

Annual Report

2019/20



Business and Human Rights
Resource Centre

**“What came up time and again was the
fundamental importance of the BHRRC.”**

Andrea Shemberg, Chair at Global Business Initiative on
Human Rights and Visiting Fellow at the London School of Economics

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Foreword

BY PHIL BLOOMER & CHRIS JOCHNICK

In July 2019, our Labour team surfaced a report from Mauritius that 150 migrant workers from Bangladesh were stranded. The factory closed overnight without paying them for the two months prior work, cutting off the water and electricity to their crowded dormitories, and without money for food. Migrant workers often pay large recruitment fees to unscrupulous middlemen to get these factory jobs, so many of these workers were also in debt bondage. The Resource Centre team got to work. We spoke to local trade unions who provided immediate help, and documented the workers' plight. With our partners, the Open Apparel Registry, we traced the buyers from this factory: ASOS and John Lewis. We approached them both to ask what they were doing to support this part of their workforce. While John Lewis provided a two-line response stating it was aware of the factory closure, [ASOS responded in full](#), outlining remediation actions it would take. The electricity and water were reconnected; they ensured that one of the two months wages were paid; and they worked with other suppliers to find employment for some of the workers in other factories. The outcome was not ideal. In such an unequal world, it never is. But with our partners, such as the trade unions, and the cooperation of ASOS we were able to support a small group of the most vulnerable people on our planet – migrant workers summarily dismissed by factory owners, and left abandoned by brands they ultimately produce for.

The COVID-19 pandemic has shown how easily workers can be discarded by fashion brands who fail to take responsibility for those that make their clothes. In the supply chains of fast fashion, estimates of millions of job losses in India and Bangladesh indicate the scale and scope of human suffering – much of it loaded onto women workers employed in clothing factories. The humanitarian crisis triggered by these mass dismissals was provoked both by fashion brands summarily cancelling orders, not paying for orders, or demanding deep discounts, as well as the historic poverty wages paid to workers, sustained by unfair purchasing practices of the brands over decades. Workers who have demanded fair treatment and respect have faced threats of dismissal to



silence them. The Resource Centre has worked with partners and allies to track and expose abuse including summary dismissals, unpaid wages and persecution of union leaders who raise the alarm on abuse, and we have combined these with our corporate benchmarks like [KnowTheChain](#) that ranks companies on their efforts to tackle modern slavery. We have worked with investor alliances to encourage their engagement with companies to insist on an end of abuse. Equally, we have built the evidence to highlight and reward the better practice of more responsible companies regarding the treatment of manufacturers, and this more vulnerable part of their international workforce.

Finally, this year we have been buoyed by progress in Europe to strengthen the law to prevent human rights abuse. The long campaign has been led by the European Coalition for Corporate Justice and trade unions, and we have made a small but persistent contribution. It was given a major boost by the EU's Justice Commissioner, Didier Reynders, who announced plans for a new law in 2021 that will demand companies identify their human rights risks for workers and communities and implement a plan to mitigate or eliminate them. We take up over 600 allegations of abuse each year from the grassroots with company HQs, so we know the scale and scope of the problem to be addressed. This legislation has the potential to prevent many of these allegations from ever arising.

We want to thank our generous funders who have supported us this year and stuck by us through the turbulence of the pandemic. Equally our many allies, partners and supporters without whom we could not be effective. Our trustees have sustained a close interest and diligent overview of our progress. And our global team working in twenty locations around the world who never fail to amaze us with their commitment, creativity and delivery to make change happen.



Chris Jochnick
Chair



Phil Bloomer
Executive Director

Who we are and what we do

We are an international non-profit organisation 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 communities and workers are empowered to secure their rights and gain accountability for abuse.

