

REGISTERED COMPANY NUMBER: 06882940 (England and Wales)  
REGISTERED CHARITY NUMBER: 1131790

**REPORT OF THE TRUSTEES AND  
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019  
FOR  
INSTITUTE FOR HUMAN RIGHTS & BUSINESS  
LIMITED**



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FOR THE YEAR ENDED 31 DECEMBER 2019**

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**REPORT OF THE TRUSTEES  
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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2019. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

The Institute for Human Rights and Business (IHRB) is the leading international think tank on business and human rights. IHRB's mission is to shape policy, advance practice and strengthen accountability in order to make respect for human rights part of everyday business.

IHRB serves as an independent voice on human rights and business issues around the world and holds ECOSOC Special Consultative status within the United Nations. IHRB works across its programmes with public and private sector partners in both developing and developed countries and:

- produces in-depth reports, practical briefings and regular commentaries
- provides trusted and impartial advice to governments, businesses and international organisations
- brings together diverse stakeholders in collective action programmes to achieve significant impact

IHRB prioritises its work through time-bound programmes that can have the greatest impact, leverage and catalytic effect, focusing both on:

- Geographic programmes: Countries in economic and political transition
- Thematic programmes: Business sectors that underpin globalisation, in relation to the flow of: information, finance, workers and commodities. This includes collective-action leadership involving different stakeholders.

In this way IHRB sees human rights in business as both a "competitive" and "pre-competitive" issue between governments and businesses.

**Significant activities**

In order to achieve its objectives, IHRB works through both its geographic, regional programmes and its global, thematic programmes, with public and private sector partners in both developing and developed countries. In order to achieve these objectives, IHRB has so far participated in the founding of four separate organisations:

- **Myanmar Centre for Responsible Business (MCRB)**, in partnership with the Danish Institute for Human Rights (DIHR);
- **Centro Regional de Empresas y Emprendimientos Responsables (CREER)** in Colombia;
- **The Corporate Human Rights Benchmark (CHRB)** a global initiative ranking the world's largest publicly listed companies and led by an alliance of investors and NGOs;
- **The Centre for Sport and Human Rights (CSHR)** which has an advisory council of 42 different organisations.

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**OBJECTIVES AND ACTIVITIES**

Furthermore, IHRB maintains additional in-house initiatives, with two more currently in development:

- **"Employer Pays Principle": The Leadership Group on Responsible Recruitment**, founded in 2016, a collective action approach working to abolish all worker fees to recruitment agents worldwide by 2026 consisting of major brands, UN agencies and civil society organisations.
- **"Dignity by Design"**: human rights in the built environment, a collective action initiative to be launched in 2020.
- **"Just Transitions for All"**: human rights and climate change, an evidence-based approach to the social implications of preventing climate change and building resilience also to be launched during 2020.

IHRB's thematic work can be described as strategic interventions in a number of key 'flows' fundamental to social and economic development, namely flows of:

- **Workers** - the Migrant Workers and Work with Dignity programme encompasses the "Dhaka Principles for Migration with Dignity" which is a key framework for understanding and addressing the challenges facing migrant workers at every stage of the migration cycle. The Leadership Group for Responsible Recruitment is a collaboration between leading companies and expert organisations, led by IHRB, to drive positive change in the way that migrant workers are recruited. A key aim of the Group is the total eradication of fees being charged to workers to secure employment. In addition, IHRB maintains a strong programme of work to advance the rights of migrant workers in Qatar and the wider Gulf region.
- **Finance** - IHRB is a founding partner in the first wide-scale benchmark on corporate human rights performance (The Corporate Human Rights Benchmark). This collaboration between eight partners from across civil society and the private sector, ranks a selection of the top 500 globally listed companies on their human rights related policy, process and performance, with the ultimate goal of harnessing the competitive nature of markets to drive better human rights performance. During 2019, the Benchmark became part of the World Benchmarking Alliance to which IHRB became an ally. IHRB extended its interest in state-backed finance: export credit agencies, multilateral banks and sovereign wealth funds and will use an ESG focus on all future programmes moving forward.
- **Trade, shipping and commodities** - focuses on leveraging commodity trading to promote responsible business practice. IHRB maintains its work on commodity trading as well as a holistic interest in the human rights impacts of trade. In December 2019, IHRB hosted its "Next Generation Trade" conference in London which also marked IHRB's 10th Anniversary.
- **Sport** - in 2018, IHRB established the Centre for Sport and Human Rights, which was developed from the Mega-Sporting Events Platform for Human Rights. The Centre, through its Advisory Council brings together an unprecedented coalition of international and intergovernmental organisations, governments, sporting bodies, athletes, hosts, trade unions, sponsors, broadcasters, national human rights institutions, and civil society groups. These organisations are united in working together to fully align the world of sport with the fundamental principles of human dignity, human rights, and labour rights. The Centre for Sport and Human Rights is a wholly owned subsidiary of IHRB, and there are plans for it to become a Swiss-based organisation under the direct control of new directors from 2021. As a first step, the Centre gained its own UK Charity Status during 2020.
- **Information** - IHRB maintained its work on technology during 2019 with work on facial recognition technology.

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During 2019, IHRB extended its work focusing specifically on vulnerable groups, namely:

- **Human Rights Defenders** - IHRB has worked on helping to protect human rights defenders over the past ten years. In June 2019, IHRB worked with Wilton Park in the UK to bring together key practitioners working on defenders working to hold business and governments to account.
- **Gender** - IHRB maintains its work on gender in relation to business and human rights, particularly in India.
- **LGBTI+** - IHRB continues to promote the UN's business and LGBTI+ guidelines with a workshop in Myanmar and one planned for Kenya.

IHRB undertakes the vast majority of its work through the support of donations and grants but a small amount (around £40k in 2019) is provided in the form of services to governments and non-profit organisations through the subsidiary IHRB Trading Ltd.

