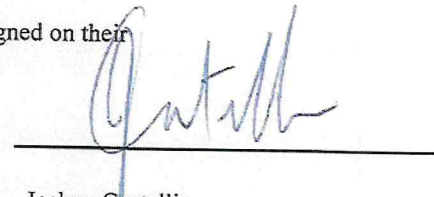
	Note	2020		2019
		£	£	£
Fixed assets				
Tangible fixed assets	7		18,419	8,067
Investments	8		<u>265,034</u>	<u>286,656</u>
			283,453	294,723
Current assets				
Debtors	9	508,338	138,049	
Cash at bank and in hand		<u>384,147</u>	<u>461,179</u>	
		892,485	599,228	
Creditors: amounts due within 1 year	10a	<u>(469,729)</u>	<u>(361,002)</u>	
Net current assets		<u>422,756</u>	<u>238,226</u>	
Pension provision	10b	68,973		82,697
Net assets	11	<u>637,235</u>	<u>450,252</u>	
Funds				
Restricted funds	15			
In surplus			414,352	(12,515)
Unrestricted funds				
Pension provision		(68,973)		(82,697)
Reserves		<u>291,856</u>		<u>545,464</u>
Total funds		<u>637,235</u>	<u>450,252</u>	

The notes form part of the financial statements.

The financial statements were approved by the Council on 17 May 2021, and signed on their behalf by:



Meena Varma
Chair of the Council



Joshua Castellino
Executive Director /Secretary

Company number. 1544957

Charity number: 282305

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

For year ended 31 December 2020

	2020	2019
	£	£
Net incoming (outgoing) resources	310,256	(142,791)
Interest received	(1,176)	(99)
Interest paid	2,831	30,477
Investment income	(7,679)	(9,516)
Depreciation charges	13,342	10,760
Decrease/ (increase) in debtors	(292,673)	44,104
(Decrease)/ increase in creditors	<u>186,375</u>	<u>7,650</u>
Net cash inflow/(outflow) from operating activities	211,277	(59,415)
Purchase of tangible fixed assets	(20,912)	(12,628)
Disposal of tangible fixed assets	-	-
Interest received	1,176	99
Interest paid	(2,831)	(30,477)
Net currency exchange adjustments	<u>12,993</u>	<u>(64,611)</u>
Increase/(decrease) in cash in the period	201,702	(167,031)
Net cash in hand and at bank on 1 January 2020/2019	<u>787,810</u>	<u>954,841</u>
Net cash in hand and at bank at the end of the year	<u>989,512</u>	<u>787,810</u>
	31 December	31 December
Cash in hand and at bank	2020	2019
	£	£
Cash in hand - GBP	952	2,540
Cash at bank - GBP	(25,496)	86,734
Cash in hand - foreign currencies (GBP equivalent)	8,912	9,483
Cash at bank - foreign currencies (GBP equivalent)	<u>1,005,144</u>	<u>689,053</u>
Net cash in hand and at bank	<u>989,512</u>	<u>787,810</u>

Foreign currency balances - the Euro, USD, Hungarian HUF and Ugandan Shillings - are converted into GBP at year-end rates.

Company number: 1544957

Charity number: 282305

Minority Rights Group (Limited by guarantee)
Notes to the financial statements
For the year ended 31 December 2020

Note

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 2020. All intra-group transactions, balances and unrealised gains on transactions between group entities are eliminated on consolidation. Unrealised losses are also 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 the accounting policies used 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 amount can be measured reliably. Intangible income is recognised where the service provider 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 when 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.
- 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 benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation 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 direct expenditure attributable to each activity.
- i) Cash and cash equivalents include cash at banks and in hand and short term deposits with a 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 at 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 payments discounted at a market rate of interest.