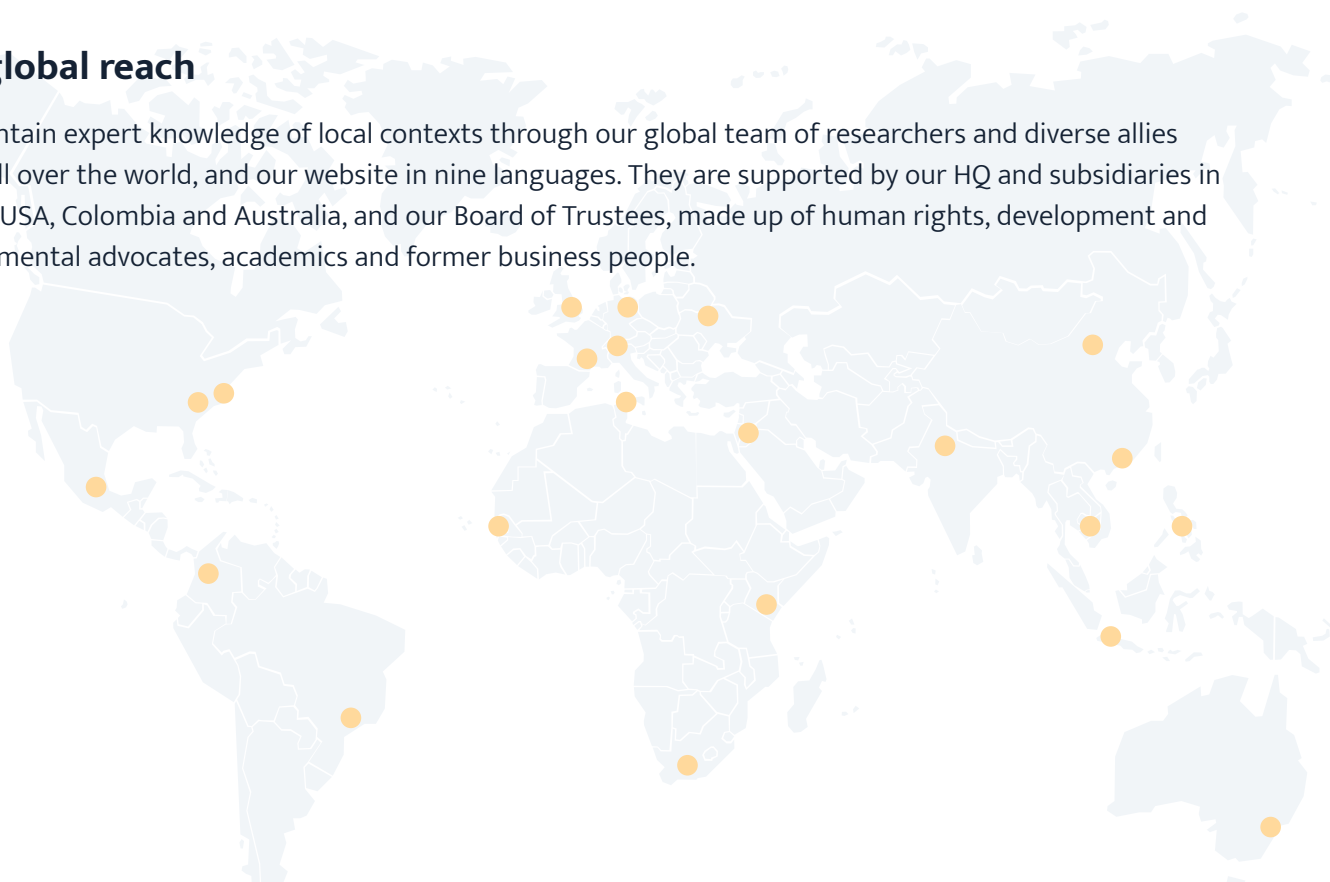
How we work

We make a crucial contribution to this change and deliver our vision through three strategic priorities:

- ③ Empowering advocates: We amplify the voices of the vulnerable, and human rights advocates in civil society, business, government and the media.
- ③ Strengthening corporate accountability: We help communities and civil society to gain effective remedy when abuse occurs, and provide companies with an opportunity to respond.
- ③ Building corporate transparency: We track the business impacts on human rights of over 10,000 companies worldwide to help victims and civil society get their concerns heard.

Our global reach

We maintain expert knowledge of local contexts through our global team of researchers and diverse allies based all over the world, and our website in nine languages. They are supported by our HQ and subsidiaries in the UK, USA, Colombia and Australia, and our Board of Trustees, made up of human rights, development and environmental advocates, academics and former business people.



Overview of activities

In 2019/20, Business and Human Rights Resource Centre worked with a global network of advocates in civil society, business, government and the media to advance human rights in business and eradicate abuse. Although we cover all human rights issues, we focus our activities around three thematic priorities: defending labour rights; promoting responsible use of natural resources; and protecting civic freedoms and human rights defenders (HRDs).

Our work on **labour rights** grew significantly when COVID-19 struck, and our researchers began work with partners and allies immediately to [track rising labour abuse](#) in supply chains, expose the impact on workers and call for respect for their rights. Our goals before, and since the pandemic struck, are: to eliminate the worst forms of labour abuse, especially forced labour; to ensure decent work, including living wages and freedom of association; and to promote labour and gender justice in supply chains. We focused on influential sectors including apparel, food, ICT, construction and hospitality. We used our platforms to amplify the voices and demands of our partners and allies in the labour rights movements, particularly those in the global South; our approach to companies regarding allegations of human rights impacts to strengthen accountability; and our data analysis and propositions to seek change in policy, regulation and law. We continued to provide public surveys and benchmarks of corporate policy and practice in high-risk sectors to help empower investors and civil society, and encourage a competitive race to the top among companies.

The natural resources sector continues to be the sector with the most allegations of human rights abuse by companies and one that is increasingly expanding its operations into the most vulnerable communities across the globe. We expanded our support, and nurtured our relationships with partner organisations on the ground who are utilising our tools to support their negotiations with natural resource companies and generate greater visibility, especially in under-publicised regions. In our efforts to promote a fair and fast transition



3.9M PAGE VIEWS

to our website, a 50% increase on last year



605 APPROACHES TO COMPANIES

regarding allegations of human rights abuse

Conducted research missions to



13 COUNTRIES

including Ethiopia, Honduras, and Nepal

to net-zero carbon emissions, we continued to raise the profile of the renewable energy sector as a high-risk sector for abuse. To assist investors, companies and others in understanding the human rights risks in this burgeoning and vital sector, we created new tools for them to use in their decision-making. This paved the way for the **first-ever global benchmark** on renewable energy and human rights. We also launched a new innovative programme to highlight the human rights risks involved in sourcing **‘transition minerals’** required for renewable energy technology, and used the data to inform decision-making and improve human rights due diligence practices by buyers and investors.

This year, we witnessed a significant deterioration in respect for civic freedoms in numerous contexts, notably Hong Kong, Cambodia, Chile, Ecuador, Brazil, Turkey, India and the USA. Attacks against HRDs challenging irresponsible business practices continued unabated across the globe, with **over 2,300 since 2015**. We focused on two specific objectives to counter these trends: support and amplify the profile and work of HRDs focused on business-related activities; and increase rapid action and longer-term involvement of companies and investors in support of HRDs and civic freedoms. To advance these objectives and help increase protection for defenders, we deepened our work in coalitions, such as the Defending Land and Environmental Defenders Coalition and the Zero Tolerance Initiative. We also continued engaging companies through our Business Network on Civic Freedoms and HRDs to catalyse further action around protection and HRDs, focusing specifically on the situations in Hong Kong and Cambodia.

Our **website**, available in eight languages, now tracks the human rights impacts of over 10,000 companies worldwide, and in 2019/20 received nearly 3.9 million unique page views, a 50% increase on last year. We made **605 approaches to companies** regarding allegations of human rights abuse and provided the opportunity to respond. Our global response rate is 70%. We delivered our **free e-newsletters**, highlighting top stories and breaking news in business and human rights, to over 19,000 subscribers globally, and surpassed 20,000 followers on Twitter. We conducted research missions to 13 countries, including Ethiopia, Honduras, and Nepal, to meet communities, organisations, companies and other stakeholders, and better understand local concerns. We co-hosted 10 capacity-building workshops and roundtables to support local advocates in their negotiations with companies, including in Azerbaijan, Mexico and Zimbabwe.

We established a subsidiary in Colombia to secure funding for our business and human rights strategy in the country, and we now have a small office in Bogotá, led by our Senior Researcher & Representative for South America.



OVER
19k SUBSCRIBERS

to our e-newsletters, highlighting top stories and breaking news in business and human rights



10 WORKSHOPS & ROUNDTABLES

to support local advocates in their negotiations with companies, including in Azerbaijan, Mexico and Zimbabwe.