**How our activities deliver public benefit**

The public benefit delivered is through the realisation of human rights by both governments and businesses through the protection of rights (in the case of the former), the integration of human rights due diligence in business world-wide and the promotion of remedies for the victims of human rights abuse.

In setting and reviewing our objectives and aims, and in planning and carrying out our activities, we have due regard to the public benefit guidance published by the Charity Commission.

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**ACHIEVEMENT AND PERFORMANCE**

**Charitable activities**

During 2019, IHRB achieved the following:

**1. Tackling discrimination**

IHRB continued its ongoing work with the UN Office of Human Rights in New York, towards promoting the Standards of Business Conduct with regard to LGBTI rights. A meeting organised by partners - Colors Rainbow (a Myanmar-based NGO) and the Myanmar Centre for Responsible Business, took place in Yangon, Myanmar (August 2019), to promote the Standards of Business Conduct among companies in Myanmar, had more than 50 participants from Myanmar's corporate sector, civil society groups, and international organisations, with Myanmar-based companies showed keen interest in endorsing the Standards.

IHRB has been approached by the Partnership for Global LGBT Equality (PGLE) to work with the World Economic Forum to develop a toolkit to help companies implement the Standards of Conduct for Business with regard to LGBTI rights. These discussions are at an early stage.

IHRB has continued desk-based research and writing on gender. On representation - IHRB has made significant efforts to increase the participation of women speaking at its events and being interviewed as experts. Of the 26 speakers and moderators at IHRB's flagship event in December 2019 - Next Generation Trade - sixteen speakers were women. For the masters course IHRB runs with Rafto Foundation and the University of Bergen in Norway, 18 of the 28 lecturers were women. Gender was a strong cross-cutting theme in the Top 10 issues for business and human rights that IHRB published in December 2019, including gender identification and fluidity of gender, a controversial theme that companies, organisations, and civil society groups are beginning to unravel. Additionally, 17 participants in IHRB's podcasts (Voices) were women, and of the 13 commentaries published as part of IHRB's blogs, eight were written by women.

IHRB has offered comments for the stream of work led by Dr Surya Deva at the UN Working Group for Business and Human Rights on gender, and has been in discussions with UN agencies for a possible publication on a series of case studies about violence against women in supply chains. Furthermore, IHRB worked on an initial draft of guidance being prepared by the UN Office to assist civil society organisations in engaging with business with regard to LGBTI rights. The initial draft was prepared by the UN Office, and IHRB offered extensive comments and rewrote parts of the draft which is now back with the UN Office, for further internal consultations before it is made public.

**2. Protection of human rights defenders**

IHRB's main event relating to human rights defenders in 2019 was the IHRB/Wilton Park 3 day residential event on Human Rights Defenders in relation to Business and Human Rights (June 2019).

The voices and concerns of human rights defenders are being mainstreamed in IHRB's work. Increasingly, at IHRB meetings, the voices of representatives from affected communities are amplified. Human rights defenders have spoken at IHRB events of the Leadership Group for Responsible Recruitment; three human rights defenders spoke at IHRB's Next Generation Trade event; four human rights defenders taught at the masters course IHRB runs with the Rafto Foundation and the University of Bergen in Norway; and seven human rights defenders were interviewed for IHRB's podcast series, Voices.

IHRB is continuing to explore the possible publication of a report on human rights defenders, in collaboration with Frontline Defenders, the Rafto Foundation, and China Dialogue, to identify good practices and challenges along the project corridor.

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IHRB continues to support the Rafto Foundation, the Business and Human Rights Resource Centre, and the International Service for Human Rights and other partners by identifying speakers and themes for the annual sessions on human rights defenders at the UN Forum on Business and Human Rights in Geneva.

**3. Next Generation Trade**

Our major trade event was held in London (December 2019) and marked IHRB's 10th Anniversary. It was a macro overview of key policy developments in relation to the global trade agenda, opened by Mary Robinson and Jomo Kwame Sundaram with senior representatives from the WTO, ITUC, a broad range of companies, investors, civil society organisations, and speakers from the Swiss, Canadian and Dutch governments. One of the key outcomes of this day was identification of the need to focus on the Climate-Human Rights interface, an issue picked up at the Circle of Innovators meeting the next day.

**Implementation of the Commodities Trading Guidance:**

With the completion and launch in November 2018 of the Commodity Trading Guidance on implementing the United Nations Guiding Principles on Business and Human Rights (UNGPs), IHRB has undertaken a series of activities in 2019 to promote the Guidance to companies based in different regions active in commodity trading, and to foster effective implementation at different levels. To support this objective, IHRB conducted dissemination and awareness raising activities to help ensure that a larger number of companies in various geographies benefit from this important resource, and use it as a tool to inform their policies and practices in different human rights related areas. These activities are also contributing to further multi-stakeholder dialogue on commodities trading and human rights in major commodity trading hubs around the world.

IHRB organised a Responsible Commodities Trading Roundtable in Singapore (November 2019) which targeted representatives of commodity trading firms based in, or working in Singapore that have not been involved directly in discussions on the UNGPs. For the first time in Singapore, the roundtable included participation of industry representatives operating from Singapore and abroad, alongside policy makers, civil society and academic experts, as well as commodity trading business partners such as shipping companies and financial institutions. Participants discussed the relevance of the UNGPs for trading companies, regardless of their area of activity or size and shared illustrative examples, challenges, current practices and recommendations for action.

IHRB conducted pilot implementation initiatives with companies which provided helpful insights and raised important questions concerning how to develop effective UNGPs implementation plans within their own contexts. Furthermore, to test the value of the Guidance and learn lessons from trading companies on key implementation challenges and successes, the Swiss Federal Department of Foreign Affairs (FDFA) and IHRB have engaged a select number of Swiss-based companies interested in participating in a pilot implementation initiative to test the Guidance within their own company operations and share results and lessons with each other. These pilot meetings involved three Swiss based companies active in the trading of hard and soft commodities. The main topics addressed include developing a human rights policy, effective stakeholder engagement and publicly reporting on human rights due diligence. The learnings from these pilot discussions will provide useful inputs for the report on responsible trade due to be published in mid-2020.

