



Business and Human Rights  
Resource Centre



**ANNUAL REPORT & ACCOUNTS 2018/19**

**“Gratitude for your support and special attention to us. It was an honour to have walked with you in this. It is a hope to know that our people are not alone. It is a joy to know that other people like you are on this human planet living bravely for a land without evils.”**

Leader of indigenous community in Brazil,  
thanking us for our support following the Samarco dam disaster

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## Trustees' Report

The Trustees present their report and the audited consolidated financial statements for the charity and its subsidiary for the year ending 31 March 2019.



Zambian Copperbelt farmer shows us the crop failure from the infertile land she was displaced to by mining operations

## Foreword

By Chris and Phil

An elderly woman tore away the maize cob in her field and held it out, like a small white pebble, in the palm of her hand. She picked up a handful of the stony brash on which she had to grow the maize and let it fall as a grey, inert dust through the cracks of her thin fingers. She was showing us the poor crop she and her neighbours now routinely harvest on their small parcel of land in Zambia, just a few hundred metres from the border with the Democratic Republic of the Congo.

Such a poor harvest was not inevitable. Ten years ago, she lived on much more fertile land, only a mile away geographically but a world away for her livelihood. But when a major Canadian mining company was given a license to develop a copper mine just over the border in the DRC,

the company decided the community needed to move.

While one-room block-houses were built for them on the relocation land, most of the long-term support promised by the company was not forthcoming. Promised fertiliser and farming implements did not arrive. Partway through the relocation process, the DRC Government stripped the company of its mining license as part of a suspicious deal now under investigation for corruption in the UK and elsewhere.

Community members showed us the “land title” given to them by the company when they were relocated. It is in English, which none of them read, but they had all been assured this document promised them full ownership of their

new land. When we read it, we had to give them the heart-breaking news that the document actually says they have permission to be on this land, but it remains the property of the company, who can take it back at will.

With support from a local Zambian NGO and a regional partner organization, we worked with the community to document the harms faced by the company, and to approach the company to respond to the allegations. We returned a few months later to take soil and water samples to test for contamination, and were able to tell them that our testing did not reveal water contamination, but did show that their new land is far less fertile than their old land – which came as no surprise to the community. We also discovered that the company, upon hearing the community’s complaints, had provided additional fertiliser and offered to turn ownership of the land over to the community, as they had originally promised. We are working with local representatives to ensure this transfer takes place as promised.

This is just one small example of the impact that poor and vulnerable communities face from corporate abuse, and that the Resource Centre has helped to address in the past year. We have taken up nearly 550 allegations of corporate abuse from local communities to the companies’ international headquarters. As our reports show, this abuse is widespread and deep in the supply chains of many global brands we all know – from our clothes, to our computers, cars, and food. Perhaps there is some copper from this mine in your latest purchase of a kettle or TV – Zambia and the DRC are among the top ten producers of copper in the world.

This work has only been possible with the generous support of our many funders; the partnership of our allies around the world, bravery and commitment of our Global Team spread across the globe, and the guidance of our

**“Our support to communities and workers has expanded greatly in 2018/19, and we continue to receive many messages of appreciation from human rights advocates in more responsible companies, investors, and governments who deploy our information and analysis.”**

Board members and advisers who freely give of their valuable time to strengthen the work of the Resource Centre.

The impact of the Resource Centre continues to grow. Our support to communities and workers has expanded greatly in 2018/19, and we continue to receive many messages of appreciation from human rights advocates in more responsible companies, investors, and governments who deploy our information and analysis from around the world to improve their own institution’s performance on human rights in business.



**Chris Jochnick**  
Chair



**Phil Bloomer**  
Executive Director

## Who We Are and What We Do

We are an international non-profit organization dedicated to advancing human rights in business and eradicating abuse in the private sector.

### Our vision

A world in which companies respect and advance human rights, and individuals, communities and workers are empowered to secure their rights and gain accountability for abuse.

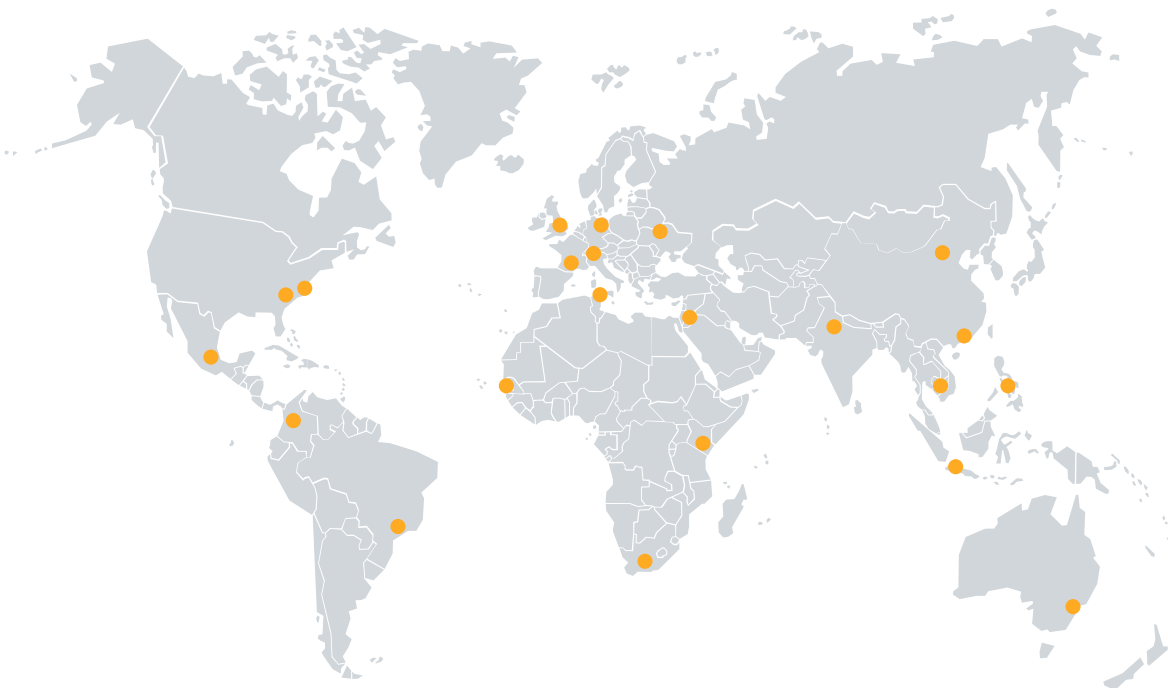
### How we work

We deliver this vision through three strategic priorities:

- **Empowering human rights advocates:** We amplify the voices of the vulnerable, and human rights advocates in civil society, business, government, and the media.
- **Strengthening corporate accountability:** We help communities and civil society to gain effective remedy when abuse occurs and provide companies with an opportunity to respond.
- **Building corporate transparency:** We track the business impacts on human rights of over 9000 companies worldwide to help victims and civil society get their concerns heard.

### Our global reach

We maintain expert knowledge of local contexts through our team of researchers and consultants based all over the world. They are supported by our offices in London, New York and Washington DC, and our Board of Trustees, made up of human rights, development and environmental advocates, academics, former business people and professionals.



# Annual Report 2018/19



## Overview of Activities

In 2018/19 Business and Human Rights Resource Centre continued to track the human rights impacts of over 9000 companies worldwide, via our website, available in eight languages. We made 547 approaches to companies regarding allegations of human rights abuse and provided them with the opportunity to respond. We delivered our free e-newsletters, highlighting top stories and breaking news in business and human rights, to over 16,500 subscribers globally. We conducted research missions to 15 countries, including Armenia, Bolivia, and Thailand, connecting with new and existing local partners, meeting communities affected by corporate human rights impacts, and shaping a better understanding of local concerns to raise at the international level. We co-hosted 11 workshops and roundtables to support local advocates to successfully use our tools and resources in their communications and negotiations with companies, including in Colombia, Fiji and Lebanon. And once again we collaborated with partners and investors to deliver the Corporate Human Rights Benchmark, a world class ranking of the largest companies in three sectors with the highest human rights risks: agriculture, apparel, and extractives.

To defend **labour rights**, we focused on our complementary role of linking local efforts by our partners to our international outreach and awareness raising, especially at a time of heightened threats against local labour activists. We directly connected with workers, women's organizations, and refugees in Bangladesh, Cambodia, India, Nepal, and Qatar to explore strategies to enhance and strengthen their advocacy efforts and seek remedy for harms. We supported apparel brands in Cambodia in their calls for labour rights reforms. We launched the second round of benchmarks under KnowTheChain which works to prevent forced labour in supply chains. And we continued to advise governments on their approaches

to tackle modern slavery in Australia, Canada, France and the UK.

Our ability to integrate our work on the ground with impacted stakeholders, with our regional and global initiatives and analysis, is also evident in our efforts to promote **responsible natural resource use**. We provided extensive support to communities along the Zambian Copperbelt to actively engage with mining companies impacting their land and livelihoods and conducted capacity-building for local advocates in the Pacific affected by large, foreign-owned extractive projects. We strengthened our work to support a fast and fair transition to renewable energy, launching a new briefing with analysis on solar, geothermal, and bioenergy projects, with recommendations for companies and investors. We also travelled to the "lithium triangle" in South America to explore ways we can assist local advocates working on the human rights impacts of increased lithium extraction used in electric vehicles.

We focused our efforts to protect **civic freedoms and human rights defenders** (HRDs) by deepening engagement with company members of the Business Network to support them in specific instances of activism in defence of human rights. We conducted ground-breaking research into the "shared space" that business and civil society occupy, which not only enables civil society to hold governments and private sector actors accountable but also underpins profitable and sustainable business environments. We encouraged companies to act in support of civic freedoms and HRDs in countries as diverse as Brazil, Hungary, Saudi Arabia and Thailand. We also amplified the work of HRDs focused on business-related activities by bringing delegates to international fora; strengthening our existing online platforms, tools and resources, such as our database of attacks against HRDs working on corporate accountability; and raising concerns of communities impacted by Brazil's Brumadinho dam disaster.

We established an Australian subsidiary to formalise our activities in the region and maximise our ability to seek funding from foundations, foreign ministries, governments and private individuals based there.