Defending labour rights

Organised worker exchange programme to strengthen networks and increase information-sharing

Driven by growing restrictions faced by unions in the global South and our partners' desire to explore a combination of strategies for the enjoyment of their rights, we partnered with the US-based Coalition of Immokalee Workers and the Worker-Driven Social Responsibility (WSR) Network to facilitate a learning exchange programme for our partners Partidong Manggagawa (Philippines), CENTRAL (Cambodia) and Cambodian Alliance of Trade Unions. Leaders from these organisations visited Immokalee, Florida to learn first-hand about the WSR model, its key principles, and the monitoring and implementation of the foundational WSR programme. Our partners had the opportunity to understand the unique set of demands, tactics and strategies employed by the WSR Network, including consumer engagement, campaigning, and methods for building collective worker-led power in restrictive and challenging contexts. As a result, our partners are creating the worker-driven strategies that can be adapted across Asian countries.

“It has been great to get to know people who are living through similar struggles and supporting global human and environmental justice”

Diana Perez, lawyer from IMDEC, Puebla, Mexico

Supported civil society in Nepal focusing on migrant workers' rights

In December 2019, we conducted a research mission and human rights documentation training in Nepal, for civil society representatives working on migrant workers' rights, with a focus on abuses by construction and hospitality companies in the Gulf. Despite contributing about 30% of Nepal's GDP in the



Photo by Felton Davis Flickr

form of remittances, migrant workers remain unprotected from exploitation and abuse, including falling into forced labour due to deception by recruitment agents, working excessively long hours without overtime pay or days-off and frequent deaths or health problems caused by heat stress. Feedback confirmed that participants found the training extremely useful and practical, and several participants subsequently informed us how they used the materials and applied the techniques learned during their field work. During the trip we also gathered testimonies from migrant workers, mostly employed in the Gulf hospitality sector, to better understand workers' concerns and inform future areas of our work.

Exposed modern slavery in Pacific supply chains of canned tuna

Our [new briefing and online platform](#), published in June 2019, examined how tuna companies and supermarkets are addressing the risks of modern slavery in Pacific tuna fishing operations and supply chains. The Pacific provides almost 60% of the world's tuna catch, worth US\$22 billion, yet our research revealed that whilst a small cluster of leading companies are translating policies into practical steps, in general most are failing to tackle the issue, putting workers in danger. The report succeeded in raising the profile of abuses in the sector, and gained strong international and regional media coverage, including a story in [The Guardian](#) and an interview on [ABC Radio](#) in Australia. We are currently working on a follow-up survey and report due to be published in early 2021. Our analysis will attribute best practice to specific companies, and advise others how to improve, harnessing the competitive nature of the market and driving heightened action against modern slavery by global brands sourcing from the Pacific.



Promoting responsible resource use

Supported the voices of communities devastated by Brazil’s Brumadinho dam disaster

In 2019 a Vale-owned mineral tailings dam near Brumadinho, Brazil, [collapsed](#), killing over 250 people, and causing unprecedented damage to the surrounding environment and to the livelihoods of local people. We worked throughout the year to bring the concerns of affected communities to international audiences and sustain the attention of investors. This included supporting visits to the affected communities, and facilitating dialogue between communities and investors. We invited 21 companies to [respond to a civil society letter](#) calling for accountability, of which 11 did, including: BNP Paribas, Deutsche Bank and HSBC. We also supported affected communities to speak at key investor meetings including PRI in person in France, and the Local Authority Pension Fund Forum in the UK. We continue to work with community representatives to develop clear demands from Vale and the mining industry, including pushing for systematic management change and more hands-on involvement from investors.

Increased visibility of indigenous groups working on renewable energy issues

In September 2019, we celebrated our [10th annual Mary Robinson Speaker Series](#) event during Climate Week in New York, with the theme “Turning up the heat: Solutions from indigenous peoples and progressive business to drive the transition to a low-carbon economy”. Panellists included keynote speaker Ikal Angelei, an indigenous and environmental leader from Friends of Lake Turkana in Kenya, as well as representatives from the Indigenous Peoples Major Group for Sustainable Development, W Dusk Energy Group and Boston



Photo by Eric Marmor, IDF Spokesperson's Unit

Common Asset Management. Over 100 participants, including investors, companies, donors and civil society representatives, engaged in a lively discussion on how to support indigenous communities as we transition to a net-zero carbon economy.

“We are happy to be part of the exercise that we find extremely relevant and valuable. Relevant in order for the sector to have the right focus on addressing human rights in their value chains and valuable to us understanding how we fare within the industry.”

Danish wind company Ørsted on our renewable energy and human rights benchmark.

Expanded our programme to support a fair and fast transition to net-zero emissions

We continued to develop new tools and resources for companies, investors and governments to understand and fulfil their human rights responsibilities in the renewable energy sector, and for civil society to hold them accountable for doing so. In July 2019 we released [Fast & fair renewable energy: A practical guide for investors](#), with case snapshots and key questions investors should be asking of their current and future investments in renewable energy. In August 2019 we launched the [Transition Minerals Tracker](#), which tracks the human rights records of mining companies responsible for extracting the minerals most critical to the renewable energy sector, including copper, cobalt, lithium and nickel. As demand for these minerals skyrockets, companies' human rights due diligence is failing to keep pace, increasing the risk that the transition is fuelling further abuses in an already troubled sector. Our tracker helps civil society expose these human rights risks while also increasing the information available to end-user companies, investors and mining companies to inform their decision-making and improve their due diligence practices. Finally, we undertook global consultations in seven cities around the world and online to inform the development of the first-ever renewable energy and human rights benchmark [methodology](#), which we released in December 2019 in anticipation of releasing the benchmark itself in 2020.

Protecting civic freedoms and human rights defenders



Maximised the impact of our data and produced compelling analysis

We continued to track and respond to attacks on HRDs working on business and human rights. Our [database](#), which now details 2,338 cases, is considered a trusted reference source by the broad movement. We interrogated the data to generate quantitative analysis, and combined this with real-life stories to produce compelling packages to support local HRDs in their advocacy and as part of their protection strategies. For example, to mark International Human Rights Defenders Day in December, we [interviewed](#) Mirvari Gahramanli of Oil Workers' Rights Protection Organization (OWRPO) in Azerbaijan, to highlight the experiences of women HRDs in Eastern Europe and Central Asia, a region which does not attract enough international attention despite the huge risks and restrictions to advocates of human rights. We also released [analysis](#) of our data in Colombia, highlighting that 44% of attacks were against HRDs who raised concerns about five specific companies. Our briefing, with a foreword from the UN Special Rapporteur on HRDs, attracted significant media attention and some of the companies later sought support from the UN to improve their practices and policies related to HRDs.