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**4. Digital Technology**

Following the blockchain meeting hosted in 2018, IHRB reviewed its role in digital technology at the December 2018 Circle of Innovators meeting in New York. It was agreed that the 2019 focus on the human rights assessment on blockchain should focus specifically on the related issue of Facial Recognition Technology, as this technology is already widely deployed with significant human rights risks. During 2019, IHRB undertook wide-ranging research on this technology with the technical insights and co-operation of Microsoft and Hewlett Packard. Facial recognition technology is already widely deployed by the Chinese Government in relation to controlling minority populations, in particular the Uyghur. This report will be published in 2020.

**5. Leadership Group on Responsible Recruitment**

The Leadership Group entered its third full year, and hosted the 2019 Global Forum on Responsible Recruitment in Bangkok, Thailand in June. It was the first forum since the Migration Forum in Asia and it was characterised by strong migrant NGO participation amongst the 250 delegates. Some progress on eliminating worker fees was noted within the context of migrant pathways into Thailand (in particular from Myanmar), and also into Qatar (from Nepal, Bangladesh and India). The "employer pays principle" is now widespread in terms of its use in many global supply chains (i.e. the demand side) but still less so amongst most South-South recruitment agents (i.e. the supply side), and there remain a few governments still allowing such fees to be paid. During 2019, Taiwan was identified as a particular issue, with "migrant auctions" between sending and receiving recruitment agents, and posing challenges for either ILO or IOM to monitor the situation. IHRB has been cooperating with the University of Oxford on a Taiwanese study.

Another key outcome of the 2019 Forum was the need for better metrics. During the second half of 2019, IHRB engaged the services of a specialist consultancy to help the Leadership Group develop metrics that would both provide greater accountability for the group itself and also allow the global community to better track its performance.

The Leadership Group works to catalyse action on the "employer pays principle" through working with a broad range of networks and institutions to effect change. Bilateral meetings were held with the Thai and Myanmar governments separately in 2019, and Malaysian government officials were involved in in-country workshops there. IHRB has also been working with the "Five Eyes Governments" (USA, Canada, UK, Australia and New Zealand) to make good their commitment at the United Nations in September 2018 to take further action on modern slavery, in particular through public procurement and other economic measures. IHRB has continued to work with the UK and US governments in particular to ensure that the "employer pays principle" is central to these approaches.

In 2019, the concept of the 'Employer Pays Principle' was increasingly adopted by companies and used by governments. The UK government released guidance for UK public procurement, which referenced the "employer pay principle". Additionally the Australian government released guidance on their Modern Slavery Act, which includes the "Dhaka Principles for Migration with Dignity" developed by IHRB, as a helpful resource.



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**6. "Dignity by Design" - Human Rights in the Built Environment**

One of IHRB's new areas of work is "Dignity by Design" a partnership with the Raoul Wallenberg Institute in Sweden, the Rafto Foundation in Norway, and the University of New South Wales in Australia. The programme recognises that 60% of the world's growing population will live in cities by 2050, representing a doubling of the urban population at a time when many cities are stressed through the effects of climate change, social inequality and now health pandemics. Business and human rights provide a powerful framework for collective responsibility and collective action for all actors involved in the development of urban infrastructure, housing and livelihoods. The Grenfell Tower disaster in London, the Rana Plaza disaster in Dhaka, and factory fires in Pakistan, reminds all policymakers that the lack of representation and agency amongst the marginalised can have tragic consequences.

During 2019 a number of workshops were held to help shape the new programme that will be formally launched in 2020. It was agreed that the programme should have both a "pre-competitive" element to build a level-playing field around standards and accountability, and also a "competitive" element to drive leadership amongst leading architects, developers and urban planners. IHRB's main leverage will come from a focus on the financial sector, as 2019 saw the mainstreaming of environmental, social and governance (ESG) criteria amongst many of the major private banks and public institutions (multilateral development banks, sovereign wealth funds, export credit agencies), and "cities" are now a rapidly increasing portfolio for investment. Climate adaptation and resilience is now a major environmental factor and there is common agreement that the social element needs strengthening - which represents the opportunity for human rights and IHRB's collective action approach.

**7. In-country work**

In addition to the seven years of work in Myanmar through the Myanmar Centre for Responsible Business, as well as the work of CREER in Colombia, IHRB is now uniquely placed in Qatar given the four years of work undertaken in the country, and mainly focused on this work in 2019, with exploratory work in other geographies to be considered in future years.

In 2019, IHRB established the Working Group for Sustainable Growth and Decent Work in Qatar's hospitality sector. This partnership with the ILO Project Office in Qatar and Qatar's Ministry of Administrative Development, Labour and Social Affairs (ADLSA) and with the support of the International Tourism Partnership (ITP), resulted in hundreds of local businesses and hotel owners attending workshops and conferences focusing on the issues relating to the welfare of migrant workers within the hospitality sector.

**8. Myanmar (Burma)**

2019 marked the seventh year of operations for the Myanmar Centre for Responsible Business (MCRB) at time when the human rights situation in parts of the country remains very serious, in particular in relation to the Rohingya minority in Rakhine State, many of whom remain in exile in Bangladesh. MCRB main activities during the year were:

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**Inclusive Business and Non-Discrimination:**

- Workshop hosted in May 2019 providing Myanmar and foreign businesses with practical advice on how to promote diverse, respectful and inclusive workplaces, free from bullying, harassment and discrimination against employees and customers, in partnership with the International Finance Corporation (IFC), DaNa Facility, Nestle and Chevron. It was the fourth of the Centre's 'responsible business seminars' and was attended by over 100 participants from companies, consultancies, government, development partners and NGOs.
- Encouraged Myanmar companies and other organisations in Myanmar to join companies worldwide and stand up for LGBT+ equality by displaying a rainbow flag on the International Day Against Homophobia, Transphobia and Biphobia (IDAHOT). This was in partnership with Colors Rainbow, a Myanmar NGO working on LGBT+ rights. 18 Myanmar and International companies supported #IDAHOTMyanmar2019 in Myanmar by flying the flag at their premises or on their social media on 17 May 2019.
- LGBT+/business workshop sponsored with IHRB and Colors Rainbow in August 2019.