Llama farmers in Argentina concerned about lithium extraction





## 10,000 company statements

Tracked in our Modern Slavery Registry website to monitor compliance with the UK Modern Slavery Act and California Transparency in Supply Chains Act.

## 1512 cases of attack

Documented cases of attacks against human rights defenders working on corporate accountability to increase transparency on this critical issue.



## 21 new briefings & reports

Doubled the number of briefings, bulletins and reports produced, cementing our role as a global hub for resources and guidance on business and human rights.

## 15% more website visits

Increased from 2.2 to 2.6 million. Our website is available in Arabic, Chinese, English, French, German, Portuguese, Russian and Spanish.



## 12 new tools & resources

For business and human rights advocates to utilise, including 3 investment trackers, 4 benchmarks, and 5 company surveys.

## 8

## cases of Network action

With our support the Business Network on Civic Freedoms & Human Rights Defenders, or its individual members, took action in defence of civil society and human rights defenders globally.



## Defending Labour Rights

### Supporting decent work for garment workers in Cambodia

With increased restrictions on fundamental freedoms and democratic space, civil society and garment workers' groups in Cambodia have little opportunity to come together to discuss ways to navigate through the tensions and threats affecting their work. With close partners, we convened roundtables to provide these groups with a platform to discuss their concerns, chart their strategies and agree the support they need from one another, from the international community, from international brands sourcing from Cambodia, and from the government. These local connections ensured the messages we brought to international brands aligned with local workers' priorities. When representatives from major apparel and footwear brands led by the American Apparel & Footwear Association and the Fair Labor Association met with senior Cambodian Government officials to discuss the current state of worker rights, we provided a briefing that outlined current worker issues, including a list of pending cases against union leaders, some of which have now been dropped by the courts.

### Providing expertise to strengthen the Australian Modern Slavery Act

In January 2019 the Australian Modern Slavery Act (MSA) passed into legislation. Given our in-depth expertise monitoring implementation of the UK MSA, we were appointed to the Australian Government's new Modern Slavery Advisory Committee, working with the government and seven other committee members from business and civil society, to develop a guide for business on the new reporting requirement.

This provides an important opportunity to strengthen and enhance our impact and efforts to eliminate modern slavery in the region. We pushed for the guide to situate the MSA firmly within international business and human rights frameworks, as well as highlight the importance of business building trusted relationships with civil society, workers and their representatives to effectively respond when slavery is identified. The guide is currently subject to a nation-wide public consultation process.

### Enhancing our company rankings for further impact

We launched new iterations of our KnowTheChain benchmarks covering the food and beverage, ICT and apparel industries, the results of which showed a positive influence over the policies and practices of a substantial number of the largest global companies. We received excellent feedback: companies told us they are using our rankings to prioritise the issue of forced labour internally; and investors said they refer to the benchmarks in their engagements with companies, commending those that do well, and using underperformance as a tool to inform key dialogues with companies. In one case, a shareholder resolution was filed by the NGO As You Sow against Monster Beverage, which controls 43% of the US's energy drinks market, and scored zero in our 2016 benchmark. This year, the company reportedly changed its attitude on the issue of supply chain slavery disclosure and made commitments to transform its policies and practices and become a leader on this critical issue.

#### CASE STUDY

### Company action in support of garment workers in Cambodia

In December, garment workers of factories W&D and Seduno Investment Cambo Fashion began a mass strike in and around Phnom Penh citing fears that their employers were planning to circumvent a new government directive to pay – and backpay – bonuses

based on length of employment. In early January, the companies issued an ultimatum to the workers saying that if they did not return to work within 48 hours, they would be fired. When W&D workers refused, approximately 1,200 were fired. We invited 12 brands sourcing from W&D, including Marks & Spencer and Carhartt, to comment on the situation. M&S told us they had not been aware of the situation prior to our outreach, and following their intervention and an appeal by the Cambodian Prime Minister, W&D reinstated all workers.

## Promoting Responsible Resource Use

### Expanding our engagement with local communities affected by resource extraction

In 2018 we began working with local partners in the Zambian Copper Belt to support a community harmed for years by the operations of two mining companies, over which they have no control and about which they are not consulted. We made several trips to the region to support the community and local partners to document the corporate human rights impacts, conducted consultations with local and national NGO partners, supported with outreach to the companies, and connected them with groups facing similar harms from the mine on the Democratic Republic of the Congo side of the border. After our visit and company outreach, the community was provided additional fertiliser by the company and told that they would hand over title to the land to the community.

In Colombia, our Latin America researchers convened a regional workshop for community-based activists and human rights lawyers to discuss strategies for tackling abuses by



Pacific regional capacity-building workshop in Fiji

companies, especially in the extractive industries, renewable energy, and large-scale agriculture sectors. They developed new collaborations to strengthen indigenous and Afro-descendant's strategies on combatting abuses related to land and renewable energy, including a permanent exchange amongst lawyers, and a similar follow-up event is planned for next year in Mexico. In Fiji we co-delivered our second Pacific regional capacity-building workshop for human rights

A community in Zambia shows us the impacts of mining on their land



and environmental defenders working on issues of natural resource extraction, which was successful in building meaningful connections between advocates and establishing avenues for engagement with companies – the first steps in nurturing the nascent business and human rights movement in the Pacific. We also facilitated the nomination of a Pacific Island representative working on mining issues to attend the 2018 UN Forum on Business and Human Rights, a first for delegates from the region.

### Exposing human rights risks in the renewable energy sector

Our renewable energy and climate justice work is focussing on supporting a just transition to a low-carbon economy. We travelled to the “lithium triangle” in Argentina, Bolivia and Chile to better understand the concerns of local communities and civil society related to lithium extraction, and raise awareness of human rights issues within the renewable energy sector. We released a new briefing analysing solar, bioenergy and geothermal companies’ human rights policies and practices, which found that only 5 out of 59 companies met a set of basic criteria on human rights. We received positive feedback from companies, investors and civil society that they are using the survey and analysis to influence their work and decision-making, and next year we will start consultations on the first-ever public benchmark on renewable energy companies’ approach to human rights.

### Exploring the use of climate litigation to support the broader climate justice movement

Our 2018 legal briefing “Turning up the heat: Corporate legal accountability for climate change” examined the opportunities and challenges for bringing climate litigation against companies. It provided in-depth analysis of 14 active climate lawsuits against fossil fuel companies around the world in order to help guide the legal strategies that lawyers and advocates use to hold corporations accountable for climate harm. As the number of climate lawsuits brought directly against companies increases, we will continue to track innovative and evolving legal arguments and strategies that advocates use globally. This resource supported the work of Filipino lawyers involved in the inquiry by the Philippines Commission on Human Rights into the responsibility of 47 fossil fuel companies for human rights impacts resulting from climate change.



Victims of the Samarco dam disaster in London

#### CASE STUDY

## Support for communities impacted by mining disasters in Brazil

November 2018 marked the third anniversary of the Samarco dam collapse, one of Brazil’s worst environmental disasters which killed 19 people, destroyed villages, and polluted the water supplies for hundreds of thousands of people. In partnership with Caritas and Ford Foundation, we arranged for representatives from affected communities to share their experiences and raise awareness of their ongoing fight for remedy in person with key stakeholders in London. We held meetings with civil society, parliamentarians and investors, and BHP Billiton (the dam was a joint venture between BHP and Vale). A legal expert who accompanied, said: *“This meeting was a critical moment for the communities, who have been waiting three years for adequate remedy. Never before have they had the chance to talk directly to BHP HQ. We hope this is the start of a more direct and meaningful dialogue between BHP and the communities affected by the disaster.”* BHP reaffirmed their commitment to remediation and compensation. We are looking to replicate this model of support to other affected communities and HRDs.

# Protecting Civic Freedoms and Human Rights Defenders

## Promoting the “shared space” in which business and civil society operate

In response to the growing pressure on civic freedoms and civil society around the world, and the increasing number of attacks on HRDs exposing abuse by companies, together with International Service for Human Rights we commissioned the report “Shared Space Under Pressure: Business Support for Civic Freedoms and Human Rights Defenders”. The guidance sets forth the normative responsibility, business case and moral choice that companies should consider in the face of these growing pressures. It proposes a framework to guide companies as they decide whether and how to act and identifies multiple examples of actions and collaborations with civil society. We have been invited to present the report at over four dozen conferences and dedicated events, including the World Economic Forum and the UN Forum on Business & Human Rights, and companies, CSOs and governments are referencing our analysis in their work, including the American Bar Association and the Government of Canada.

## Deepening our engagement of the Business Network on Civic Freedoms and HRDs

The Network continues to expand, with H&M and Novo Nordisk joining in 2018. On International Human Rights Day, members issued a “first of its kind” statement expressing their concern about attacks on defenders and civic freedoms and stressing that when HRDs are under attack, so is sustainable and profitable business. Signatories included companies from across consumer

goods, mining, apparel, banking, jewellery and footwear sectors, and the Investors Alliance on Human Rights.

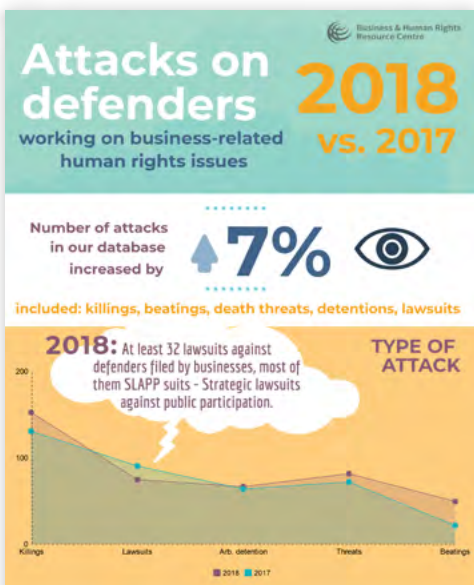
## Increasing rapid action and longer-term involvement of businesses in support of civic freedoms

This year, at the request of our Business Network members, we started to produce ‘issue briefs’ for companies on specific opportunities to take action in support of civil society. Our first brief focused on Brazil, in light of the controversial measures enacted by President Bolsonaro to weaken NGOs and rights defenders. The brief contains practical recommendations for companies on how to engage with government to raise concerns and has been welcomed by members. Other briefs have included Hungary and USA, and we will continue to produce similar briefs for future situations where we can see the value of our impact.