Expanded our work on Strategic Lawsuits Against Public Participation

Over the past year we have expanded our research on Strategic Lawsuits Against Public Participation (SLAPPs) – lawsuits intended to intimidate and silence critics by burdening them with the cost and hassle of litigation – to better understand the scope of this type of attack against defenders globally. We will create a publicly accessible database of SLAPP cases based on this research, and research by partners including Greenpeace International and Protect the Protest, that can be used to inform collective action. In March 2020, we published an [analysis](#) of SLAPP cases and anti-SLAPP laws in Southeast Asia to highlight progressive decisions that have been made in favour of HRDs, provide impetus for reform of anti-SLAPP legislations when existing ones fall short, and encourage countries to introduce them when they are absent.

Actively engaged in and played a leading role in coalitions to protect civic freedoms and HRDs

We continued to play an active role in several coalitions to increase the critical work of defenders, the risks they face, and restrictions on civic freedoms that undermine their work, including:

- ③ **Protecting Land and Environmental Defenders ('Defend the Defenders')**: We have a leading role in this coalition that focuses on land and environmental defenders. We have been leading the coalition's work to improve coordination and cooperation in global data collection of attacks on these defenders among coalition members.
- ③ **Zero Tolerance Initiative (ZTI)**: We are members of the 'backbone team' of ZTI, a coalition that promotes a zero-tolerance approach to attacks on defenders. We have been leading the coalition's effort to define minimum requirements for business policy on defenders.
- ③ **Protect the Protest**: A group of US-based organisations working to stop SLAPPs and protect free speech.

Harnessed companies' influence in support of labour rights defender in Ecuador

Our team supported Jorge Acosta, union leader and coordinator of Ecuadorian banana plantation workers' union ASTAC, who was accused of "creating economic panic", a crime chargeable with five to seven years in prison. We worked behind the scenes with Jorge and Swedwatch, at Jorge's request, to increase visibility of the case by approaching banana export companies and buyers in Europe (including Axfood, Coop, Everfresh, Greenfood, Martin & Servera and Menigo) to sign a letter to the Ecuadorian Government in support of Jorge. In February, Jorge was charged, and we once again collaborated with companies and Swedwatch on a [second letter](#) of support. Following the letter, the Ecuadorian Embassy in Sweden reached out to companies and updated them that most of the charges against Jorge had been dropped. Remaining charges will be heard in court in September 2020, and with Swedwatch, we are encouraging companies to attend the hearing.

**“I take strength from this workshop and
motivation to continue building networks
and alliances to defend our territories”**

Maria Juanita Keb Tec, indigenous HRD from Yucatán, Mexico

Financial Report

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 organisation under section 501(c)(3) of the US Internal Revenue Code ; 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; a subsidiary in Colombia - CENTRO DE INFORMACIÓN SOBRE EMPRESAS Y DERECHOS HUMANOS (BUSINESS AND HUMAN RIGHTS RESOURCE CENTRE) – a registered FOREIGN PRIVATE NON-PROFIT ORGANISATION.

These entities are treated as subsidiaries for the purpose of producing group accounts.

During the year the charity initiated the process to establish a subsidiary in Berlin, Germany – Business and Human Rights Resource Centre e.V registered on 22 April 2020 and confirmed as a charitable not for profit entity. The entity will be treated as a subsidiary for the purposes of producing group accounts from financial year ended 31 March 2021 onwards.

Organisational 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. During the fiscal year the Trustees met on 20 June 2019, 6 December 2019 and a Board Retreat on 26-27 March 2020. 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: <https://www.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 three subsidiaries. The US subsidiary is a tax-exempt non-profit organisation under section 501(c)(3) of the Internal Revenue Code; the Australian subsidiary is a public company limited by guarantee and charity status is pending and a subsidiary in Colombia - CENTRO DE INFORMACIÓN SOBRE EMPRESAS Y DERECHOS HUMANOS (BUSINESS AND HUMAN RIGHTS RESOURCE CENTRE) – a registered FOREIGN PRIVATE NON-PROFIT ORGANISATION on 17 May 2019. The Resource Centre's US, Colombian 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:

- ④ Select suitable accounting policies and then apply them consistently;
- ④ Observe the methods and principles in the Charities' Statement of Recommended Practice (SORP);
- ④ Make judgments and estimates that are reasonable and prudent;
- ④ State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- ④ 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 and Companies Act 2006. 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.

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;
- ⊗ 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.

RISKS & ASSOCIATED MANAGEMENT

Financial sustainability

- ⊗ 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.
- ⊗ Plan strategically and regularly review our plans in a clear, transparent and inclusive process whilst ensuring flexibility.
- ⊗ 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 organisation, and participates in the execution of the agreed strategy.
- ⊗ 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.

Financial sustainability (continued)

- ⌚ 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.

Financial Management and Control

- ⌚ Rigorous annual budgeting and ongoing management reporting and monitoring of financial performance through accounting software and financial tracking tools developed in-house;
- ⌚ Prepare 3-year financial forecasts aligned to the Resource Centre's strategy;
- ⌚ 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;
- ⌚ 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.

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.

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.

Income

Our work is funded by a range of foundations, government foreign ministries and individuals. To maintain our independence, 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 31% to £3.4m compared to the previous year.

Income from foundations increased by 4% to 90% of the total income whereas government funding fell by 4% 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 organisation. 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 22.5% to £3.1m. 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 24 % or £0.5m in the year to £2.9m.

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 Laudes 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. Note, due to the COVID-19 pandemic, we have not travelled in the 20/21 fiscal year.

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.

The COVID 19 pandemic was declared towards the end of our 2019-20 fiscal year. The Charity has considered the impact of COVID-19 and the ensuing economic shutdown in preparing these financial statements. As the circumstances were in existence at the balance sheet date, the events, and any impact after the year end that related to conditions in existence at that date, have been treated as an adjusting event. We do not believe that the pandemic had any material impact on our activities except as referred to below.

The main impact of COVID 19 in the 2019-20 financial year related to the overall disruption in the work of our movement for human rights in business. Many of the Resource Centre's partners around the world, from trade unions to civil society alliances are struggling to cope with changed demands, conditions of work, and funding. The Resource Centre has faced many similar challenges to our organisational health, though we appear to be weathering the storm. The pandemic also created opportunities and our programmes have reoriented to the pandemic, to some degree. This is to ensure we address both the human rights challenges of the pandemic, and the emergent opportunities to drive transformational agendas around a new social contract and just transition to zero carbon as part of the 'just recovery' agenda. The specific impacts on existing programmes relate to our inability to travel and conduct and participate in in-person meetings and events. However, we and

others have adjusted by replacing those planned events with virtual sessions.