**Corporate Governance:**

- MCRB launched the fifth Pwint Thit Sa/Transparency in Myanmar Enterprises (TiME) report on 30 April 2019. This was once again completed in partnership with Yever, a Myanmar business consultancy, which contributed pro bono to the report. The 2019 Report assessed information disclosure on the corporate websites of 248 large Myanmar companies, including listed, and public ones. For the first time, it also included 28 of the most important state-owned economic enterprises (SEEs). This made it the most ambitious public report ever published about the state of corporate disclosure (CD) in Myanmar. A number of the highest-scoring companies improved their draft scores following engagement with MCRB and Yever. MCRB and Yever plan to undertake research for the next Pwint Thit Sa report throughout 2020, for publication end-2020.
- MCRB's Director, Vicky Bowman, chaired the first meeting of the Voluntary Advisory Group, which advises the Chair of the Anti-Corruption Commission (ACC) and is intended to facilitate feedback from businesses. MCRB drafted group Terms of Reference, which were agreed. Members discussed how businesses could support ACC in implementing their strategy relating to private sector corruption, and offered suggestions on how to establish Corruption Protection Units (CPU).
- Anti-corruption and business workshops took place in Hpaan and Moulmein with UNDP (supported by the UK's Prosperity Fund).

**Responsible Business Conduct, Business and Human Rights, including Conflict and Peace:**

- On-going MCRB-ILO meetings with 25 'likeminded' multinationals on peace and security issues.
- Spoke on various panels including one organised by the Ministry of Industry and Myanmar SMEs Institute at the Secretariat on 'Responsible Business in Myanmar' about the risks of donations fuelling corruption or conflict.
- MCRB's Director spoke on a panel on Myanmar's economic development at the Myanmar-EU Economic Forum in Naypyidaw, highlighting how investors in Myanmar - whether local or foreign - could contribute not only to economic development but also democratization and peace.
- The Regional Roundtable on Driving Responsible Recruitment in Asia was hosted by IHRB's Leadership Group for Responsible Recruitment, the Consumer Goods Forum (CGF) (which brings together the CEOs and senior management of some 400 retailers, manufacturers, service providers, and other stakeholders across 70 countries), the multi-stakeholder Responsible Labor Initiative, and the International Tourism Partnership. This meeting built on regional roundtables and governmental dialogues in 2018 in Thailand and Malaysia, and offered the opportunity for brands, suppliers and recruitment agencies to come together for constructive discussions on transitioning to responsible recruitment based on the Dhaka Principles on Migration with Dignity (available in English and Myanmar languages) and CGF Priority Industry Principles, to avoid trafficking and indebtedness of migrant labour.

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**Environment and Biodiversity:**

- MCRB and Vermont Law School (VLS) undertook a programme of In-Depth Training on Environmental Legal Advocacy for civil society leaders, to support them in understanding Myanmar's environmental policy and law framework and how it can be used to address the environmental issues that threaten Myanmar's sustainable development.
- MCRB also made comments on some restrictive aspects concerning mapping in the draft Survey law and encouraged EIA consultancies and others to make inputs.

**Sectoral Digital Rights:**

- MCRB issued a bilingual statement on the current internet shutdown in nine townships in Rakhine and Chin States, together with Freedom of Expression Myanmar (FEM), Myanmar ICT Development Organisation (MIDO) and Phandeeyar, with whom MCRB has organised three Myanmar Digital Rights Forums (MDRF) in 2016, 2018, and 2019.
- A meeting was held with the Human Rights Commission to discuss the outcomes of the Myanmar Digital Rights Forum (MDRF) and the draft hate speech law (drafted by the Ministry of Home Affairs), following on from a briefing on digital rights for the full Commission in October 2018.
- MCRB held various discussions in Yangon and Naypyitaw on internet governance and cybersecurity, data protection and privacy and cyber security with the aim of more effective advocacy on the cybersecurity law.

**Tourism:**

- MCRB held a successful 4th National Conference on Communities and Tourism 2019 in Loikaw, Kayah State in June 2019. This brought together almost 350 participants representing tourism businesses and associations, community-based tourism (CBT) groups, government and civil society organisations (CSOs) from across Myanmar with a particular focus on those working in tourism in Kayah State.
- MCRB worked with UNESCO on a multi-stakeholder discussion on tourism in Myanmar.

**Extractives:**

- MCRB briefed the UN Special Rapporteur for Myanmar on extractives and business and human rights.
- Participated in meetings on cross-cutting issues in the extractives sector, including workshops on land-use change and informal gold mining in Myanmar; tax evasion in Myanmar's jade and gemstone industry; and contributing to the UN Special Rapporteur's upcoming report and a discussion on EITI's upcoming 4th report, including on transparency; and the draft Gemstone policy and attended the draft Gemstones Rules consultation in Naypyitaw.
- Ongoing work of the in-country Steering Committee of the Voluntary Principles on Security and Human Rights.

**Engagement With Asian Stakeholders:**

- MCRB briefed the Council for Better Corporate Citizenship of Keidanren (Japanese employers Association) on the work of MCRB, and human rights/business issues in Myanmar and the French devoir de vigilance legislation.
- MCRB met various China-related stakeholders including the Institute of Southeast Asia Studies, Yunnan University; and the China Kunming Southeast & South Asia International Logistics Institute (SSILR) and the Peace Nexus Foundation to learn about the SSILR's research on the Ayeyarwady Economic Corridor of the China-Myanmar Economic Corridor.
- MCRB briefed a group of Chinese and wider Asian journalists on responsible business conduct issues in Myanmar in May 2019.