## Documented over 1,500 attacks against human rights defenders

With over 1,500 incidents of attacks against defenders working on business and human rights issues recorded, the database has become a reference point for the broader movement. We are also now interrogating the data we hold to help inform our internal learning and guide our external action with partners on the ground. We produced infographics and other tools to communicate key messages from our data and analysis, including annual comparisons and “spotlights” on women and indigenous HRDs.

A selection of infographics produced in 2018



## Emerging Issues and New Initiatives

### Advancing women-led apparel production and purchasing models

The majority of garment workers around the world are women and girls, and their often disadvantaged position in society translates into apparel factories, where they are disproportionately affected by poor working conditions and human rights abuse. In India, working alongside women's collectives, we will pilot new purchasing models that are designed to ensure increased profits and better conditions for women workers. We will work closely with the Self-Employed Women's Association (SEWA) to examine, document, and promote their innovative women-led production model, where brands work directly with production units that are owned and managed by women. Our partnership will create channels and forums to raise awareness of their unique model among brands, investors and consumers, and build the needed support to keep their business and livelihoods thriving.

### Building our engagement with investors to increase impact

Empowering human rights advocates is central to our work, and investors are a key audience with critical influence on the human rights

performance of companies. There is a large and growing class of self-designated socially responsible investors, and we know there is further potential for effective collaboration. We will build alliances with responsible investor groups to put pressure on companies to improve their policies and performance. We will empower and inform all investors with new tools and resources that support better decisions that take fuller account of human rights considerations.

### Promoting responsible investments by Chinese business in the Belt and Road Initiative

Chinese foreign investments have accelerated following the launch of China's Belt and Road Initiative in 2013, with the manufacturing, mining, construction, and ICT industries leading China's expansion abroad. Whilst this has been a welcome source of foreign capital and infrastructure to many developing countries, these investments are also often accompanied by concerns over environmental sustainability, working conditions and impacts on local communities' land rights and livelihoods. We will work with Chinese allies and our rich network of partners in regions of major Chinese investments to promote responsible and sustainable business



of Chinese companies, including through integrating human rights due diligence and remedy into their international operations and supply chains.

### **Ensuring representation of global South voices in debates on the future of work**

With our partner, Solidarity Center, we will seek to ensure the voices and needs of working people in the global South are integrated and prioritised in the global governance of business and labour through enhanced civil society capacity building, more responsible corporate citizenship, and strengthened networks between global South organizations and their counterparts in other countries. We will aim to expand the discussion of the “Future of Work” to integrate the global South through a convening that will provide a global exploration and framework for dialogue among diverse stakeholders, and exchanges between workers and union leaders in the South and North.

### **Informing global action against Strategic Lawsuits Against Public Participation**

A growing number of corporations are using “Strategic Lawsuits Against Public Participation” (SLAPPs) to intimidate and silence their critics; they pose a serious, growing threat to the vital work of civil society and HRDs. As a member of the Protect the Protest coalition, we will seek to make a critical contribution to support free speech and the protection of HRDs by creating a publicly available centralised hub of data about SLAPPs across the globe. We will conduct additional research on SLAPPs in Thailand, Indonesia and Malaysia to understand the regional implications of SLAPP legislation. We will also work with partners to support lawyers and victims of SLAPPs to share strategies of resistance, with the aim of creating a stronger defence against the use of SLAPPs worldwide.



**“I regularly leverage your updates to advise companies on emerging risks. This type of detailed, real-time information gives companies concrete reasons to implement and expand their human rights programs.”**

Civil society feedback on our tools and guidance on business and human rights



# Financial Report

## 2018/19



## Structure and Governance

### Governing document and how the charity is constituted

Business and Human Rights Resource Centre is a company limited by guarantee and not having a share capital (no. 04555494). It is governed by its Memorandum and Articles of Association, incorporated on 7 October 2002 and amended by a written resolution dated 12 March 2003 and then more recently by a special resolution dated 9 June 2016. It is also registered as a charity in England & Wales (no. 1096664).

The charity has a US subsidiary, Business and Human Rights Resource Centre (US) Ltd, which is a tax-exempt non-profit organization under section 501(c)(3) of the US Internal Revenue Code and an Australian subsidiary, Business and Human Rights Resource Centre (Australia, New Zealand and Pacific) Limited, which is a public company limited by guarantee and in the process of applying for charitable status. These entities are treated as subsidiaries for the purpose of producing group accounts.

During the year the charity initiated the process to establish a Colombian branch, Business and Human Rights Resource Centre BHRR (CENTRO DE INFORMACION SOBRE EMPRESAS Y DERECHOS HUMANOS CIEDH) Limited. The entity was successfully registered on 10 May 2019 as not-for-profit foreign branch with the Resource Centre as its sole member. The entity will be treated as a subsidiary for the purposes of producing group accounts from financial year ended 31 March 2020 onwards.

### Organizational structure of the charity

The Trustees are responsible for the governance of Business and Human Rights Resource Centre and ensure that it pursues the objects for which it was founded. The Executive Director reports to the Board of Trustees. Decisions related to the day-to-day activities of the Resource Centre are taken by staff members, managed by the Executive Director. Trustees' approval is required for key strategic decisions. The Trustees meet twice a year (this year on 22 May 2018 and 9

November 2018) and sub-committees covering development, Board membership (nominations), and finance and administration meet three times per year.

The Trustees, Executive Director and staff have available to them the support of the Resource Centre's respected International Advisory Network, chaired by Mary Robinson, former UN High Commissioner for Human Rights, and a number of leading academic institutions that comprise its Academic Partners. Further details of all partners are available on the Resource Centre's website: <http://business-humanrights.org/en/about-us>.

### Methods adopted for the recruitment and appointment of new Trustees

The Nominations Committee is a sub-committee of the Board and is responsible for guiding and advising the Board on matters relating to the composition, structure and operation of the Board. The prime responsibility of the committee is succession planning to ensure that the Resource Centre has a well-managed succession of highly competent Directors to serve on its Board. The Directors are also charity Trustees for the purposes of charity law. The recruitment process for replacement Trustees is conducted with a view to maintaining the diversity of the Board, in terms of geographical representation, gender, areas of expertise, etc. The Board seeks a wide range of suggestions of potential Trustees, with a shortlist presented for discussion and decision at the bi-annual Board of Trustees meeting.

### Policies and procedures for the induction and training of Trustees

When appointed, new Trustees meet with the Executive Director and staff members to review the charity's history, policies, procedures and strategic plan. They also have a discussion with the Board's Chair. They are provided with a board induction pack with information about the Resource Centre's work, policies, procedures, audited accounts and Memorandum and Articles

of Association. Prior to each bi-annual Board of Trustees meeting, Trustees are sent a detailed staff report describing achievements and challenges over the past six months, including financials and identifying issues on the horizon.

### **Related parties/subsidiaries**

The Resource Centre has two subsidiaries. The US subsidiary is a tax-exempt non-profit organization under section 501(c)(3) of the Internal Revenue Code and the Australian subsidiary is a public company limited by guarantee and charity status is pending. The Resource Centre's US-based activities and Australia, New Zealand and Pacific activities are carried out in conjunction with those of the UK charity, and managed by the Executive Director.

## Goals and Activities for Public Benefit

### Statement of goals and principal activities for the public benefit

The Resource Centre's objects, as set out in its governing document, are the promotion of international human rights for the public benefit by:

- Advancing the education of the public by developing an independent, international, publicly accessible online library and resource centre for those seeking a better understanding of human rights issues relating to business;
- Raising public awareness and cultivating a sentiment in favour of international human rights, in particular but not exclusively by using the internet to disseminate educational materials;
- Promoting corporate transparency and accountability.

The Trustees confirm that they have had regard to the Charity Commission's guidance on public benefit when planning its activities in furtherance of its objectives for the public benefit.

## Trustees' Responsibilities in relation to the Financial Statements

The Trustees are responsible for preparing a Trustees' annual report and financial statements in accordance with applicable law and with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities' Statement of Recommended Practice (SORP);
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The Trustees have taken all the steps that they ought to have taken to make themselves aware of any information needed by the charity's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The Trustees are not aware of any relevant audit information of which the auditors are unaware.

### Donations received from Trustees for Global Team Retreat:

2019	2018
£1,754	£2,464

# Remuneration Policy

The Trustees and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity and its subsidiary on a day to day basis. All Trustees give their time freely and no trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in note 7 to the accounts.

The Resource Centre is committed to ensuring that we pay our staff fairly and in a way which ensures we attract and retain the right skills to have the greatest impact in delivering our charitable objectives. The pay of the senior management team is reviewed annually and normally increased in accordance with established salary ladders and inflation at the time of review.

The Finance and Administration Committee of the Board sets the pay for all staff annually as part of the budget approval process. The Executive Director is in attendance for the meeting (leaving for the discussion regarding the Executive Director's remuneration).

The main responsibilities of the Finance and Administration Committee in relation to remuneration are to:

- Determine the remuneration package of the Executive Director.
- Approve the annual percentage increase in the payroll for all staff.
- Approve any pay awards and staff salary increases outside of the annual review process as recommended from time to time by the Executive Director.
- Review and agree pension arrangements.

# Risk Management

The Trustees have a risk management strategy which comprises:

- Quarterly and bi-annual reviews, by the Finance and Administration sub-committee and the Board respectively, of the principal risks and uncertainties that the charity and its subsidiary face;
- The establishment of policies, systems and procedures to mitigate those risks identified in these reviews; and

- Implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

Our most significant risks and mitigating actions, covering our global operations, are set out in the table below.