Since the pandemic hit toward the end of our financial year there were no implications for our finances and fundraising and funders offered their utmost flexibility with restricted project grants. Other offered additional funding to cover our new work on the corporate response to the pandemic. This flexibility and additional offers of support for this work continued into the subsequent financial year and we do not anticipate any effect on our financial sustainability as a result of the pandemic.

We aim to build our reserves to a minimum of three months' operating support by the end our next financial year.

Looking forward, we will continue to generate new evidence on:

- ⊗ corporate responses to the pandemic including the harm created by brands' sourcing and purchasing practice decisions on the lives of workers and communities and emphasising the importance of workers' empowerment in supply chains;
- ⊗ increased attacks on civic freedoms and human rights defenders during the pandemic;
- ⊗ the centrality of human rights due diligence to the transition to a net-zero carbon economy and a just recovery.

We will use this new evidence to promote transformational agendas around the 'just recovery' theme, and have combined this with our work on mandatory human rights due diligence in Europe, Africa, Latin America, and Asia.

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.

Reconciliation of funds carried forward to reserves

	2020 £	2019 £
Group (Global)		
Funds carried forward (as per SoFA)	2,256,809	1,833,644
Less:		
Restricted funds	(1,890,801)	(1,229,783)
Designated funds	-	-
Unrestricted funds		
	269,315	603,861
Add / (Less):		
Unrealised FX gain / loss	96,694	98,305
Less:		
Unrestricted funds recognised in the year but for use in future years	(366,008)	(617,209)
Surplus generated and transferred to general reserves	-	84,957

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

ACT Church of Sweden
 Anonymous Foundation
 Diakonia
 Ford Foundation
 Freedom Fund
 Humanity United
 Laudes Foundation
 National Endowment for Democracy
 Oak Foundation
 Omidyar Network
 Open Society Foundations

Oxfam GB Regional Centre Bangkok
Ruth Turner Fund
Sasakawa Peace Foundation
Solidarity Center
Wallace Global Fund
Wellspring Philanthropic Fund
W.K. Kellogg Foundation
World Resources Institute

Governments and multilateral actors

Australian Government's Department of Foreign Affairs and Trade
Delegation of the European Union to Cambodia
Dutch Social Economic Council (SER)
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
UK Home Office
United Nations Development Programme (UNDP)

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 4 Dec 2020 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 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity 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 2020, and of the Group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- ⊕ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ⊕ have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

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

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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. 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 and to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members and its Trustees 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 Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



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 29 January 2021

Financial Statements

Consolidated Statement of Financial Activities Incorporating the income and expenditure account For the year ended 31 March 2020

Current Year

	Notes	Unrestricted (£)	Restricted (£)	2020 (£)	2019 (£)
Income from					
Donations and legacies	2	353,568	-	353,568	351,574
Charitable activities	3	-	3,053,687	3,053,687	2,254,832
Investments	4	-	120	120	122
Total Income		353,568	3,053,807	3,407,375	2,606,528
Expenditure					
Cost of raising funds	5	224,165	-	224,165	205,146
Expenditure on charitable activities	5	463,949	2,392,790	2,856,739	2,300,002
Total resources expended		688,114	2,392,790	3,080,904	2,505,148
Net income/(expenditure) for the year		(334,546)	661,017	326,471	101,380
Other recognised gains and losses		96,694	-	96,694	98,305
Net movement in funds		(237,852)	661,017	423,165	199,685
Fund balance brought forward		603,861	1,229,783	1,833,644	1,633,958
Fund balances carried forward		366,009	1,890,801	2,256,809	1,833,644

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 (£)	2019 (£)	2018 (£)
Income from					
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
Total Income		351,696	2,254,832	2,606,528	2,598,629

Expenditure					
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
Total resources expended		979,361	1,525,787	2,505,148	2,034,390
Net income/(expenditure) for the year					
		(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
Fund balances carried forward		603,861	1,229,783	1,833,644	1,633,958

Financial Statements – Company number: 04555494 Consolidated and Charity Balance sheets As at 31 March 2020

Current Year

	Notes	2020		2019	
		Group (Global) £	Charity (UK) £	Group (Global) £	Charity (UK) £
Fixed assets					
Tangible assets	9	224,041	218,879	111,560	102,754
		224,041	218,879	111,560	102,754
Current assets					
Debtors	10	1,764,928	278,022	983,762	74,377
Cash at bank and in hand		644,682	167,308	928,547	170,254
		2,409,610	445,330	1,912,309	244,631
Creditors: amounts falling due within one year	11	(376,842)	(308,196)	(190,225)	(124,663)
Net current assets		2,032,768	137,134	1,722,084	119,968
Total assets less current liabilities		2,256,809	356,013	1,833,644	222,722
Represented by					
Unrestricted funds	12	366,008	225,479	603,861	193,363
Restricted funds	12	1,890,801	130,534	1,229,783	29,359
		2,256,809	356,013	1,833,644	222,722

Prior Year Comparative

	Notes	2019		2018	
		Group (Global) £	Charity (UK) £	Group (Global) £	Charity (UK) £
Fixed assets					
Tangible assets	9	111,560	102,754	84,307	78,171
		111,560	102,754	84,307	78,171
Current assets					
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
Creditors: amounts falling due within one year	11	(190,225)	(124,663)	(108,899)	(75,564)
Net current assets		1,722,084	119,968	1,549,651	72,080
Total assets less current liabilities		1,833,644	222,722	1,633,958	150,251
Represented by					
Unrestricted funds	12	603,861	193,363	1,133,221	(30,736)
Restricted funds	12	1,229,783	29,359	500,737	180,987
		1,833,644	222,722	1,633,958	150,251

The accompanying notes form an integral part of these financial statements. The financial statements were approved by the Trustees and authorised for issue on 4 Dec 2020 and signed on their behalf by