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- MCRB presented Pwint Thit Sa and responsible business issues to about 25 members of the Indian Chamber of Commerce, together with the Indian Ambassador. This the first MCRB engagement with the Indian Chamber.

**9. Building a Just Transition approach**

One of the key outcomes of IHRB's Circle of Innovators meeting and International Advisory Council meeting in December 2019 was that "Just Transitions" will be IHRB's other major new international programme for 2020-22.

The 2015 Paris Climate Agreement calls on all States to take "into account the imperatives of a just transition of the workforce and the creation of decent work and quality jobs in accordance with nationally defined development priorities." It has become increasingly clear that the business and human rights movement has much to offer in shaping global understanding of and actions needed to ensure "just transitions". In particular:

- The actions that governments and business can take to best safeguard the rights of workers and communities affected by the transition and adaptation away from high-carbon industries;
- The corresponding actions needed to assist those most impacted by the transition into low-carbon industries, including the disruptive effects of automation, and those requiring capacity-building support to respond to changes in work and benefit from the growth in 'green jobs'.

**10. IHRB Academy**

IHRB's academic partnerships continue, and IHRB delivers two annual courses on human rights, a Masters module course at the University of Bergen, and a course focused on women at Ashoka University in India. Additionally, during 2019, IHRB developed a core component for the global CEMS network (30 of the leading business schools globally) for its Masters in Management course, which started with the Norwegian School of Economics and London School of Economics, but now includes the LSE in London amongst others.

**11. Ongoing legacy work with the IHRB co-founded organisations**

During its first 10 years, IHRB has worked in partnership to establish four organisations which IHRB still advises on their strategic direction, and their CEOs are ex-officio members of IHRB's International Advisory Council.

These are:

- The Myanmar Centre for Responsible Business, based in Yangon
- El Centro Regional de Empresas y Emprendimientos Responsables, based in Bogota
- The Corporate Human Rights Benchmark, based in London
- The Centre for Sport and Human Rights, based in Geneva.

During 2019, IHRB provided financial support to the UK network of the United Nations Global Compact (a UK charity) to provide secretariat services for the All Party Parliamentary Group on Sport, Modern Slavery and Human Rights, a cross-party group to which IHRB also provided advice and research support.

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**ACHIEVEMENT AND PERFORMANCE**

**Fundraising activities**

The Institute retains its independence from all funders and strives to operate with complete impartiality. We believe it is important that we accept funding from all major constituencies - in particular Governments, Business and Civil Society (Private Foundations) - as these represent some of the major groups involved in our work. We actively work towards an even distribution between these three sources of funding.

However, the following conditions apply to our solicitation and acceptance of funding:

Government and Foundation funding is allocated to specific projects but only if the Institute's impartiality is respected.

Business funding is only accepted as core funding with no conditions attached. Sometimes this funding is ring-fenced to multi-stakeholder 'leadership' programmes (e.g. Responsible Recruitment) but it remains on a core-funding basis.

The Institute does not provide specific services to any business in return for funding received other than for training or stakeholder representation. The Institute does sometimes undertake advisory work with governments and inter-governmental bodies on a contractual basis.

The Institute will not take money from any organisation actively engaged in deliberate abuse of human rights or the undermining of development and progress with regard to business and human rights.

The Institute publishes its funding sources and expenditure in accordance with UK Charity law.

**Donations and grants made**

No donations were made and none were solicited during 2019.

**FINANCIAL REVIEW**

**Financial position**

The charity's financial position is shown in detail on the balance sheet.

The charity holds circa £400,000 (approximately 3 months working capital) in unrestricted reserves in keeping with the reserves policy as an integral part of risk management. Trustees' approval is required before the reserve can be accessed.

**Principal funding sources**

The charity's principal funding sources are from grants and donations.

**Investment policy and objectives**

The Institute for Human Rights & Business Limited only uses the services of banks and other financial service providers who have a strong ethical investment and lending criteria. The Institute holds business current account and card services with The Co-operative Bank and deposit account services with Triodos Bank. The decision to use the services of these banks was made on an ethical basis.

The cornerstones of corporate governance are ethical behaviour, accountability and openness. In recent years, corporate governance has also developed to reflect the interests of stakeholders other than shareholders. The 'triple bottom line' approach focuses on economic and financial stability, social responsibility and environmental responsibility with ethical investment policies and products.

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**FINANCIAL REVIEW**

**Reserves policy**

The trustees view the holding of general reserves as an integral part of risk management to build organisational resilience against unexpected financial demands, and to be able to satisfactorily meet all current and known future liabilities. The reserves level is approximately three months of working capital, with plans to increase it to cover an optimal four month period. Trustees' approval is required before the reserve can be accessed.

This policy is reviewed periodically by the trustees, and the reserves level will be adjusted based on perceived risks, and changes in financial commitments or contractual, statutory and legal obligations.

**Risk management**

The trustees have identified how and where risks should be managed and mitigated.

Under duty of prudence, the trustees have ensured that: the charity is and will remain solvent; charitable funds and assets are used reasonably, and only in furtherance of the charity's objects; undertaking activities that might place the charity's funds, assets or reputation at undue risk is avoided and special care when investing the funds of the charity, or borrowing funds for the charity to use is taken into consideration.

Under duty of care, the trustees have ensured that they seek external professional advice on all matters where there may be material risk to the charity, or where the trustees may be in breach of their duties is considered.

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**PLANS FOR FUTURE PERIODS**

**1. Responsible Recruitment and Migration**

The Leadership Group for Responsible Recruitment will meet at the start of 2020, to agree its strategy for 2020-22 and metrics against which the efforts of the global community, and the Leadership Group itself, might be judged. An independent organisation will be commissioned to monitor progress made and to issue its first report at the end of 2020.