Risk	Management
<p><b>Financial sustainability</b></p>	<ul style="list-style-type: none"> <li>• Maintain close management of our demonstrated impact and relevance to business and human rights. Ensure that view is shared with funders and prospective funders. Sustain an inspiring pipeline of work programmes that promise impact and attract funders and partners.</li> <li>• Plan strategically and regularly review our plans in a clear, transparent and inclusive process whilst ensuring flexibility.</li> <li>• The Development Committee, a sub-committee of the Board, meets two to three times per year to assist the Board and staff in the planning and implementation of fundraising activities in support of the programmes, projects and activities of the organization, and participates in the execution of the agreed strategy.</li> <li>• Grow and diversify income streams through investment in fundraising and communications staff as well as being flexible and innovative in response to market changes and challenges.</li> <li>• Conduct regular reviews of available liquid funds, expenditure and funding sources ensuring that we have sufficient unrestricted funding. Manage and plan our funding pipeline on a rolling 12-month basis and diversify our funding sources.</li> </ul>
<p><b>Financial Management and Control</b></p>	<ul style="list-style-type: none"> <li>• Rigorous annual budgeting and ongoing management reporting and monitoring of financial performance through accounting software and financial tracking tools developed in-house.</li> <li>• Prepare 3-year financial forecasts aligned to the Resource Centre’s strategy.</li> <li>• Enhance our internal systems of financial control and reporting with the guidance of the Charity Commission CC8 Checklist: a self-assessment checklist which is designed to help charities evaluate their performance against the legal requirements and good practice recommendations set out in the Commission’s guidance on internal financial controls for charities.</li> <li>• The Finance and Administration Committee, a sub-committee of the Board, meets three times a year to review and assess the financial status, management, and control of the Resource Centre.</li> </ul>

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**Staff and volunteers' security and safety in regions of heightened risk**

- Regular consultations with country and security experts with whom we have developed contingency plans which are updated at regular intervals and ready for implementation should the need arise.
- Continue to deliver a programme of health & safety improvements and training to strengthen our safety management system.

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**Incidents that damage reputation and / or negatively impact operations (including cyber security and cyber liability)**

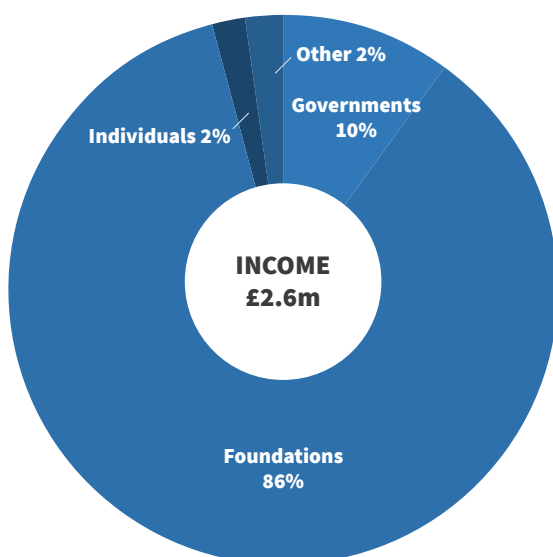
- Pro-active and reactive media management in place, including ongoing digital and traditional media monitoring.
- Dedicated specialist resource for health & safety, and commissioned dedicated specialist resource for legal.
- Continue programme to drive IT improvements and strengthen infrastructure and security to protect the Resource Centre's assets.
- Care is taken to be fair and objective and assess the sources of the materials we use and invite companies to respond when reports criticise their conduct. The Resource Centre adheres to a set of internal procedures for dealing with potentially defamatory material. To supplement these steps of risk avoidance, Trustees have secured media liability insurance cover.



# Financial Review

## Income

Our work is funded by a range of foundations, government foreign ministries, and individuals. To maintain our independence, the Business and Human Rights Resource Centre avoids any conflict of interest or reputation risk by not accepting donations directly from companies, and reviews potential donations from corporate foundations, senior executives at major corporations, and pro-bono legal support on a case-by-case basis.



The highest proportion of our income continues to come from foundations. We increased income by 3% to £2.6m compared to the previous year.

Income from foundations increased by 10% to 86% of the total income whereas governments fell by 3% to 10% of the total. We continued to develop more strategic relations with governments, and successfully secured renewed funding from many of our existing project-related funders.

We continued to increase collaborative partnerships. Such partnerships enable us to strengthen our networks, have wider geographical reach, facilitate knowledge, good practice and information sharing, promote mutual support between organizations, provide a more integrated approach to beneficiaries, and access new funding sources.

Over the past 3 years we have diversified our institutional funding sources from 13 to 26.

## Fundraising

We have a Development Team of three staff, who work full-time on fundraising and grant management. We do not have any voluntary fundraisers working on our behalf, and we do not use external fundraising agencies or commercial participators to deliver any of our fundraising.

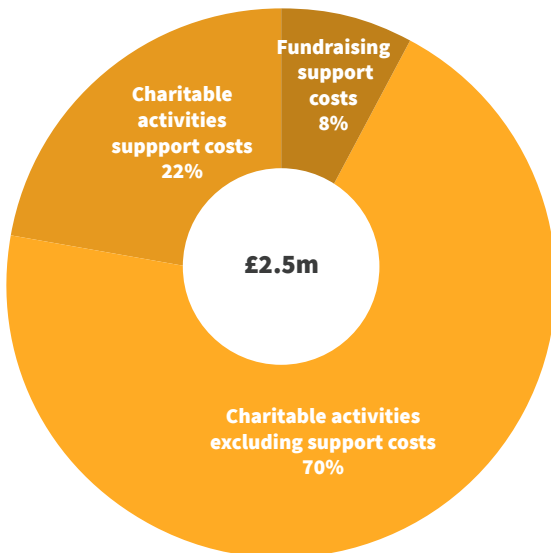
Our approach to fundraising is driven by respect, honesty and openness. We respect the wishes and preferences of all of our supporters and beneficiaries, and are sensitive to the needs of every individual. We are open and inclusive to all, regardless of visible and invisible differences. And we are accountable for delivering a high standard of fundraising.

We make every effort to ensure that our fundraising does not intrude on peoples' privacy, that it is not unreasonably persistent, and that it does not place pressure on anyone to donate to our organization. The Development Team monitors its own fundraising activities and presents its work to the Senior Management Team and Board for evaluation and approval on a regular basis.

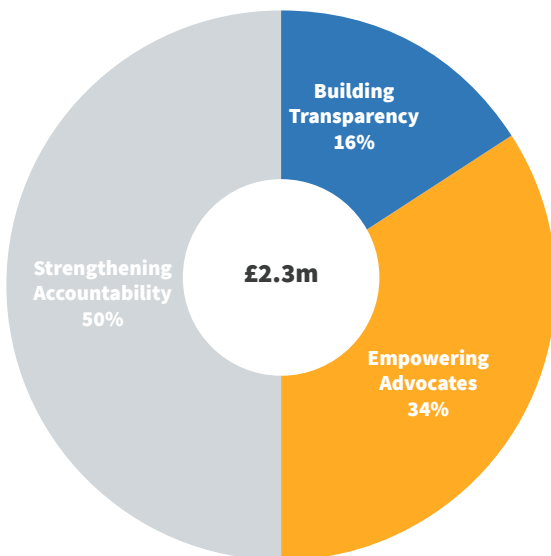
To strengthen our relationship with supporters, we continue to develop new approaches to supporter engagement. By gaining insights from our supporter base through regular communication, we are aware of what matters to our supporters and seek to align our database, technology and practices with supporter expectations. We aspire to best practice in the way we engage our supporters, and our fundraising activity has only generated complaints twice in the past ten years. We encourage any supporters with questions about our fundraising to contact us.

### Expenditure

Our total expenditure increased by 23% in the year to £2.5m. This expenditure was funded by income generated in the year, partly by funds brought forward for activities intended to be carried out during the year, and designated reserves generated from prior year surpluses.



Expenditure on our charitable activities increased by 26% or £0.5m in the year to £2.3m.



We increased our staff capacity further mainly in relation to project staff, as a result of renewed and new funding from several project specific funders. We continued to increase our staff capacity in communications considerably through the C&A Foundation grant in order to further strengthen our global media coverage and social media presence. Our overall staff numbers increased considerably due to an increase in project staff numbers. Travel expenditure increased substantially,

mainly due to project related workshops and increased travel by senior key personnel for specific projects and donor relationship development purposes.

Our legal costs included pro bono legal services received during the year in relation to the continued registration costs of our Australian subsidiary. The pro bono legal services have been disclosed in our accounts in accordance with the SORP.

Our office costs also increased this year, resulting from an increase in our London and New York office rent from June 2018 and November 2018 respectively as well as incurring a full year's rent for our Washington DC office and additional office space rentals in Germany, India and East Asia.

We invested in our website, with the majority of enhancements being funded by project grants, and new and replacement laptops were purchased throughout the year. These costs were capitalised as per our fixed assets and depreciation policy.

During the year, we have continued to improve and enhance our internal financial management and control systems, utilising the Charity Commission's CC8 checklist to perform a thorough evaluation of our performance against the legal requirements and good practice recommendations set out in the Commission's guidance on internal financial controls for charities. The project tracking system continues to grow from strength to strength and greatly facilitated our project tracking capabilities, both financially and operationally. Continued improvements to detailed analyses of our income, expenditure and reserves for internal management and control purposes have supported improved decision making and strategic development. The organisational Finance Manual introduced last year is a further tool to improve and strengthen our control over and management of the organisation's finances and financial processes.

### Reserves

The Trustees view the holding of general reserves as an integral part of risk management. Our reserves policy applies to the group as a whole and is set to ensure our work is protected from the risk of disruption at short notice due to a lack of funds, whilst at the same time ensuring we do not retain income for longer than required. The group reserves policy is kept under periodic review and reserves levels will be adjusted as

perceptions of risk and other factors change. Key areas considered by the Trustees in determining reserves levels include the financial impact of risk, levels of non-cash working capital and commitments and longer-term plans.

The minimum general reserves level should be three months of core expenditure with optimal reserves being four months. Up to one fifth of existing reserves can be drawn down by the Executive Director after approval by the Finance and Administration Committee at scheduled or extraordinary meetings, and contingent on a credible plan for their replacement in the following 12 months. Use of reserves beyond this fraction requires approval by the majority of the Board.

General reserves are a vital bulwark against hard times, unexpected financial demands and exceptional opportunities for growth.

Such reserves should only be used for these circumstances and only in extremis when all other options have been tried and tested.

We generated a surplus which was transferred to general reserves of £84,957. With a general reserve of £245,005 brought forward from prior years, there is a cumulative general reserve of £329,962 as of the end of financial year 2018/19. The general reserve balance of £329,962 represents just under 3 months of core budgeted expenditure (£1,602,369) for FY 2019-2020. In order to meet the minimum general reserves, target we will need to contribute a further £70,360.