1. Accounting policies (continued)

- 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.
- 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:
- | | |
|---|---|
| Furniture and equipment - general | 4 years |
| Furniture and equipment - projects | Depreciated in full 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 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.
- u)
The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable group to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. The Trustees have considered the charitable group's forecasts and projections and have taken account of pressures on grant income, and in particular any impact of COVID-19 within these areas. After making enquiries the Trustees have concluded that there is a reasonable expectation that the charitable group has adequate resources to continue in operational existence for the foreseeable future. At the date of sign off, the Trustees confirm there are no material uncertainties in relation to the going concern assumption. The charitable group therefore continues to adopt the going concern basis in preparing its financial statements.

Minority Rights Group (Limited by guarantee)
Notes to the financial statements (continued)
For the year ended 31 December 2020

2. Unrestricted income analysis	2020	2019
	£	£
Grants and donations		
Blanes Trust	25,000	50,000
Meadowbrook Charitable Trust	4,000	-
Sylvia Adams Charitable Trust	8,000	9,000
Ericson Trust	2,000	3,000
Eva Reckitt Charitable Trust	1,000	-
Rathbone Trust	-	2,000
Swedish International Development Cooperation Agency	549,927	442,859
T. H. Brunner Charitable Trust	1,000	1,000
Norwegian Ministry of Foreign Affairs*	204,446	623,343
Other income and donations	7,182	6,088
Sub-total	802,555	1,137,290
Other income		
Investment income	7,679	9,516
Policy and publications	6,566	14,527
Other income	5,264	16,681
Sub-total	19,509	40,725
Total	822,064	1,178,015

* The grant amount for 2019 includes a grant for the first half of 2020 received in advance.

Minority Rights Group (Limited by guarantee)

Notes to the financial statements (continued)

For the year ended 31 December 2020

Note

3 Expenditure - Group and Charity

	Raising Funds £	Advocacy & Projects £	Policy & Publications £	Support Costs £	Total Actual 2020 £	Total 2019 £
Staff costs (Note 5)	61,120	499,972	92,865	202,159	856,116	712,308
Regions & consultants (Note 5)	76,914	592,999	23,199	-	693,112	557,653
Volunteers	548	1,836	27	331	2,742	11,972
Staff training & development	220	1,958	-	-	2,178	7,003
Staff travel and subsistence	-	80,292	289	1,509	82,090	137,584
Partner and related activities	-	1,951,129	-	-	1,951,129	991,555
Seminars, training and events	1,191	32,121	-	7,048	40,360	135,972
Policy, research and information	512	109,911	370	1,543	112,336	22,386
Project audits	-	13,836	-	-	13,836	36,229
Bank charges and forex	93	43,358	-	-	43,451	20,934
IT expenses	537	28,045	1,879	58,469	88,930	49,960
Other project expenses	-	23,182	-	-	23,182	-
Covid19 expenses	-	64,997	-	-	64,997	-
Local office rents & expenses	-	26,471	-	-	26,471	27,701
Legal and professional fees	-	38,071	-	60	38,131	3,817
Sub-total	141,135	3,508,178	118,629	271,118	4,039,060	2,715,074
Office running costs	2,057	51,129	1,729	3,951	58,867	41,487
General audit and accounting	1,159	28,800	974	2,226	33,159	25,365
Other Finance costs	99	2,459	83	190	2,831	30,477
Premises	1,159	154,292	5,217	16,972	177,640	203,738
Recruitment	70	1,752	59	135	2,017	1,069
Depreciation charges	-	1,670	-	10,282	11,952	10,780
Trustees' expenses & meetings	43	1,057	36	82	1,217	6,720
Other costs	-	(53,053)	-	-	(53,053)	11,660
Sub-total	4,586	188,106	8,098	33,838	234,629	331,297
Total	145,721	3,696,285	126,727	304,957	4,273,690	3,046,372
Support costs*	11,197	284,022	9,738	304,957	-	-
Total expenditure	156,918	3,980,306	136,465	-	4,273,690	3,046,372

* 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 2020****Note****4. Incoming/(outgoing) resources for the year - Group and Charity**

This is stated after charging / crediting:

		2020	2019
		£	£
Depreciation		13,342	10,760
Council members' expenses		1,217	6,720
Auditors' remuneration:	Group and charity general audits	24,257	17,016
	Other accounting services	8,902	8,349
	Donor (project) audits	13,836	36,229
Operating lease rentals:	Property	133,930	127,733
	Other	5,048	6,937
		<u>5,048</u>	<u>6,937</u>

Council members' reimbursed expenses represent the reimbursement of travel and subsistence costs of £1,217 (2019: £6,720) to members relating to attendance at meetings of the Council.