The annual Global Forum for Responsible Recruitment has, over the last 3 years, become the centre of gravity for dialogue on progress and challenges related to the responsible recruitment of workers. Speakers and attendees representing business, government, and civil society have attended events in Berlin, Singapore and Bangkok. The Global Forum 2020 will take place in Madrid, Spain in partnership with the International Labour Organization (ILO) and International Organisation for Migration (IOM).

**Developing a Southeast Asia Regional Focus:**

The work of the Leadership Group and promotion of the Employer Pays Principle reflects the challenges faced by migrant workers globally, and those who recruit and employ them. IHRB activities have, however, included a strong focus on labour recruitment in Southeast Asia where many migrant workers are employed in the supply chains of international brands. To increase the effectiveness of work in the region, IHRB will be establishing a Southeast Asia Chapter of the Leadership Group. This will consist of the Leadership Group's regional representatives and involve wider outreach to key partners from suppliers, recruiters, businesses associations, and CSOs from the region. The Regional Chapter will develop new ideas, raise concerns, flag challenges, and propose solutions. As the responsible recruitment agenda moves beyond awareness raising and begins deeper focus on the challenges of implementing the Employer Pays model, the Southeast Asia Chapter will have a clear focus to catalyse action within business operations and build the capacity of all stakeholders in the region while helping to inform and shape the global programme.

**Migrant Workers in Qatar:**

IHRB will continue to convene the Working Group for Sustainable Growth and Decent Work in Qatar's hospitality sector, which was established in 2019 in partnership with the ILO Project Office in Qatar and Qatar's Ministry of Administrative Development, Labour and Social Affairs (ADLSA), and with the support of the International Tourism Partnership (ITP). The Working Group brings together hotel human resources managers and other relevant actors to discuss human rights and labour rights challenges and responsibilities in the sector, including pressing issues related to the upcoming 2022 FIFA World Cup.

The Working Group will continue to meet regularly in 2020, with thematic sessions expected to cover the following topics: i) Worker Welfare Standards and engagement with Qatar's Supreme Committee for Delivery and Legacy, ii) Engagement with Embassies of migrants' countries of origin, iii) Legislative reforms on labour market mobility and iv) Engagement with national tourism bodies.

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**2. Just Transitions**

During 2020, IHRB plans to initiate a five-year programme to develop global methodologies for applying the Just Transitions concept in a broad range of contexts globally. The methodologies will seek to exemplify how both the "environmental" and "social" components of an ESG approach need to be better integrated as the barriers to transitions in different sectors become as much social and political as they are environmental or technical. During 2020, three pilots will be launched to develop and test rights-based methodologies involving local, national, and international stakeholders. The three pilots are in Colombia, the Arctic and the Bay of Bengal.

**3. Built Environment**

The "Dignity by Design" Framework is backed by a core coalition composed of IHRB, the Raoul Wallenberg Institute of Human Rights and Humanitarian Law, the Australian Human Rights Institute at the University of New South Wales, and the Rafto Foundation for Human Rights. During 2020 the Framework will be expanded to include greater detail and resources, including high-level outcomes, questions to prompt decision-making, and examples of tools, standards, and innovation for scaling. The expanded Framework is due to be launched at the Sydney Opera House in September 2020 (likely to be postponed due to the COVID-19 crisis).

**4. Special Projects**

IHRB will maintain a broad spectrum of work during 2020, with a big emphasis on our "think tank" role as we think through both the health and economic impacts of COVID-19. In addition work is and will be maintained on:

- Trade
- Non-discrimination
- Human Rights Defenders
- Emerging and high-risk markets
- Digital Dangers: Facial Recognition Technology
- International Legal Developments
- Business management education
- Developing stronger communication for the authentic voice, youth engagement and story-telling.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity is controlled by its governing document, Memorandum and Articles of Association, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.



**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Recruitment and appointment of new trustees**

During 2019, the Institute had five trustees who were responsible for the governance of the charity and ensure that IHRB pursues the objects for which it was founded. Trustees have been selected based on their professional experience and expertise.

Trustees are required to declare any possible conflicts of interest and are therefore unlikely to hold decision-making positions in mainstream business or government during their tenure with the Institute. When recruiting for a new trustee, the Board will make a selection with the aim of having a balanced, well-informed, and effective trustee body that undertakes proper governance of IHRB. Individuals who are passionate about IHRB's purpose and aims and can bring relevant experience and knowledge to enhance the effectiveness of the charity will be sought out. IHRB staff will provide a shortlist of nominations of potential trustee candidates who meet agreed criteria, to which the Board can add nominations for consideration. The IHRB Chief Executive and Deputy Chief Executive, in consultation with colleagues, will advise trustees on the final selection, and facilitate an invitation from the Chair of the Board to the selected candidate(s). Possible new trustees undertake a period of observer status, usually joining at least two IHRB trustee meetings before their appointment is formalised. The Board will undertake appropriate due diligence to ensure that those who have been disqualified from serving as a trustee are not approached. Additionally, consideration will be made to not making trustee appointments which would potentially give rise to conflicts of interest.

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Organisational structure**

The Institute for Human Rights and Business is governed by a board of trustees. Trustee meetings take place at least four times a year, usually by phone. The trustees are regularly informed of financial matters, the progress of the Institute towards its charitable objects, and the success of relevant outputs and impacts relating to each of the programmes. The Chief Executive reports to the board of trustees and runs IHRB on a day-to-day basis. The Chief Executive and Deputy Chief Executive consult the trustees on key and strategic decisions and ultimately manage the IHRB team.

The IHRB International Advisory Council provides guidance to trustees and staff about strategic matters and usually meet once a year in person. The International Advisory Council includes the Board of Trustees and members offer their time and expertise in an unpaid capacity. The other members of the IHRB International Advisory Council have been selected for their global expertise in all areas of business and human rights. All Council members are distinguished in their relevant fields, and bring specialisms that inform and enrich the charity's work. IHRB aims to have representation from all sectors - business, academia, research and civil society - and strives for the Council to be as diverse and representative as possible in terms of gender, ethnicity, age, as well as professional background and skills.