#### Reconciliation of funds carried forward to reserves

	2019 £	2018 £
<b>Group (Global)</b>		
Funds carried forward (as per SoFA)	1,833,644	1,633,958
Less:		
Restricted funds	(1,229,783)	(500,737)
Designated funds	-	-
	<b>603,861</b>	<b>1,133,221</b>
<b>Unrestricted funds</b>		
Add / (Less):		
Unrealised FX (gain) / loss	98,305	145,181
Less:		
Unrestricted funds recognised in the year but for use in future years	(617,209)	(1,152,535)
Designated reserves *	-	(55,867)
<b>Surplus generated and transferred to general reserves</b>	<b>84,957</b>	<b>70,000</b>

\* Designated reserves have been ear-marked for specific strategic purposes of the Resource Centre and includes an investment in organisational development to ensure this keeps pace with our growth and in new project and innovation opportunities as they arise.

### Going Concern

The Board of Trustees has reviewed the Resource Centre's financial position and consequently believes there are sufficient resources to manage any operational or financial risks. The Board therefore considers there is a reasonable expectation that the Resource Centre has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Board continues to adopt the going concern basis of accounting in preparing the accounts.

The Trustees are extremely grateful to the following funders that have made our work this year possible:

#### Foundations

Anonymous Donor  
 Anonymous Foundation  
 Columbia Center on Sustainable Development  
 C&A Foundation  
 Ford Foundation  
 Freedom Fund  
 Humanity United  
 National Endowment for Democracy  
 Oak Foundation  
 Omidyar Network  
 Open Society Foundations  
 Oxfam GB Regional Centre Bangkok  
 Ruth Turner Fund  
 The Open Society Initiative for Southern Africa (OSISA)  
 UNICEF  
 University of Nottingham  
 Wallace Global Fund  
 Wellspring Philanthropic Fund  
 W.K. Kellogg Foundation

### Governments and multilateral actors

Australian Government's Department of Foreign Affairs and Trade  
 GUE/NGL European Parliament Group  
 German Federal Ministry of Economic Cooperation and Development, supported by the German Agency for International Cooperation (GIZ)  
 The Swiss Confederation, represented by the Swiss Federal Department of Foreign Affairs

### Individuals

The Trustees also wish to thank all our individual donors for their generous support.

This report of the Board has been prepared taking advantage of the small companies exemption of section 415A of the Companies Act 2006.

This report was approved and authorised for issue by the Board on *6<sup>th</sup> December 2019* and signed on its behalf by:



**Paul Clough**  
 Trustee/Treasurer

# Independent Auditor's Report To The Members Of Business and Human Rights Resource Centre (REGISTERED COMPANY NO.04555494)

## Opinion

We have audited the financial statements of Business and Human Rights Resource Centre (the 'Parent charitable company') and its subsidiary (the 'Group') for the year ended 31 March 2019 which comprise the Consolidated Statement of Financial Activities, the Group and Parent Balance Sheets, the Consolidated Statement of Cash Flows 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 Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and Parent charitable company's affairs as at 31 March 2019, and of the group 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 the financial statements section of our report. We are independent of the Group and Parent 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 or 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 Trustees are responsible for the other information. The other information comprises the information included in the Trustees' annual report, other than the financial statements and our auditor's report thereon. 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' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

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

In the light of our 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' report. We have nothing to report in respect of the following matters in relation to which 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 directors' 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' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

### **Responsibilities of Trustees**

As explained more fully in the Trustees' responsibilities statement in the Trustees' Annual Report, 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 and 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**

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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Use of this 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 charitable 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 anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*MHA MacIntyre & Hudson*

Helen Blundell LLB FCA FCIE DChA  
(Senior Statutory Auditor)

For and on behalf of:

**MHA MacIntyre Hudson**

*Chartered Accountants and Statutory Auditor*  
Rutland House, 148 Edmund Street  
Birmingham, West Midlands, B3 2FD

Date *17 December 2019*

Financial Statements  
**Consolidated Financial Statement of Activities**  
**Incorporating the income and expenditure account**  
**For the year ended 31 March 2019**

**Current Year**

	Notes	Unrestricted £	Restricted £	2019 £	2018 £
<b>Income from</b>					
Donations and legacies	2	351,574	-	351,574	1,634,305
Charitable activities	3	-	2,254,832	2,254,832	964,273
Investments	4	122	-	122	51
<b>Total Income</b>		<b>351,696</b>	<b>2,254,832</b>	<b>2,606,528</b>	<b>2,598,629</b>
<b>Expenditure</b>					
Cost of raising funds	5	205,146	-	205,146	207,557
Expenditure on charitable activities	5	774,215	1,525,787	2,300,002	1,826,833
<b>Total resources expended</b>		<b>979,361</b>	<b>1,525,787</b>	<b>2,505,148</b>	<b>2,034,390</b>
<b>Net income/(expenditure) for the year</b>		(627,665)	729,045	101,380	564,239
Other recognised gains and losses		98,305	-	98,305	(145,181)
Net movement in funds		(529,360)	729,045	199,685	419,058
Fund balance brought forward		1,133,221	500,737	1,633,958	1,214,900
<b>Fund balances carried forward</b>		<b>603,861</b>	<b>1,229,783</b>	<b>1,833,644</b>	<b>1,633,958</b>

All of the above results derive from continuing activities. There are no gains and losses other than those disclosed above. The accompanying notes form an integral part of these financial statements.

**Prior Year Comparative**

	Notes	Unrestricted £	Restricted £	2018 £	2017 £
<b>Income from</b>					
Donations and legacies	2	1,634,305	-	1,634,305	372,964
Charitable activities	3	-	964,273	964,273	1,213,731
Investments	4	51	-	51	106
<b>Total Income</b>		<b>1,634,356</b>	<b>964,273</b>	<b>2,598,629</b>	<b>1,586,801</b>
<b>Expenditure</b>					
Cost of raising funds	5	207,557	-	207,557	172,102
Expenditure on charitable activities	5	747,588	1,079,245	1,826,833	1,483,813
<b>Total resources expended</b>		<b>955,145</b>	<b>1,079,245</b>	<b>2,034,390</b>	<b>1,655,915</b>
<b>Net income/(expenditure) for the year</b>		679,211	(114,972)	564,239	(69,114)

Other recognised gains and losses	(145,181)	-	(145,181)	129,786
Unrealised Gain/(loss) on revaluation of foreign currency subsidiary Net movement in funds	534,030	(114,972)	419,058	60,672
Fund balance brought forward	599,191	615,709	1,214,900	1,154,228
<b>Fund balances carried forward</b>	<b>1,133,221</b>	<b>500,737</b>	<b>1,633,958</b>	<b>1,214,900</b>

## Financial Statements – Company number: 04555494

### Consolidated and Charity Balance sheets

As at 31 March 2018

#### Current Year

	Notes	2019		2018	
		Group (Global) £	Charity (UK) £	Group (Global) £	Charity (UK) £
<b>Fixed assets</b>					
Tangible assets	9	111,560	102,754	84,307	78,171
		111,560	102,754	84,307	78,171
<b>Current assets</b>					
Debtors	10	983,762	74,377	1,124,324	112,977
Cash at bank and in hand		928,547	170,254	534,226	34,667
		1,912,309	244,631	1,658,550	147,644
<b>Creditors: amounts falling due within one year</b>	11	(190,225)	(124,663)	(108,899)	(75,564)
<b>Net current assets</b>		1,722,084	119,968	1,549,651	72,080
<b>Total assets less current liabilities</b>		1,833,644	222,722	1,633,958	150,251
<b>Represented by</b>					
<b>Unrestricted funds</b>	12	603,861	193,363	1,133,221	(30,736)
<b>Restricted funds</b>	12	1,229,783	29,359	500,737	180,987
		1,833,644	222,722	1,633,958	150,251

#### Prior Year Comparative

	Notes	2018		2017	
		Group (Global) £	Charity (UK) £	Group (Global) £	Charity (UK) £
<b>Fixed assets</b>					
Tangible assets	9	84,307	78,171	41,410	40,613
		84,307	78,171	41,410	40,613



<b>Current assets</b>					
Debtors	10	1,124,324	112,977	448,944	144,907
Cash at bank and in hand		534,226	34,667	945,924	308,704
		1,658,550	147,644	1,394,868	453,611
<b>Creditors:</b> amounts falling due within one year	11	(108,899)	(75,564)	(221,378)	(146,919)
		1,549,651	72,080	1,173,490	306,692
<b>Net current assets</b>		1,633,958	150,251	1,214,900	347,305
<b>Total assets less current liabilities</b>					
<b>Represented by</b>					
<b>Unrestricted funds</b>	12	1,133,221	(30,736)	599,191	237,305
<b>Restricted funds</b>	12	500,737	180,987	615,709	110,000
		1,633,958	150,251	1,214,900	347,305

The accompanying notes form an integral part of these financial statements. The financial statements were approved by the Trustees and authorised for issue on *6<sup>th</sup> December 2019* and signed on their behalf by



**Paul Clough**  
Trustee/Treasurer

## Financial Statements

### Consolidated Statement of Cash Flows

#### For the year ended 31 March 2019

#### Current year

	Notes	2019 £	2018 £
<b>Reconciliation of net income to net cash flow from operating activities</b>			
Net income for the reporting period (as per the statement of financial activities)		199,685	419,058
<b>Adjustment for:</b>			
Add back depreciation charges	9	50,918	33,012
Decrease (increase) in debtors	10	140,560	(675,380)
Increase (decrease) in creditors	11	81,326	(112,479)
<b>Net cash provided by / (used in) operating activities</b>		<b>472,491</b>	<b>(335,789)</b>
<b>Statement of cash flows</b>			
<b>Cash flows from operating activities:</b>			
Net cash provided by / (used in) operating activities		472,491	(335,789)
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets	9	(78,170)	(75,909)
<b>Net cash (used in) / provided by investing activities</b>		<b>(78,170)</b>	<b>(75,909)</b>
<b>Change in cash and cash equivalents in the reporting period</b>			
		394,321	(411,698)
Cash and cash equivalents at the beginning of the reporting period		534,226	945,924
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>928,547</b>	<b>534,226</b>