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Paul Clough

Trustee/Treasurer

Financial Statements

Consolidated Statement of Cash Flows

For the year ended 31 March 2020

Current year

	Notes	2020 £	2019 £
Reconciliation of net income to net cash flow from operating activities			
Net income for the reporting period (as per the statement of financial activities)		423,165	199,685
Adjustment for:			
Add back depreciation charges	9	72,827	50,918
Decrease/(increase) in debtors	10	(781,166)	140,560
Increase/(decrease) in creditors	11	186,617	81,326
Net cash provided by / (used in) operating activities		(98,557)	472,491
Statement of cash flows			
Cash flows from operating activities:			
Net cash provided by / (used in) operating activities		(98,557)	472,491
Cash flows from investing activities			
Purchase of tangible fixed assets	9	(185,308)	(78,170)
Net cash (used in) / provided by investing activities		(185,308)	(78,170)
Change in cash and cash equivalents in the reporting period		(283,862)	394,321
Cash and cash equivalents at the beginning of the reporting period		928,547	534,226
Cash and cash equivalents at the end of the reporting period		644,682	928,547

Prior year comparative

	Notes	2019 £	2018 £
Reconciliation of net income to net cash flow from operating activities			
Net income for the reporting period (as per the statement of financial activities)		199,685	419,058
Adjustment for:			
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)
Net cash provided by / (used in) operating activities		472,491	(335,789)

Statement of cash flows

Cash flows from operating activities:			
Net cash provided by / (used in) operating activities		472,491	(335,789)
Cash flows from investing activities			
Purchase of tangible fixed assets	9	(78,170)	(75,909)
Net cash (used in) / provided by investing activities		(78,170)	(75,909)
Change in cash and cash equivalents in the reporting period		394,321	(411,698)
Cash and cash equivalents at the beginning of the reporting period		534,226	945,924
Cash and cash equivalents at the end of the reporting period		928,547	534,226

Notes to the accounts

FOR THE YEAR ENDED 31 MARCH 2020

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 organisation 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 and in Colombia CENTRO DE INFORMACIÓN SOBRE EMPRESAS Y DERECHOS HUMANOS (BUSINESS AND HUMAN RIGHTS RESOURCE CENTRE) – a registered FOREIGN PRIVATE NON-PROFIT ORGANISATION with BHRRC as the sole member of that subsidiary registered on 10 May 2019. Both the US, Australian and Colombian 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 US\$, Australian \$ and Colombian Peso 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

	2020 £	2019 £
Group (Global)		
Grants from foundations and governments		
Anonymous Foundation	34,744	37,882
The Ruth Turner Fund	19,302	18,941
Wallace Global Fund	77,208	56,823
Wellspring Philanthropic Fund	154,416	151,528
Donated goods and services**	-	36,183
CHRB	38,349	-
Other	-	329
Individual donations	29,549	49,888
	353,568	351,574

Prior year comparative

	2019 £	2018 £
Group (Global)		
Grants from foundations and governments		
Anonymous Foundation	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	-	(5,933)
Other	329	-
Individual donations*	49,888	74,962
	351,574	1,634,305

* Included in individual donations are donations from Trustees for the Global Team Retreat 2020 £0 (2019 £1,754).

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

3. Income from charitable activities (Restricted income)

Current year

	2020 £	2019 £
Group (Global)		
Building transparency	993,165	722,331
Strengthening accountability	966,914	722,331
Empowering advocates	1,093,609	810,170
	3,053,688	2,254,832
Grants which fund charitable activities:		
Anonymous	15,442	-
Australian Government's Department of Foreign Affairs and Trade*	25,393	62,821
ACT Church of Sweden – Colombia	73,196	-
Diakonia – Colombia****	65,171	-
European Union – Cambodia	27,433	-
Ford Foundation	84,929	340,627
Freedom Fund – Modern Slavery Registry	38,604	-
German Federal Ministry of Economic Cooperation and Development supported by GIZ*	260,860	58,029
Humanity United – KnowTheChain	673,255	511,405
Humanity United – Modern Slavery Registry	92,650	-
Laudes Foundation	550,638	657,430
Laudes Social Auditing	185,300	-
National Endowment for Democracy	266,893	77,915
Netherlands SER-SOMO	18,081	-
Oak Foundation	91,700	101,600
Open Society Foundations	-	89,553
Open Society Foundations – Strategic Lawsuits Against Public Participation	92,650	-
Open Society Foundations (CHRI partnership)***	-	(13,560)
Omidyar Network	19,302	37,882
Other small grants and contributions	13,856	29,109
Oxfam GB Regional Centre Bangkok	87,600	99,460
Sasakawa Peace Foundation	9,000	-
Swiss Federal Department of Foreign Affairs*	87,108	75,533
The Open Society Initiative for Southern Africa (OSISA)	-	15,607

UK Home Office Modern Slavery Act Audit	48,008	-
UNDP – China Project	11,423	-
Unicef	-	1,000
W. K. Kellogg Foundation	154,401	110,422
World Resources Institute	60,794	-
	3,053,688	2,254,832

* 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 prior year in relation to the set-up of the subsidiary in Australia.

*** In a prior period 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.

**** Contingent assets – grant income: During the financial year the Charity received the first of three annual instalments relating to a grant from the Church of Sweden. Subject to the approval of the Church of Sweden, the Charity expects to receive a further £75,656 over the next two financial periods in relation to this grant.

Prior year comparative

	2019 £	2018 £
Group (Global)		
Building transparency	722,331	314,088
Strengthening accountability	722,331	295,902
Empowering advocates	810,170	354,283
	2,254,832	964,273
Grants which fund charitable activities:		
Australian Government’s Department of Foreign Affairs and Trade*	62,821	45,468
Ford Foundation	340,627	-
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
Laudes Foundation	657,430	-
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

4. Investment income

Current year

	2020 £	2019 £
Bank interest receivable	120	122
	120	122

Prior year comparative

	2019 £	2018 £
Bank interest receivable	122	51
	122	51

5. Expenditure

Current year

	Direct costs £	Support costs £	Total 2020 £	Total 2019 £
Raising funds				
Fundraising	-	224,165	224,165	205,146
Sub-total	-	224,165	224,165	205,146
Charitable activities				
Building transparency	294,196	134,639	428,835	365,857
Strengthening accountability	815,329	156,877	972,206	790,637
Empowering advocates	1,261,623	194,074	1,455,697	1,143,508
Sub-total	2,371,149	485,590	2,856,739	2,300,002
Total	2,371,149	709,755	3,080,904	2,505,148

Prior year comparative

	Direct costs £	Support costs £	Total 2019 £	Total 2018 £
Raising funds				
Fundraising	-	203,938	203,938	207,557
Sub-total	-	203,938	203,938	207,557
Charitable activities				
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
Sub-total	1,741,296	558,706	2,300,002	1,826,833
Total	1,741,296	763,852	2,505,148	2,034,390

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 2020 £	Total 2019 £
Central management	1,581	7,732	23,690	40,060	73,063	86,607
Central finance, administration and human resources	-	46,879	52,749	77,394	177,022	210,610
Fundraising	222,584	-	-	-	222,584	197,939
Communication	-	23,617	30,854	32,842	87,313	100,158
Central facilities	-	38,072	33,463	29,546	101,081	112,930
Governance	-	18,339	16,121	14,232	48,692	54,400
Total	224,165	134,639	156,877	194,074	709,751	762,644

Prior year comparative

	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
Total	203,938	131,794	174,700	252,212	762,644	647,093

Support costs have been allocated on the basis of the accounting policy set out in note 1(e).