The CREER Centre is independently registered under Colombian law, and sits outside of the direct control of IHRB or its Trustees. One IHRB trustee and the IHRB Chief Executive are represented on the CREER Board. The Myanmar Centre for Responsible Business is registered in the UK as MCRB Ltd with a branch office in Myanmar, and two IHRB trustees sit on the Board of MCRB Ltd. The Centre for Sport and Human Rights is a wholly owned subsidiary of IHRB, and two IHRB trustees and the IHRB Deputy Chief Executive sit on the Board of the Centre.

IHRB annually reviews the salary levels for its key management personnel using the job market in order to be competitive with professional roles in the international NGO sector. Pay reflects the need to attract and retain staff with the leadership, experience, skills and knowledge required to contribute to the work of a dynamic and influential charity. Salary levels also reflect responsibilities and performance. Employees are paid with a salary at least in line with guidance from the Campaign for a Living Wage.

The Institute's core staff and consultants during 2019 were:

John Morrison (Chief Executive, IHRB)  
Frances House (Deputy Chief Executive, IHRB)  
Scott Jerbi (Senior Advisor, Policy and Outreach, IHRB)  
Salil Tripathi (Senior Advisor, Global Issues, IHRB)  
Vicky Bowman (Director, Myanmar Centre for Responsible Business)  
Mary Harvey (Chief Executive, Centre for Sport and Human Rights)  
William Rook (Deputy Chief Executive, Centre for Sport and Human Rights)  
Guido Battaglia (Head of Responsible Trade Programme, IHRB)  
Alison Biscoe (Manager, Programmes and Partnerships, Centre for Sport and Human Rights)  
Vanessa Bissessur (Head of Operations, IHRB)  
Julia Borgianni-Batho (Labour Rights Advisor, IHRB)  
Haley St Dennis (Head of Communications, IHRB)  
Francesca Fairbairn (Responsible Trade Programme Officer, IHRB)  
Amy Farkas Karageorgos (Child Rights Consultant, Centre for Sport and Human Rights)  
Daniela Heerdt (Research Officer, Centre for Sport and Human Rights)  
Kia Kyhl (Administrator and Events Officer, IHRB)

**INSTITUTE FOR HUMAN RIGHTS & BUSINESS  
LIMITED**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

Claire Magras (Administrator and Events Officer, Centre for Sport and Human Rights)  
David McNeill (Japan Advisor, Centre for Sport and Human Rights)  
Mario Nishihara (Japan Project Officer, Centre for Sport and Human Rights)  
Dorothy Rozga (Head of Child Rights, Centre for Sport and Human Rights)  
Annabel Short (Built Environment Specialist, IHRB)  
Guna Subramaniam (South East Asia Regional Advisor, Migrant Workers Programme, IHRB)  
Neill Wilkins (Head of Migrant Workers programme, IHRB)

In addition, the Institute currently has nine Research Fellows.

Mary Robinson, Professor John Ruggie and Chris Marsden are Patrons of IHRB. The members of the International Advisory Council are S Batliwala, N Chanda, B Edlund, I Hilton, K Hyland, D Kemp, W Kimathi, M Kjaerum, R Lindsay, R Popper, E Potter, A Ramasastry and M Taylor. L Fernando de Angulo, V Bowman, M Harvey and D Neale are ex-officio members.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**  
06882940 (England and Wales)

**Registered Charity number**  
1131790

**Registered office**  
Railview Lofts  
19c Commercial Road  
Eastbourne  
East Sussex  
BN21 3XE

**Trustees**  
B E Edlund (resigned 17.3.20)  
L R Lindsay  
M Taylor (resigned 17.3.20)  
D L Kemp  
R J D Popper  
N Black  
P Goyer  
R Kunanayagam

**Auditors**  
Myrus Smith  
Statutory Auditors  
Norman House  
8 Burnell Road  
Sutton  
Surrey  
SM1 4BW

**INSTITUTE FOR HUMAN RIGHTS & BUSINESS  
LIMITED**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Bankers**

Co-Operative Bank  
PO Box 250  
Delf House  
Skelmerdale  
BN21 3XE

**Accountants**

LMDB Accountants  
Railview Lofts  
19c Commercial Road  
Eastbourne  
East Sussex  
BN21 3XE

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of Institute For Human Rights & Business Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**INSTITUTE FOR HUMAN RIGHTS & BUSINESS  
LIMITED**

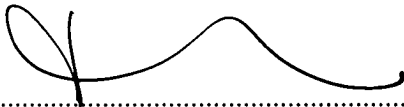
**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**AUDITORS**

The Auditors, Myrus Smith Chartered Accountants will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 12/6/20 and signed on its behalf by:



.....  
L R Lindsay - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
INSTITUTE FOR HUMAN RIGHTS & BUSINESS  
LIMITED**

**Opinion**

We have audited the financial statements of Institute For Human Rights & Business Limited (the 'charitable company') for the year ended 31 December 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
INSTITUTE FOR HUMAN RIGHTS & BUSINESS  
LIMITED**

**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
INSTITUTE FOR HUMAN RIGHTS & BUSINESS  
LIMITED**

**Our responsibilities for the audit of the financial statements**

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

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

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Stephen Jones FCA (Senior Statutory Auditor)  
for and on behalf of Myrus Smith  
Statutory Auditors  
Norman House  
8 Burnell Road  
Sutton  
Surrey  
SM1 4BW

Date: .....18.6.2020.....