#### Prior year comparative

	Notes	2018 £	2017 £
<b>Reconciliation of net income to net cash flow from operating activities</b>			
Net income for the reporting period (as per the statement of financial activities)		419,058	60,672
<b>Adjustment for:</b>			
Add back depreciation charges	9	33,012	35,923
Decrease (increase) in debtors	10	(675,380)	270,345
Increase (decrease) in creditors	11	(112,479)	106,966
<b>Net cash provided by / (used in) operating activities</b>		<b>(335,789)</b>	<b>473,906</b>
<b>Statement of cash flows</b>			
<b>Cash flows from operating activities:</b>			
Net cash provided by / (used in) operating activities		(335,789)	473,906
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets	9	(75,909)	(33,158)
<b>Net cash (used in) / provided by investing activities</b>		<b>(75,909)</b>	<b>(33,158)</b>
<b>Change in cash and cash equivalents in the reporting period</b>			
		(411,698)	440,748
Cash and cash equivalents at the beginning of the reporting period		945,924	505,176
<b>Cash and cash equivalents at the end of the reporting period</b>		<b>534,226</b>	<b>945,924</b>

## Notes to the accounts

For the year ended 31 March 2019

### 1. Accounting policies

#### a) Scope and basis of financial statements

The consolidated financial statements have been prepared on a going concern basis under the historical cost convention and are in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ('the SORP'), FRS 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland ('FRS 102'), the Charities Act 2011 and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The consolidated financial statements include the financial statements of the charity together with the results of Business and Human Rights Resource Centre (US) Limited, a US non-profit organization registered under Section 501(c) (3) of the Internal Revenue Code, and Business and Human Right Resource Centre (Australia, New Zealand and Pacific) Limited, an Australian public company limited by guarantee. Both the US and Australian entities are wholly-owned subsidiaries of the Charity.

The financial statements are prepared in Sterling (£) which is the functional currency of the charity.

#### b) Income

All grants and donations income is accounted for gross when the charity has entitlement to the funds, the amount can be quantified and receipt of the funds is probable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant. Grants which have been specified for use in future periods are recognised in deferred income and released in the relevant accounting period.

Donated goods and services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity. This is normally upon notification of the interest paid or payable by the Bank.

#### c) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the Trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

#### d) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and includes VAT as appropriate. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise support costs associated with fundraising activities.
- Expenditure on charitable activities includes the costs of building transparency, strengthening accountability and empowering advocates and their associated support costs. These activities are supported through maintenance of our online library, dissemination of information on current business and human rights issues, maintenance of the company response mechanism and providing users with tools and guidance materials.

#### e) Allocation of support costs

Support costs are those which provide indirect support to front-line output provision such as central finance, human resources, governance costs and management information services. Support costs not attributable to a single activity have been allocated on a basis consistent with the identified cost driver for that cost category such as percentage staff time or occupancy.

#### f) Fixed assets & depreciation

Individual tangible fixed assets are capitalised at cost less accumulated depreciation and impairment losses. All website development costs are treated as tangible fixed assets and are also capitalised at cost.

Depreciation is calculated at the following rates to write off the cost, less estimated residual value of each asset over its expected useful life:

Computer equipment	-	33%
Website development	-	33%

#### g) Pensions

Contributions are made to employees' individual pension plans. Contributions are charged to the Consolidated Statement of Financial Activities in the year in which they become payable.

#### h) Taxation

No provision has been made for taxation as the charitable status of the Business and Human Rights Resource Centre renders it exempt from UK direct taxation on charitable activities.

#### i) Foreign currency translations

##### Functional currency and presentation currency

The individual financial statements of each entity within the group are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position are presented in Sterling (£).

##### Transactions and balances

In preparing the financial statements of the individual entities, transactions in currencies other than the functional currency of the individual entities (foreign currencies) are recognised at the spot rate at the dates of the transactions, or at an average rate where this rate approximates the actual rate at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise. However, in the consolidated financial statements exchange differences arising on monetary items that form part of the net investment in a foreign operation are recognised in other comprehensive income and are not reclassified to profit or loss.

##### Translation of group companies

For the purpose of presenting consolidated financial statements, the assets and liabilities of the group's foreign operations are translated from their functional currency (USD) to Sterling (£) using the closing exchange rate. Income and expenses are translated using the average rate for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising on the translation of group companies are recognised in other recognised gains and losses and are not reclassified to income or expenditure.

#### j) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

#### k) Leases

Rentals payable under operating leases are charged to the Consolidated Statement of Financial Activities on a straight-line basis over the period of the lease.

#### l) Judgement and key sources of estimation uncertainty

There are no judgements (apart from those involving estimates) made in the process of applying the accounting policies that have a significant effect on amounts recognised in the financial statements. There are no key assumptions concerning key sources of estimation uncertainty that have a risk of causing a material adjustment.

#### m) Financial instruments

The Charity holds basic financial instruments. The financial assets and financial liabilities of the Charity are as follows:

**Debtors** – trade debtors, other debtors and accrued income are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 10. Prepayments are not financial instruments.

**Cash at bank** – is classified as a basic financial instrument and is measured at face value.

**Investments** – All investments are classified as basic financial instruments and held at their fair value.

**Creditors** – trade creditors and accruals are classified as basic financial instruments, and are measured at amortised cost as detailed in note 11. Taxation and social security are not considered to be financial instruments. Deferred income is not deemed to be a financial liability, as in the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

## 2. Income from donations and legacies (Unrestricted income)

### Current year

	2019 £	2018 £
<b>Group (Global)</b>		
<b>Grants from foundations and governments</b>		
Anonymous Donor	37,882	-
Ford Foundation	-	303,105
Open Society Foundations	-	909,324
The Ruth Turner Fund	18,941	18,944
Wallace Global Fund	56,823	34,099
Wellspring Philanthropic Fund	151,528	265,224
Donated goods and services**	36,183	34,580
UK bad grant debtors write off	-	(5933)
Other	329	-
<b>Individual donations*</b>	49,888	74,962
	351,574	1,634,305
*Included in Individual donations * are donations from Trustees for the Global Team Retreat.	1,754	2,464

### Prior year comparative

	2018 £	2017 £
<b>Group (Global)</b>		
<b>Grants from foundations and governments</b>		
Adessium Foundation	-	59,828
Anonymous Donor	-	76,465
Ford Foundation	303,105	-
Open Society Foundations	909,324	-
The Ruth Turner Fund	18,944	19,116
Wallace Global Fund	34,099	34,409
Wellspring Philanthropic Fund	265,224	114,697
Donated goods and services**	34,580	-
UK bad grant debtors write off	(5933)	-

<b>Individual donations</b>	74,962	68,449
	1,634,305	372,964

### 3. Income from charitable activities (Restricted income)

#### Current year

	2019 £	2018 £
<b>Group (Global)</b>		
Building transparency	722,331	314,088
Strengthening accountability	722,331	295,902
Empowering advocates	810,170	354,283
	2,254,832	964,273
<b>Grants which fund charitable activities:</b>		
Australian Government's Department of Foreign Affairs and Trade*	62,821	45,468
Ford Foundation	340,627	-
C&A Foundation	657,430	-
German Federal Ministry of Economic Cooperation and Development supported by GIZ*	58,029	172,708
Humanity United	511,405	356,905
International Trade Union Confederation	-	362
W. K. Kellogg Foundation	110,422	-
National Endowment for Democracy	77,915	81,459
Oak Foundation	101,600	78,900
Open Society Foundations	89,553	204,595
Open Society Foundations (CHRI partnership)***	(13,560)	(68,834)
Omidyar Network	37,882	-
Other small grants and contributions	29,109	27,073
Oxfam GB Regional Centre Bangkok	99,460	-
Swiss Federal Department of Foreign Affairs*	75,533	47,982
The Open Society Initiative for Southern Africa (OSISA)	15,607	15,155
Unicef	1,000	2500
	2,254,832	964,273

\* Grants received from local and international governments. In the year there were no unfulfilled conditions.

\*\* Donated goods and services included above were for legal services in the year in relation to the set-up of the subsidiary in Australia.

\*\*\*During the prior year we agreed with our partners at CHRI that they would cover the costs of the project consultants from September 2017 onwards. Therefore, a further write off in relation to BHRRC's funding portion of the grant was required to reflect the transfer of costs.

#### Prior year comparative

	2018 £	2017 £
<b>Group (Global)</b>		
Building transparency	314,088	419,652
Strengthening accountability	295,902	346,957
Empowering advocates	354,283	447,122
	964,273	1,213,731
<b>Grants which fund charitable activities:</b>		
Australian Government's Department of Foreign Affairs and Trade*	45,468	-

Ford Foundation	-	152,929
C&A Foundation	-	125,000
German Federal Ministry of Economic Cooperation and Development supported by GIZ*	172,708	22,565
Humanity United	356,905	327,574
International Trade Union Confederation	362	9928
W. K. Kellogg Foundation	-	105,349
National Endowment for Democracy	81,459	72,259
Oak Foundation	78,900	-
Open Society Foundations	204,595	107,051
Open Society Foundations (CHRI partnership)***	(68,834)	180,943
Other small grants and contributions	27,073	-
Oxfam GB Regional Centre Bangkok	-	66,983
Swiss Federal Department of Foreign Affairs*	47,982	38,150
The Open Society Initiative for Southern Africa (OSISA)	15,155	-
Unicef	2500	5000
	964,273	1,213,731

#### 4. Investment income

##### Current year

	2019 £	2018 £
Bank interest receivable	122	51
	122	51

##### Prior year comparative

	2018 £	2017 £
Bank interest receivable	51	106
	51	106

#### 5. Expenditure

##### Current year

	Direct costs £	Support costs £	Total 2019 £	Total 2018 £
<b>Raising funds</b>				
Fundraising	-	205,146	205,146	207,557
<b>Sub-total</b>	-	<b>205,146</b>	<b>205,146</b>	<b>207,557</b>
<b>Charitable activities</b>				
Building transparency	234,063	131,794	365,857	340,870
Strengthening accountability	615,937	174,700	790,637	630,250
Empowering advocates	891,296	252,212	1,143,508	855,713
<b>Sub-total</b>	<b>1,741,296</b>	<b>558,706</b>	<b>2,300,002</b>	<b>1,826,833</b>
<b>Total</b>	<b>1,741,296</b>	<b>763,852</b>	<b>2,505,148</b>	<b>2,034,390</b>

## Prior year comparative

	Direct costs £	Support costs £	Total 2018 £	Total 2017 £
<b>Raising funds</b>				
Fundraising	-	207,557	207,557	172,102
<b>Sub-total</b>	<b>-</b>	<b>207,557</b>	<b>207,557</b>	<b>172,102</b>
<b>Charitable activities</b>				
Building transparency	225,854	115,016	340,870	306,617
Strengthening accountability	491,196	139,054	630,250	453,123
Empowering advocates	670,247	185,466	855,713	724,073
<b>Sub-total</b>	<b>1,387,297</b>	<b>439,536</b>	<b>1,826,833</b>	<b>1,483,813</b>
<b>Total</b>	<b>1,387,297</b>	<b>647,093</b>	<b>2,034,390</b>	<b>1,655,915</b>

The basis of allocation of support costs is described in note 1(e) and further analysis is provided in note 6.