Analysis of governance costs

Current year

	2020 £	2019 £
Trustee expenses and meetings	229	179
Audit	17,628	7500
Legal	29,019	46,333
Other governance costs	1,816	388
	48,692	54,400

Prior year comparative

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

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 34 (2019: 27.2).

The average number of part-time researchers working as consultants / independent contractors during the year was 23.4 (2019: 18.0)

Current year

	2020 £	2019 £
Staff costs during the year amounted to:		
Wages and salaries	1,415,862	1,086,678
Social security costs	131,383	98,221
Employer's pension contributions	82,373	67,044
	1,629,618	1,251,943
Other staff related costs (including travel)	337,353	267,778
Part-time senior & regional researchers; consultants*	818,347	657,471
	2,785,318	2,177,192

Prior year comparative

	2019 £	2018 £
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
	1,251,943	1,010,685
Other staff related costs (including travel)	267,778	182,618
Part-time senior & regional researchers; consultants*	657,471	557,813
	2,177,192	1,751,116

*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

	2020	2019
£60,000 to £70,000	1	1
£70,000 to £80,000	2	3
£80,000 to £90,000	3	-
£90,000 to £100,000	-	2

£100,000 to £110,000	-	-
£110,000 to £120,000	2	-

Prior year comparative

	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

Retirement benefits are paid under a defined contribution scheme. The total employer pension contributions paid were £82,373 for the year (2019: £67,044) with £4,854 (2019: £18,257) owing as at 31 March 2020. Employer pension contributions in respect of the higher paid staff were £36,007 (2019: £21,047) with £0 (2019: £8,463) 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 or prior year 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 emoluments of the key management personnel were £478,197 (2019: £447,835). This includes gross pay, employers National Insurance and pensions.

8. Net (expenditure)/income for the year

Current year

This is stated after charging:

	2020 £	2019 £
Depreciation	72,827	50,918
Auditor's remuneration - cost of audit (inc. VAT)	17,628	7,500

Prior year comparative

This is stated after charging:

	2019 £	2018 £
Depreciation	50,918	33,018
Auditor's remuneration - cost of audit (inc. VAT)	7,500	7,200

9. Tangible fixed assets

Group (Global)

	Website £	Computer equipment £	Total £
Costs			
1 April 2019	266,243	45,571	311,814
Additions	180,633	4,675	185,308
31 March 2020	446,876	50,246	497,122
Depreciation			
1 April 2019	169,782	30,472	200,254
Charge for the year	63,462	9,365	72,827
31 March 2020	233,244	39,837	273,081
Net book value			
31 March 2020	213,632	10,409	224,041
31 March 2019	96,461	15,099	111,560

Charity (UK)

	Website £	Computer equipment £	Total £
Costs			
1 April 2019	263,778	28,262	292,040
Additions	180,632	2,984	183,616
31 March 2020	444,410	31,246	475,656
Depreciation			
1 April 2019	167,316	21,970	189,286
Charge for the year	63,462	4,029	67,491
31 March 2020	230,778	26,000	256,778
Net book value			
31 March 2020	213,632	5,247	218,879
31 March 2019	96,462	6,292	102,754

10. Debtors

Current year

	2020		2019	
	Group (Global) £	Charity (UK) £	Group (Global) £	Charity (UK) £
Due within one year				
Other Debtors / Prepayments	42,137	34,347	38,720	32,002
Grant debtor	1,722,791	190,618	945,042	11,132
Amounts due from Group undertakings	-	53,057	-	31,243
	1,764,928	278,022	983,762	74,377

Prior year comparative

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

11. Creditors: amounts falling due within one year

Current year

	2020		2019	
	Group (Global) £	Charity (UK) £	Group (Global) £	Charity (UK) £
Trade creditors	141,980	108,101	120,987	59,732
Tax and social security creditors	23,552	20,308	25,039	25,039
Accruals	61,486	47,111	39,604	35,297
Other creditors	149,824	1,208	4,595	4,595
Amounts due from Group undertakings	-	131,467	-	-
	376,842	308,195	190,225	124,663

Prior year comparative

	2019		2018	
	Group (Global) £	Charity (UK) £	Group (Global) £	Charity (UK) £
Trade creditors	120,987	59,732	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	4,595	4,595	2,874	2,874
Deferred income	-	-	1,000	1,000
	190,225	124,663	108,899	75,564

	2019 £	2018 £
Deferred income:		
Deferred income brought forward	1,000	-
Amounts released	(1,000)	-
Income deferred in the year	-	1,000
	-	1,000

The deferred income relates to a contribution from Oxfam for £1000 which was received in advance for the financial year 2018–19.

12. Funds

Group (Global)

Current year

	Balance at 1/4/19 £	Income £	Expenditure £	Transfers £	Unrealised Currency gain/(loss) £	Balance at 31/3/20 £
Restricted funds						
Defending labour rights	1,131,596	2,490,447	(2,185,932)	-	-	1,436,111
Protecting civic freedoms & human rights defenders	50,225	250,842	(108,552)	-	-	192,515
Promoting responsible resource use	47,963	312,518	(98,306)	-	-	262,175
Restricted funds	1,229,783	3,053,807	(2,392,790)	-	-	1,890,801
Unrestricted funds						
General funds	269,064	353,568	(688,114)	-	96,694	31,212
General reserve	329,962	-	-	-	-	329,962
Designated reserve	4,835	-	-	-	-	4,835
Total unrestricted funds	603,861	353,568	(688,114)	-	96,694	366,009
Total funds	1,833,644	3,407,375	(3,080,904)	-	96,694	2,256,808