5. Staff costs and numbers

Staff costs were as follows:

	2020	2019
	£	£
Salaries and wages	1,401,100	1,139,268
Social security costs	93,297	86,326
Pension contributions	54,831	49,844
	<u>1,549,228</u>	<u>1,275,438</u>

Salaries include those of 2 Key management personnel, the highest paid employees, who earned a total of £130,742 during the year (2019: £125,900). Only one employee earned above £60,000 in 2020.; employer pension contributions for that employee totalled £8,000 (2019, £8,000). The salary and on-costs of the other key staff was £170,420 (2019: £159,790)

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

	2020	2019
	No.	No.
Directors' office including fundraising	6	6
Administration and finance	5	5
Projects and project support including Regional Offices	35	30
	<u>46</u>	<u>41</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. 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 (continued)
For the year ended 31 December 2020

Note

7. Tangible fixed assets- Group and charity

	Group		Charity	
	Furniture & equipment 2020 £	Furniture & equipment 2019 £	Furniture & equipment 2020 £	Furniture & equipment 2019 £
Cost				
At the start of the year	52,984	41,903	39,504	28,944
Additions in the year	20,912	12,628	20,332	10,560
Disposal in the year	-	(1,547)	-	-
At the end of the year	73,896	52,984	59,836	39,504
Depreciation				
At the start of the year	41,021	33,986	30,481	22,270
Charge for the year	13,342	10,760	10,936	9,167
Disposal in the year	-	(1,547)	-	-
At the end of the year	54,363	43,199	41,417	31,437
Net book value				
At the end of the year	19,533	9,785	18,419	8,067
At the start of the year	11,963	7,569	8,067	7,264

8. Investments- group and Charity

	2020 £	2019 £
Market value at the start of the year	286,656	239,934
Investment income reinvested	7,679	9,417
Net gains/losses	(29,302)	37,305
Market value at the end of the year	265,034	286,656
Historic cost at the end of the year	90,301	90,301

9. Debtors

	Group		Charity	
	2020 £	2019 £	2020 £	2019 £
Regional Offices balances	-	5,152	69,164	-
Other debtors	32,379	25,630	30,202	25,630
Prepayments	42,924	46,901	42,924	41,426
Accrued income	366,048	70,993	366,048	70,993
	441,350	148,677	508,338	138,049

Minority Rights Group (Limited by guarantee)
Notes to the financial statements (continued)
For the year ended 31 December 2020

Note

10a. Creditors: amounts due within 1 year

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Trade creditors	33,678	26,091	33,678	14,235
Taxation, social security & other payroll	67,179	38,476	66,357	32,412
Grants repayable	63,484	40,480	63,484	40,480
Regional Offices balances	-	-	-	100,143
Other Creditors	5,381	24,069	1,703	15,843
Accruals and deferred income	308,766	162,996	304,508	157,889
	<u>478,487</u>	<u>292,112</u>	<u>469,729</u>	<u>361,002</u>

The charity entered into a multi-currency overdraft facility with its bankers, NatWest Bank PLC, of up to £120K in 2012. This facility is secured by a debenture on its assets.