## 6. Support costs by activity

## Current year

	Raising funds £	Building transparency £	Strengthening accountability £	Empowering advocates £	Total 2019 £	Total 2018 £
Central management	2736	6862	25,677	51,332	86,607	91,684
Central finance, administration and human resources	5400	45,889	58,742	100,579	210,610	128,326
Fundraising	195,802	705	705	727	197,939	204,261
Communication	-	23,118	34,359	42,681	100,158	73,226
Central facilities	-	37,268	37,265	38,397	112,930	87,989
Governance	-	17,952	17,952	18,496	54,400	61,607
<b>Total</b>	<b>203,938</b>	<b>131,794</b>	<b>174,700</b>	<b>252,212</b>	<b>762,644</b>	<b>647,093</b>

## Prior year comparative

	Raising funds £	Building transparency £	Strengthening accountability £	Empowering advocates £	Total 2018 £	Total 2017 £
Central management	3586	7220	26,972	53,906	91,684	104,942
Central finance, administration and human resources	3869	34,141	38,420	51,896	128,326	108,007
Fundraising	200,102	1372	1373	1414	204,261	153,436
Communication	-	22,920	22,920	27,386	73,226	14,359
Central facilities	-	29,034	29,038	29,917	87,989	81,501
Governance	-	20,329	20,331	20,947	61,607	11,594
<b>Total</b>	<b>207,557</b>	<b>115,016</b>	<b>139,054</b>	<b>185,466</b>	<b>647,093</b>	<b>473,839</b>

## Analysis of governance costs



**Current year**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Trustee expenses and meetings	179	6388
Audit	7500	7200
Legal	46,333	47,973
Other governance costs	388	96
	<b>54,400</b>	<b>61,607</b>

**Prior year comparative**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Trustee expenses and meetings	6338	3975
Audit	7200	7300
Legal	47,973	304
Other governance costs	96	15
	<b>61,607</b>	<b>11,594</b>

Governance costs relate to the direct running of the charity, allowing the charity to operate and generate the information required for public accountability. They include trustee expenses, the costs of trustee meetings and external audits and legal costs.

**7. Global Team Costs**

The average number of employees during the year was 27.2 (2018: 21.2).

The average number of part-time researchers working as consultants / independent contractors during the year was 18.0 (2018: 13.6)

**Current year**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Staff costs during the year amounted to:		
Wages and salaries	1,086,678	875,642
Social security costs	98,221	88,638
Employer's pension contributions	67,044	46,405
	<b>1,251,943</b>	<b>1,010,685</b>
Other staff related costs (including travel)	267,778	182,618
Part-time senior & regional researchers; consultants*	657,471	557,813
	<b>2,177,192</b>	<b>1,751,116</b>

**Prior year comparative**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Staff costs during the year amounted to:		
Wages and salaries	875,642	715,674
Social security costs	88,638	70,861
Employer's pension contributions	46,405	44,415
	<b>1,010,685</b>	<b>830,950</b>
Other staff related costs (including travel)	182,618	133,371

Part-time senior & regional researchers; consultants*	557,813	470,334
	<b>1,751,116</b>	<b>1,434,655</b>

\*Consultancy costs: Regional researchers are paid as consultants, given that they work as part-time independent contractors.

### The number of employees with emoluments greater than £60,000:

#### Current year

	2019	2018
£60,000 to £70,000	1	-
£70,000 to £80,000	3	1
£80,000 to £90,000	-	2
£90,000 to £100,000	2	1

#### Prior year comparative

	2018	2017
£60,000 to £70,000	-	1
£70,000 to £80,000	1	1
£80,000 to £90,000	2	-
£90,000 to £100,000	1	2

Retirement benefits are paid under a defined contribution scheme. The total employer pension contributions paid were £48,787 for the year (2018: £31,959) with £18,257 (2018: £14,446) owing as at 31 March 2019. Employer pension contributions in respect of the higher paid staff were £21,047 (2018: £17,438) with £8463 (2018: £11,276) owing at year end.

No trustee, nor any person connected with them, received any remuneration from the charity. No Trustees were reimbursed in the year (2018: £3689 – two trustees) for travel expenses in connection with their duties as a trustee with regards to travel on missions to higher risk countries.

The key management personnel comprise the Trustees, the Executive Director, Deputy Director & Head of Europe Office, Deputy Director & Head of North America Office, Labour Rights Director and Senior Development Director. The total employee benefits of the key management personnel were £447,835 (2018: £415,533). This includes gross pay, employers National Insurance and pensions.

## 8. Net (expenditure)/income for the year

#### Current year

This is stated after charging:

	2019 £	2018 £
Depreciation	50,918	33,018
Auditor's remuneration - cost of audit (inc. VAT)	7500	7200

#### Prior year comparative

This is stated after charging:

	2018 £	2017 £
Depreciation	33,018	35,923

Auditor's remuneration - cost of audit (inc. VAT)	7200	7300
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## 9. Tangible fixed assets – Group (Global)

	Website £	Computer equipment £	Total £
<b>Costs</b>			
1 April 2018	198,865	34,778	233,643
Additions	67,378	10,793	78,171
<b>31 March 2019</b>	<b>266,243</b>	<b>45,571</b>	<b>311,814</b>
<b>Depreciation</b>			
1 April 2018	125,375	23,961	149,336
Charge for the year	44,407	6511	50,918
<b>31 March 2019</b>	<b>169,782</b>	<b>30,472</b>	<b>200,254</b>
<b>Net book value</b>			
<b>31 March 2019</b>	<b>96,461</b>	<b>15,099</b>	<b>111,560</b>
31 March 2018	73,490	10,817	84,307

## Tangible fixed assets – Charity (UK)

	Website £	Computer equipment £	Total £
<b>Costs</b>			
1 April 2018	196,400	24,209	220,609
Additions	67,378	4053	71,431
<b>31 March 2019</b>	<b>263,778</b>	<b>28,262</b>	<b>292,040</b>
<b>Depreciation</b>			
1 April 2018	122,910	19,528	142,438
Charge for the year	44,406	2442	46,848
<b>31 March 2019</b>	<b>167,316</b>	<b>21,970</b>	<b>189,286</b>
<b>Net book value</b>			
<b>31 March 2019</b>	<b>96,462</b>	<b>6292</b>	<b>102,754</b>
31 March 2018	73,490	4681	78,171

## 10. Debtors

### Current year

	2019		2018	
	Group (Global) £	Charity (UK) £	Group (Global) £	Charity (UK) £
<b>Due within one year</b>				
Other Debtors / Prepayments	38,720	32,002	44,360	37,891
Grant debtor	945,042	11,132	1,079,964	67,667
Loan to subsidiary undertaking	-	31,243	-	7419
	983,762	74,377	1,124,324	112,977

### Prior year comparative

	2018		2017	
	Group (Global) £	Charity (UK) £	Group (Global) £	Charity (UK) £
<b>Due within one year</b>				
Other Debtors / Prepayments	44,360	37,891	30,748	21,696
Grant debtor	1,079,964	67,667	418,196	114,001
Loan to subsidiary undertaking	-	7419	-	9210
	1,124,324	112,977	448,944	144,907

## 11. Creditors: amounts falling due within one year

### Current year

	2019		2018	
	Group (Global) £	Charity (UK) £	Group (Global) £	Charity (UK) £
Trade creditors	120,987	59732	52,432	26,442
Tax and social security creditors	25,039	25,039	16,179	16,179
Accruals	39,604	35,297	36,414	29,069
Other creditors	4595	4595	2874	2874
Deferred income	-	-	1000	1000
	190,225	124,663	108,899	75,564

	2019 £	2018 £
Deferred income:		
Deferred income brought forward	1000	-
Amounts released	(1000)	-
Income deferred in the year	-	1000
	-	1000

## Prior year comparative

	2018		2017	
	Group (Global) £	Charity (UK) £	Group (Global) £	Charity (UK) £
Trade creditors	52,432	26,442	68,613	36,165
Tax and social security creditors	16,179	16,179	14,887	14,887
Accruals	36,414	29,069	80,253	38,242
Other creditors	2,874	2,874	9,643	9,643
Deferred income	1,000	1,000	47,982	47,982
	108,899	75,564	221,378	146,919

	2018 £	2017 £
Deferred income:		
Deferred income brought forward	-	47,982
Amounts released	-	(47,982)
Income deferred in the year	1,000	-
	1,000	-

The deferred income relates to a contribution from Oxfam for £1,000 which was received in advance for the financial year 2018-19.