Prior year comparative

	Balance at 1/4/18 £	Income £	Expenditure £	Transfers £	Unrealised Currency gain/(loss) £	Balance at 31/3/19 £
Restricted funds						
Defending labour rights	441,711	2,061,652	(1,371,767)	-	-	1,131,596
Protecting civic freedoms & human rights defenders	46,134	101,496	(97,405)	-	-	50,225
Promoting responsible resource use	12,892	91,685	(56,614)	-	-	47,963
Restricted funds	500,737	2,254,833	(1,525,787)	-	-	1,229,784
Unrestricted funds						
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)	-	-	4,835
Total unrestricted funds	1,133,221	351,696	(979,361)	-	98,305	603,861
Total funds	1,633,958	2,606,529	(2,505,148)	-	98,305	1,833,644

Name of Fund	Description, nature and purposes of fund
Restricted funds	
Defending labour rights	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.
Protecting civic freedoms and human rights defenders	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.
Promoting responsible resource use	Focuses on land and water rights associated with mining and mega-projects; and promoting a fair and fast transition to a low carbon economy by promoting human rights due diligence by the renewable sector.
Other	Support the development of fundraising capacity and transition of leadership of the Resource Centre.
Unrestricted funds	
General funds	Unrestricted grants which are to be used over multiple years for planned core expenditure.
General reserve	The “free reserve” after allowing for all designated funds. Further detail describing this reserve is provided in the reserves policy on page 22.
Designated reserve	Described in the reserves policy on page 22.

Charity (UK)

Current Year

	Balance at 1/4/19 £	Income £	Expenditure £	Unrealised Currency gain/(loss) £	Balance at 31/3/20 £
Restricted funds					
Defending labour rights	29,359	522,597	(421,422)	-	130,534
Protecting civic freedoms and human rights defenders	-	1,679	(1,679)	-	-
Promoting responsible resource use	-	1,730	(1,730)	-	-
Restricted funds	29,359	526,006	(424,831)	-	130,534
Unrestricted funds: General fund					
	193,363	1,309,746	(1,277,630)	-	225,479
Total funds	222,722	1,835,752	(1,702,461)	-	356,013

Prior year comparative

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

13. Analysis of net assets between funds

Group (Global)

Current year

2020	Unrestricted £	Restricted £	Total £
Tangible assets	224,041	-	224,041
Net current assets	141,967	1,890,801	2,032,767
Net assets	366,008	1,890,801	2,256,808

Prior year comparative

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

Charity (UK)

Current year

2020	Unrestricted £	Restricted £	Total £
Tangible assets	218,879	-	218,879
Net current assets	6,600	130,534	137,134
Net assets	225,479	130,534	356,013

Prior year comparative

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

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

	2020 £	2019 £
Amounts payable:		
Within 1 year	57,597	52,949
Between 1 and 5 years	81,604	9,000
Total	139,201	61,949

Prior year comparative

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

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

	2020 £	2019 £
Amounts payable:		
Within 1 year	36,000	36,000
Between 1 and 5 years	72,000	9,000
Total	108,000	45,000

Prior year comparative

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

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.

Registered address: 120 Wall Street, 16th Floor, New York NY10005 USA.

The Directors of this US Corporation are Chris Jochnick, Michael Hirschhorn, Mila Rosenthal, Heather Grady, Kirsty Jenkinson, 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

	2020 £	2019 £
Income	1,413,592	1,213,526
Expenditure	(1,283,745)	(1,191,919)
Net Income for the year	129,847	21,607
Foreign currency translation adjustments gain/(loss)	102,433	99,084
Net movement in funds	231,920	120,691

	Unrestricted £	Restricted £	2020 Total £	2019 Total £
Net assets	140,529	1,696,148	1,836,678	1,604,578

Prior year comparative

	2019 £	2018 £
Income	1,213,526	2,236,488
Expenditure	(1,191,919)	(1,474,416)
Net Income for the year	21,607	762,072
Foreign currency translation adjustments gain/(loss)	99,084	(145,181)
Net movement in funds	120,691	616,891

	Unrestricted £	Restricted £	2019 Total £	2018 Total £
Net assets	410,498	1,194,080	1,604,578	1,483,707

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.

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

Registered address: 7 Ronald Avenue, Greenwich, NSW 2065, Australia.

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

Current year

	2020 £	2019 £
Income	25,393	33,424
Expenditure	(31,719)	(26,901)
Net (expenditure)/income for the year	(6,326)	6,523
Foreign currency translation adjustments gain / (loss)	(197)	-
Net movement in funds	(6,523)	6,523

	Unrestricted £	Restricted £	2020 Total £	2019 Total £
Net assets	-	-	-	6,344

Prior year comparative

	2019 £	2018 £
Income	33,424	-
Expenditure	(26,901)	-
Net movement in funds	6,523	-

	Unrestricted £	Restricted £	2019 Total £	2018 Total £
Net assets	-	6,344	6,344	-

In order to enhance the Resource Centre’s presence and to facilitate charitable fundraising in Latin America- Trustees formed a subsidiary in Colombia – named CENTRO DE INFORMACIÓN SOBRE EMPRESAS Y DERECHOS HUMANOS (BUSINESS AND HUMAN RIGHTS RESOURCE CENTRE) – a registered FOREIGN PRIVATE NON-PROFIT ORGANISATION with BHRRC as the sole member of that subsidiary registered on 10 May 2019.

Registered address: 28A Street #15-31 Of 301, Bogota D.C. Colombia.

	2020 £
Income	132,639
Expenditure	(62,979)
Net (expenditure)/income for the year	69,660
Foreign currency translation adjustments gain / (loss)	(5,542)
Net movement in funds	64,118

	Unrestricted £	Restricted £	2020 Total £
Net assets	-	64,118	64,118

16. Financial performance of the charity

The summary financial performance of the UK charity alone is:

Current year

	2020 £	2019 £
Income	1,835,752	1,359,578
Expenditure	(1,702,461)	(1,286,328)
Foreign Currency Translation Gain/Loss	-	(779)
Net movement in funds	133,291	72,471

Prior year comparative

	2019 £	2018 £
Income	1,359,578	362,141
Expenditure	(1,286,328)	(559,974)
Foreign Currency Translation Gain/Loss	(779)	-
Net movement in funds	72,471	(197,833)

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, Komala Ramachandra, César Rodriguez-Garavito, Dr Mila Rosenthal, Anne Travers, Kathleen Parsons (Treasurer to July 2019).

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**