10b. Pension provision

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Pension liability	68,973	82,697	68,973	82,697
	<u>68,973</u>	<u>82,697</u>	<u>68,973</u>	<u>82,697</u>

11. Analysis of net assets between funds

Group	Restricted	General	Total Funds
	funds	funds	
	£	£	£
Tangible fixed assets	-	19,533	19,532
Fixed asset investments	-	265,034	265,033
Long term liabilities	-	68,973	68,973
Net current assets	876,112	(61,683)	814,429
Net assets at the end of the year	<u>876,112</u>	<u>291,856</u>	<u>1,167,968</u>

Charity	Restricted	General	Total Funds
	funds	funds	
	£	£	£
Tangible fixed assets	-	18,419	18,419
Fixed asset investments	-	265,034	265,034
Long term liabilities	-	68,973	68,973
Net current assets	414,352	8,404	422,756
Net assets at the end of the year	<u>414,352</u>	<u>360,829</u>	<u>775,181</u>

12. Operating lease commitments

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

Property	2020	2019
	£	£
Under 1 year	<u>133,930</u>	<u>127,773</u>

Equipment	2020	2019
	£	£
Under 1 year	-	-
2-5 years	<u>5,048</u>	<u>6,973</u>
	<u>5,048</u>	<u>6,973</u>

Minority Rights Group (Limited by guarantee)

Notes to the financial statements (continued)

For the year ended 31 December 2020

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 2020 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

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 2020. The market value of the plan's assets compared with the plans Technical Provisions (i.e past service liabilities) revealed a shortfall of £131.50 million (2017: a shortfall of £230.6 million), equivalent to a funding level of 85.8% (2019: 85.8%).

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 January 2017 to pay £14,378 per annum. Recovery plan payments increase 3% on the 1 April each year and continue to 31 December

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.

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.

Note

15. Movement in funds

	Start of the year	Incoming resources	Outgoing resources	Transfers Incl MRG Match Funding	End of year
	£	£	£	£	£
AFRICA					
Ken Voices of Indigenous Human Rights Defenders	-	114,114	(60,563)	3,028	56,579
European Commission	-	114,114	(60,563)	3,028	56,579
FIN Disparity to Dignity	40,862	336,067	(264,493)	-	112,436
Finnish MFA	40,862	336,067	(264,493)	-	112,436
IR4 Rights for Minorities & Indigenous Peoples in Africa	56,449	152,057	(156,993)	23,549	75,062
Irish Aid	56,449	152,057	(156,993)	23,549	75,062
RW2 Capacity of Civil Society, Human Rights Defenders	24,673	111,889	(92,133)	4,357	48,786
European Commission	24,673	106,889	(87,133)	4,357	48,786
Eva Cornish Foundation	-	5,000	(5,000)	-	-
LR1 Indigenous Land Rights to Prevent Climate Change *	(19,507)	217,853	(278,599)	33,432	(46,821)
European Commission	(19,507)	217,853	(278,599)	33,432	(46,821)
CR2 Religious Equality and Inclusive Development	(20,706)	359,976	(298,264)	(27,006)	14,000
UKaidirect via Institute of Development Studies	(20,706)	359,976	(298,264)	(27,006)	14,000
DFDC Preventing and Resolving Conflicts in Africa	2,544	383,571	(368,445)	-	17,670
UKaidirect	2,544	383,571	(368,445)	-	17,670
DFDM Indigenous Peoples Reproductive Healthcare	11,973	327,320	(345,544)	-	(6,251)
UKaidirect	11,973	327,320	(345,544)	-	(6,251)
UNE1 UNESCO's Action to promote Indigenous languages	-	35,677	(23,886)	-	11,791
UNESCO	-	35,677	(23,886)	-	11,791
SWIK20 Minority Inclusion Audit for SDC Horn of Africa	-	47,172	(29,387)	-	17,785
Swiss Embassy Kenya	-	47,172	(29,387)	-	17,785
Sub -total	96,288	2,085,696	(1,918,307)	37,360	301,036
MIDDLE EAST & NORTH AFRICA					
AA10 Strengthening Human Rights Defencers in Iran & Iraq	38,581	25,425	(66,091)	2,085	
European Commission	38,581	25,425	(66,091)	2,085	
EGY20 Human Rights of Minorities in Egypt	-	122,472	(25,499)	-	96,973
European Commission	-	122,472	(25,499)	-	96,973
CSHR1 Minority Equal Protection Initiative	-	8,049	(6,533)	-	1,516
USDRL via CSHR	-	8,049	(6,533)	-	1,516
TUI20 All 4 All	-	316,001	(173,838)	-	142,163
The Netherlands MFA	-	316,001	(173,838)	-	142,163
TU1 Capacities of Civil Society in Tunisia	36,241	104,018	(131,006)	2,822	12,075
European Commission	36,241	104,018	(131,006)	2,822	12,075
Sub -total	74,822	575,965	(402,966)	4,907	252,728