## 12. Funds – Group (Global)

## Current year

	Balance at 1/4/18 £	Income £	Expenditure £	Transfers £	Unrealised Currency gain/(loss) £	Balance at 31/3/19 £
<b>Restricted funds</b>						
Defending labour rights	441,711	2,061,652	(1,371,767)	-	-	1,131,596
Protecting civic freedoms and human rights defenders	46,134	101,496	(97,405)	-	-	50,225
Promoting responsible resource use	12,892	91,685	(56,614)	-	-	47,963
<b>Restricted funds</b>	500,737	2,254,833	(1,525,787)	-	-	1,229,783
<b>Unrestricted funds</b>						
General funds	832,349	351,696	(928,329)	(84,957)	98,305	269,064
General reserve	245,005	-	-	84,957	-	329,962
Designated reserve	55,867	-	(51,032)	-	-	4835
<b>Total unrestricted funds</b>	1,133,221	351,696	(979,361)	-	98,305	603,861
<b>Total funds</b>	1,633,958	2,606,529	(2,505,148)	-	98,305	1,833,644

## Prior year comparative

	Balance at 1/4/17 £	Income £	Expenditure £	Transfers £	Unrealised Currency gain/(loss) £	Balance at 31/3/18 £
<b>Restricted funds</b>						
Defending labour rights	572,508	775,086	(905,804)	-	-	441,711

<b>Protecting civic freedoms and human rights defenders</b>	29,247	146,879	(129,913)	-	-	46,134
<b>Promoting responsible resource use</b>	13,954	42,308	(43,528)	-	-	12,892
<b>Other</b>	615,709	964,273	(1,079,245)	-	-	500,737
<b>Restricted funds</b>						
<i>Unrestricted funds</i>	310,634	1,564,356	(867,008)	(30,452)	(145,181)	832,349
<b>General funds</b>	175,005	70,000	-	-	-	245,005
<b>General reserve</b>	113,552	-	(88,137)	30,452	-	55,867
<b>Designated reserve</b>						
<b>Total unrestricted funds</b>	599,191	1,634,356	(955,145)	-	(145,181)	1,133,221
<b>Total funds</b>	1,214,900	2,598,629	(2,034,390)	-	(145,181)	1,633,958

<b>Name of Fund</b>	<b>Description, nature and purposes of fund</b>
<i>Restricted funds</i>	
<b>Defending labour rights</b>	Covers work on two clusters: the most egregious forms of abuse in trafficking, rights of refugees and migrant workers, forced labour and modern slavery; and rights to decent work, a living wage, freedom of association and collective bargaining.
<b>Protecting civic freedoms and human rights defenders</b>	Covers work with allies to expose the denial of civic freedoms and attacks on human rights defenders, and work with progressive business to increase their voice and impact to counter these trends.
<b>Promoting responsible resource use</b>	Focuses on land and water rights associated with mining and mega-projects; and pro-moting a fair and fast transition to a low carbon economy by promoting human rights due diligence by the renewable sector.
<b>Other</b>	Support the development of fundraising capacity and transition of leadership of the Re-source Centre.
<i>Unrestricted funds</i>	
<b>General funds</b>	Unrestricted grants which are to be used over multiple years for planned core expenditure.
<b>General reserve</b>	The “free reserve” after allowing for all designated funds. Further detail describing this reserve is provided in the reserves policy on page 26.
<b>Designated reserve</b>	Described in the reserves policy on page 26.

## Charity (UK)

### Current Year

	<b>Balance at 1/4/18</b>	<b>Income</b>	<b>Expenditure</b>	<b>Unrealised Currency gain/(loss)</b>	<b>Balance at 31/3/19</b>
	£	£	£	£	£
<i>Restricted funds</i>					
<b>Defending labour rights</b>	180,987	282,633	(434,261)	-	29,359
<b>Protecting civic freedoms and human rights defenders</b>	-	330	(330)		
Promoting responsible resource use	-	340	(340)		
<b>Restricted funds</b>	180,987	283,303	(434,931)	-	29,359
<b>Unrestricted funds: General fund</b>	(30,736)	1,076,275	(851,397)	(779)	193,363
<b>Total funds</b>	150,251	1,359,578	(1,286,328)	(779)	222,722

## Prior year comparative

	Balance at 1/4/17 £	Income £	Expenditure £	Unrealised Currency gain/(loss) £	Balance at 31/3/18 £
<b>Restricted funds</b>					
Defending labour rights	110,000	355,670	(284,683)	-	180,987
<b>Restricted funds</b>	110,000	355,670	(284,683)	-	180,987
<b>Unrestricted funds: General fund</b>					
	237,305	6471	(275,291)	779	(30,736)
<b>Total funds</b>	347,305	362,141	(559,974)	779	150,251

## 13. Analysis of net assets between funds – Group (Global)

## Current year

	Unrestricted £	Restricted £	Total £
<b>2019</b>			
Tangible assets	111,560	-	111,560
Net current assets	492,301	1,229,783	1,722,084
<b>Net assets</b>	603,861	1,229,783	1,833,644

## Prior year comparative

	Unrestricted £	Restricted £	Total £
<b>2018</b>			
Tangible assets	84,307	-	84,307
Net current assets	1,048,914	500,737	1,549,651
<b>Net assets</b>	1,133,221	500,737	1,633,958

## Analysis of net assets between funds – Charity (UK)

## Current year

	Unrestricted £	Restricted £	Total £
<b>2019</b>			
Tangible assets	102,754	-	102,754
Net current assets	90,609	29,359	119,968
<b>Net assets</b>	193,363	29,359	222,722

## Prior year comparative

	Unrestricted £	Restricted £	Total £
<b>2018</b>			
Tangible assets	78,171	-	78,171
Net current assets	(108,907)	180,987	72,080
<b>Net assets</b>	(30,736)	180,987	150,251

## 14. Operating leases

The total of the Group's future minimum lease payments under non-cancellable operating leases for land and buildings is as follows:

### Current year

	2019 £	2018 £
Amounts payable:		
Within 1 year	52,949	65,244
Between 1 and 5 years	9,000	85,320
<b>Total</b>	<b>61,949</b>	<b>150,564</b>

### Prior year comparative

	2018 £	2017 £
Amounts payable:		
Within 1 year	65,244	60,941
Between 1 and 5 years	85,320	151,473
<b>Total</b>	<b>150,564</b>	<b>212,414</b>

The total of the UK Charity's future minimum lease payments under non-cancellable operating leases for land and buildings is as follows:

### Current year

	2019 £	2018 £
Amounts payable:		
Within 1 year	36,000	35,431
Between 1 and 5 years	9,000	45,000
<b>Total</b>	<b>45,000</b>	<b>80,431</b>

### Prior year comparative

	2018 £	2017 £
Amounts payable:		
Within 1 year	35,431	31,750
Between 1 and 5 years	45,000	103,565
<b>Total</b>	<b>80,431</b>	<b>135,315</b>

## 15. Subsidiary undertaking

In order to enhance the Resource Centre's presence and to facilitate charitable fundraising in the United States, the Trustees formed a not-for-profit US corporation, named BUSINESS AND HUMAN RIGHTS RESOURCE CENTRE (US), LTD, with the Resource Centre as the sole member of that corporation on 27 February 2004.

The Directors of this US Corporation are Chris Jochnick, Michael Hirschhorn, Mila Rosenthal, Heather Grady, Kirsty Jenkinson, Tanya Peterson (- May 2018), Anne Travers, Komala Ramachandra and Shawna Bader-Blau.



Tax exempt status from the US Internal Revenue Service was applied for in March 2004 and formally granted in October 2004.

#### Current year

	2018 £	2017 £
Income	1,246,951	2,236,488
Expenditure	(1,218,820)	(1,474,416)
<b>Net (expenditure)/income for the year</b>	<b>28,131</b>	<b>762,072</b>

	Unrestricted £	Restricted £	2018 Total £	2017 Total £
<b>Net assets</b>	<b>410,498</b>	<b>1,194,080</b>	<b>1,604,578</b>	<b>1,483,707</b>

#### Prior year comparative

	2018 £	2017 £
Income	2,236,488	781,243
Expenditure	(1,474,416)	(685,147)
<b>Net (expenditure)/income for the year</b>	<b>762,072</b>	<b>96,096</b>

	Unrestricted £	Restricted £	2018 Total £	2017 Total £
<b>Net assets</b>	<b>1,163,957</b>	<b>319,750</b>	<b>1,483,707</b>	<b>867,595</b>

In order to enhance the Resource Centre's presence and to facilitate charitable fundraising in the Australia, New Zealand and Pacific Region, the Trustees formed an Australian subsidiary, named BUSINESS AND HUMAN RIGHTS RESOURCE CENTRE (AUSTRALIA, NEW ZEALAND AND PACIFIC) LIMITED, with BHRRC as the sole member of that subsidiary on 6 July 2018.

The Directors of this Australian company are Amanda Sinclair, Justine Nolan and Philip Bloomer.

An application has been made to register as a charity with the Australian Charities and Not-For-Profit Commission.

	2019 £	2018 £
Income	33,424	-
Expenditure	(26,901)	-
<b>Net (expenditure)/income for the year</b>	<b>6523</b>	<b>-</b>

	Unrestricted £	Restricted £	2019 Total £	2018 Total £
<b>Net assets</b>	-	6344	6344	-

## 16. Financial performance of the charity

The Consolidated Statement of Financial Activities includes the results of the Business and Human Rights Resource Centre (US) Limited.

The summary financial performance of the UK charity alone is:

### Current year

	2019 £	2018 £
Income	1,359,578	362,141
Expenditure	(1,286,328)	(559,974)
Foreign currency translation gain/(loss)	(779)	0
<b>Net (expenditure)/income for the year</b>	<b>72,471</b>	<b>(197,833)</b>

### Prior year comparative

	2018 £	2017 £
Income	362,141	805,558
Expenditure	(559,974)	(970,768)
<b>Net (expenditure)/income for the year</b>	<b>(197,833)</b>	<b>(165,210)</b>

# Legal and Administrative Details

## Board

Shawna Bader-Blau, Paul Clough (Treasurer, Jul 2019–), Sumi Dhanarajan, Mutuso Dhliwayo (July 2019–), Heather Grady, Michael Hirschhorn, Kirsty Jenkinson, Chris Jochnick (Chair), Seema Joshi, Kathleen Parsons (Treasurer, –Jul 2019), Tanya Peterson (–May 2018), Komala Ramachandra, César Rodriguez-Garavito, Dr Mila Rosenthal, Anne Travers

## Principal address & registered office

2-8 Scrutton Street 2nd Floor  
London EC2A 4RT

## Auditors

MHA MacIntyre Hudson Rutland House  
148 Edmund Street  
Birmingham B3 2FD

## Bankers

Royal Bank of Scotland plc RBS London Corp Bank Centre  
PO Box 39952  
2 ½ Devonshire Square  
London EC2M 4XJ

## Solicitors

Bates Wells & Braithwaite 10 Queen Street Place  
London EC4R 1BE



**Business and Human Rights  
Resource Centre**