Minority Rights Group (limited by guarantee) : Notes to the financial statements for the year ended 31 December 2020

Note	Start of the year	Incoming resources	Outgoing resources	Transfers Incl MRG Match Funding	End of year
	£	£	£	£	£
15. Movement in funds					
EUROPE/CIS REGION					
FFH Freedom from Hate:	(32,652)	-	22,170	10,482	
European Commission	(32,652)	-	22,170	10,482	
FA1 Fair Trial for People Suspected/Accused of Crimes	-	-	(16,837)	16,837	-
European Commission	-	-	(16,837)	16,837	-
REI20 Roma Equality throughy Increased Legal Access	-	196,340	(37,886)	3,640	162,094
European Commission	-	196,340	(37,886)	-	158,454
Dorsey and Whitney LLP	-	-	-	3,640	3,640
UR1 Partneships for All - Roma & Local Authorities in Ukraine	(50,020)	-	58,076	(8,056)	(0)
European Commission	(50,020)	-	58,076	(8,056)	(0)
NRD Rights of Religious Minorities	203,525	284,171	(429,939)	42,994	100,751
Norad	203,525	284,171	(429,939)	42,994	100,751
Sub Total Europe/CIS Region	120,853	480,511	(404,417)	65,897	262,844
ASIA & PACIFIC REGION					
SA1 Religious Pluralism for FoRB in South Asia	43,913	144,324	(186,883)	9,344	10,698
European Commission	43,913	144,324	(186,883)	9,344	10,698
PK1 Tolerance through the Arts for Pakistan Youth	16,105	-	(10,663)	-	5,442
Commonwealth Foundation for Democracy	16,105	-	(10,663)	-	5,442
Asia & PACIFIC REGION - sub total	60,017	144,324	(197,546)	9,344	16,139
STRATEGIC COMMUNICATION					
MM1 Reporting on Dev. Minorities & Migration	105,736	267,712	(335,728)	-	37,720
European Commission	105,736	267,712	(335,728)	-	37,720
Strategic Communications: sub-total	105,736	267,712	(335,728)	-	37,720
LEGAL EMPOWERMENTS & STRATEGIC LITIGATION					
LG1 Voice UCRT	-	14,123	(14,567)	444	(0)
Voice UCRT	-	14,123	(14,567)	444	(0)
LG10 Other legal projects incl. ASI sub-grant	-	(13,426)	(3,086)	16,512	
Various Charitable Sources	-	(13,426)	(3,086)	16,512	
LG12 Environment Favourable for Eradication of Slavery	(53,715)	(9,977)	(2,848)	66,540	
USDRL	(53,715)	(9,977)	(2,848)	66,540	
LG13 From Action to Equal Rights for Roma	-	43,592	(43,267)	(325)	
EU via Sonce	-	43,592	(43,267)	(325)	
LG14 Ending Slavery in Mauritania: EU	-	163,631	(171,921)	17,192	8,902
European Commission	-	163,631	(171,921)	17,192	8,902
LG15 Justice for Haratine Women & Children	-	11,628	(9,973)	997	2,653
UNHCR	-	11,628	(9,973)	997	2,653
BH1 Minorities & Indigenous Peoples Rights in Botswana	-	(23,003)	-	23,003	-
European Commission	-	(23,003)	-	23,003	-
Legal empowerments & Strategic Litigation: sub-total	(53,715)	186,568	(245,661)	124,363	11,555
OTHER Various Charitable Activities					
Dep. Of AUSW, Angele Genheiten Eda, Switzerland	-	3,580	(3,580)	-	-
Education Appeal - Meadwbrook trust	-	-	-	4,000	4,000
Education Appeal - Charities Trust BBC	-	-	-	5,889	5,889
Education Appeal - individual supporters	-	-	-	7,633	7,633
Other	(39,019)	17,526	(47,841.8)	69,335	
	(39,019)	21,106	(51,422)	86,857	17,522

Note 15 Movement in funds

Restricted funds

Africa
 Middle East & North Africa
 Europe/CIS Region
 Asia & Pacific Region
 Strategic Communication
 Legal Empowerment & Strategic Litigation
 Other Charitable Activities

Total Restricted Funds

Unrealised foreign exchange differences

Total Restricted Funds

Unrestricted Funds

Revaluation reserve
 Pension provision
 General fund

Total unrestricted funds

Total funds

Start of the year	Incoming resources	Outgoing resources	Transfers Incl MRG Match Funding	End of year
£	£	£		£
96,288	2,085,696	(1,918,307)	37,360	301,036
74,822	575,965	(402,966)	4,907	252,728
120,853	480,511	(404,417)	65,897	262,844
60,017	144,324	(197,546)	9,344	16,139
105,736	267,712	(335,728)	-	37,720
(53,715)	186,568	(245,661)	124,363	11,555
(39,019)	21,106	(51,422)	86,857	17,522
364,982	3,761,882	(3,556,047)	328,728	899,545
(52,329)	28,896	-	-	(23,433)
312,653	3,790,778	(3,556,047)	328,728	876,112
178,927	-	(29,302)	-	149,625
(82,697)	-	13,724	-	(68,973)
449,235	822,064	(731,366)	(328,728)	211,204
545,465	822,064	(746,944)	(328,728)	291,856
858,118	4,612,842	(4,302,992)	-	1,167,968

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.

Minority Rights Group (limited by guarantee): Notes to the financial statements for year ended 31 December 2020

Income and Expenditure 2020 by Strategic Objective			
Note	ITEMS	Income £	Expenditure £
16	PROGRAMMEGRANTS, DONATIONS AND ACTIVITIES	802,555	424,259
	Policy and publications	6,566	136,465
	Other	5,264	-
	Investment income	7,679	-
	Operating costs (departmental)	-	-
	Fundraising	-	156,918
	Management, Finance, Administration, IT. Premises and Other Oveheads	-	304,957
	Less: Operating costs recovery	-	-
	Management, Finance, Administration, IT. Premises and Other Oveheads	-	(304,957)
	PROGRAMMEGRANTS, DONATIONS AND ACTIVITIES	822,064	717,642
	STRATEGIC OBJECTIVE 1: Countering religious and ethnic persecution, a root cause of forced migration		
	Middle East/North Africa		
AA10	Strengthening Human Rights Defencers in Iran & Iraq	25,425	66,091
EGY20	Human Rights of Minorities in Egypt	122,472	25,499
CSHR1	Minority Equal Protection Initiative	8,049	6,533
TUI20	All 4 All	316,001	173,838
TU1	Capacities of Civil Society in Tunisia	104,018	131,006
	Asia/Pacific Region	-	-
SA1	Religious Pluralism for FoRB in South Asia	144,324	186,883
	Global or Cross Regional Comms and Advocacy	-	-
MM1	Reporting on Dev. Minorities & Migration	267,712	335,728
	TOTAL STRATEGIC OBJECTIVE 1 - Total	988,001	925,577
	STRATEGIC OBJECTIVE 2: Inclusion of minorities and indigenous peoples in sustainable development and		
	Africa Region		
KEN	Voices of Indigenous Human Rights Defenders	114,114	60,563
FIN	Disparity to Dignity	336,067	264,493
IR4	Rights for Minorities and indigenous Peoples in Africa	152,057	156,993
RW2	Capacity of Civil Society, Human Rights Defenders	111,889	92,133
LR1	Indigenous Land Rights to Prevent Climate Change *	217,853	278,599
CR2	Religious Equality and Inclusive Development	359,976	298,264
DFDC	Preventing and Resolving Conflicts in Africa	383,571	368,445
DFDM	Indigenous Peoples Reproductive Healthcare	327,320	345,544
UNE1	UNESCO's Action to promote Indigenous languages	35,677	23,886
SWIK20	Minority Inclusion Audit for SDC Horn of Africa	47,172	29,387
	Europe/Central Asia Region	-	-
FFH	Freedom from Hate:	-	(22,170)
FA1	Fair Trial for People Suspected/Accused of Crimes	-	16,837
REI20	Roma Equality throughy Increased Legal Access	196,340	37,886
UR1	Partneships for All - Roma & Local Authorities in Ukraine	-	(58,076)
NRD	Rights of Religious Minorities	284,171	429,939
	Legal Empowerment and Strategic Litigation	-	-
LG1	Voice UCRT	14,123	14,567
LG10	Other legal projects incl. ASI sub-grant	(13,426)	3,086
LG12	Environment Favourable for Eradication of Slavery	(9,977)	2,848
LG13	From Action to Equal Rights for Roma	43,592	43,267
LG14	Ending Slavery in Mauritania: EU	163,631	171,921
LG15	Justice for Haratine Women & Children	11,628	9,973
BH1	Minorities & Indigenous Peoples Rights in Botswana	(23,003)	-
	Global or Cross Regional Hate Prevention projects	-	-
PK1	Tolerance through the Arts for Pakistan Youth	-	10,663
OTHER	Various Charitable Activities	21,106	51,422
	TOTAL STRATEGIC OBJECTIVE 2 - Total	2,773,881	2,630,470
	TOTAL STRATEGIC OBJECTIVE 1 & 2	3,761,882	3,556,047
	TOTAL ACTIVITY	4,583,946	4,273,690

Note

17 **Co-financing arrangements**

Nearly all MRG projects require co-financing to be provided from other/secondary sources including MRG's own core funding. Sida and Norway MFA provide the bulk of this core funding and are used to co-finance our projects. However, there is a limited number of cases where a set of activities are shared by two or more projects: this is treated as co-financing by a project of another with the approval of the primary funder. The table below shows the confirmed co-financing for 2020

Comment	Code	EG20	IR4	Ken	LG14	LR1	MM1	NOR	SA1	TU1
CR2 provides small Co-financing (CF) for NOR	CR2									
EG20 provides some CF for NOR	EG20									
Fin1 provides some CF for MMI and for Kenya	Fin1									
IR4 provides some CF for LR1 and for RW1	IR4									
LG12 USAID provides CF for LG14	LG12									
LR1 provides some CF for IA4	LR1									
NOR provides some CF for EG20 and SA1	NOR									
RW1 provides some CF for IA4	RW2									
SA 1 provides some CF for NOR	SA1									
TUI20 Dutch provides CF for TU1 EU	TUI20									

18 **Post balance sheet event**

Heavy UK government cuts to its ODA spend announced on April 29th will reduce CREID by 60% , discontinuing work in Myanmar. The full impact of the cut is still being worked out, but will likely end work in Iraq early, slowing implementation in Pakistan.

The Maternal Health project, focused on sexual and reproductive health rights for minority and indigenous women in Cambodia and Myanmar had a difficult time in 2020. The impact of the pandemic was exacerbated by an in-year budget cut of 25% required by the donor (FCDO) in the summer of 2020. The Myanmar coup occurred with pilot projects poised to roll out in January 2021, with the FCDO decision to withhold work that may support the military authorities suspending all work, including any that were critical of the regime or which acted in support of protestors. On 30th April MRG was informed that, as part of very extensive reductions in UK Aid, the project was being cut entirely with a 90-day notice to stop all activity and close out in as a responsible manner as possible.