**INSTITUTE FOR HUMAN RIGHTS & BUSINESS  
LIMITED**

**STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Notes	Unrestricted funds £	Restricted funds £	2019 Total funds £	2018 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	3	346,606	2,320,295	2,666,901	1,683,507
Investment income	4	1,818	242	2,060	1,738
Other income - rent receivable		-	3,461	3,461	3,212
<b>Total</b>		<b>348,424</b>	<b>2,323,998</b>	<b>2,672,422</b>	<b>1,688,457</b>
<b>EXPENDITURE ON</b>					
Raising funds	5	9,373	-	9,373	9,942
<b>Charitable activities</b>	6				
General		-	-	-	(1)
Migrant workers and work with dignity		1	481,599	481,600	400,616
Technology		21,190	53,819	75,009	57,748
Myanmar Centre for Responsible Business		-	560,836	560,836	713,685
Centre for Sport and Human Rights		-	621,610	621,610	715,257
HRD and discrimination		94,371	49,999	144,370	62,105
Commodities		221,004	72,911	293,915	48,634
High Risk Markets		6,319	-	6,319	32,999
Built Environment		102,416	15,574	117,990	44,640
Shipping		12,781	21,662	34,443	18,581
Impairment losses		-	-	-	(18,079)
<b>Total</b>		<b>467,455</b>	<b>1,878,010</b>	<b>2,345,465</b>	<b>2,086,127</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>(119,031)</b>	<b>445,988</b>	<b>326,957</b>	<b>(397,670)</b>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		555,585	638,612	1,194,197	1,591,867
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>436,554</b>	<b>1,084,600</b>	<b>1,521,154</b>	<b>1,194,197</b>

The notes form part of these financial statements

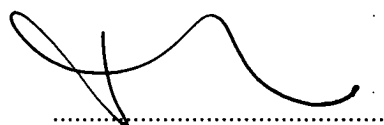
**INSTITUTE FOR HUMAN RIGHTS & BUSINESS  
LIMITED**

**BALANCE SHEET  
31 DECEMBER 2019**

	Notes	Unrestricted funds £	Restricted funds £	2019 Total funds £	2018 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	12	1,585	-	1,585	3,107
Investments	13	2	-	2	2
		<u>1,587</u>	<u>-</u>	<u>1,587</u>	<u>3,109</u>
<b>CURRENT ASSETS</b>					
Debtors: amounts falling due within one year	14	354,343	438,855	793,198	526,690
Cash at bank		272,360	657,833	930,193	818,966
		<u>626,703</u>	<u>1,096,688</u>	<u>1,723,391</u>	<u>1,345,656</u>
<b>CREDITORS</b>					
Amounts falling due within one year	15	(191,737)	(12,087)	(203,824)	(154,568)
		<u>434,966</u>	<u>1,084,601</u>	<u>1,519,567</u>	<u>1,191,088</u>
<b>NET CURRENT ASSETS</b>					
		<u>436,553</u>	<u>1,084,601</u>	<u>1,521,154</u>	<u>1,194,197</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		<u>436,553</u>	<u>1,084,601</u>	<u>1,521,154</u>	<u>1,194,197</u>
<b>NET ASSETS</b>					
		<u>436,553</u>	<u>1,084,601</u>	<u>1,521,154</u>	<u>1,194,197</u>
<b>FUNDS</b>	16				
Unrestricted funds				436,553	555,585
Restricted funds				1,084,601	638,612
				<u>1,521,154</u>	<u>1,194,197</u>
<b>TOTAL FUNDS</b>				<u>1,521,154</u>	<u>1,194,197</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 12/6/20 and were signed on its behalf by:



L R Lindsay - Trustee

The notes form part of these financial statements

**INSTITUTE FOR HUMAN RIGHTS & BUSINESS  
LIMITED**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Notes	2019 £	2018 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	270,404	248,992
Net cash provided by operating activities		<u>270,404</u>	<u>248,992</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(1,115)	(2,521)
Sale of tangible fixed assets		-	35
Interest received		2,060	1,738
Net cash provided by/(used in) investing activities		<u>945</u>	<u>(748)</u>
<b>Cash flows from financing activities</b>			
(Increase)/Decrease in group debtors		(160,122)	(15,287)
Net cash used in financing activities		<u>(160,122)</u>	<u>(15,287)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>111,227</u>	<u>232,957</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>818,966</u>	<u>586,009</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>930,193</u></u>	<u><u>818,966</u></u>

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2019

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2019 £	2018 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	326,957	(397,670)
Adjustments for:		
Depreciation charges	2,637	2,665
Profit on disposal of fixed assets	-	(35)
Interest received	(2,060)	(1,738)
Impairment of loan to group undertaking	-	(18,079)
(Increase)/decrease in debtors	(106,386)	692,368
Increase/(decrease) in creditors	49,256	(28,519)
Net cash provided by operations	<u>270,404</u>	<u>248,992</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.19 £	Cash flow £	At 31.12.19 £
Net cash			
Cash at bank	<u>818,966</u>	<u>111,227</u>	<u>930,193</u>
	<u>818,966</u>	<u>111,227</u>	<u>930,193</u>
Total	<u>818,966</u>	<u>111,227</u>	<u>930,193</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**1. STATUTORY INFORMATION**

Institute for Human Rights & Business Limited is a private company, limited by guarantee, registered in England and Wales.

The company's registered office address is:  
Railview Lofts,  
19c Commercial Road,  
Eastbourne,  
East Sussex,  
BN21 3XE.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic Ireland', the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

**Preparation of the accounts on a going concern basis**

The trustees are not aware of any material uncertainties about the charity's ability to continue as a going concern.

**Preparation of consolidated financial statements**

The financial statements contain information about Institute For Human Rights & Business Limited as an individual charity and do not contain consolidated financial information as the parent of a group. The company is required to prepare consolidated accounts under the Charities Act 2011 and will do so in addition to preparing these financial statements for the individual charity.

**Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Grant income is recognised when there is formal offer of funding communicated in writing to the charity which does not relate wholly to future accounting periods.

The value of donated services are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the charity can be reliably measured. An equivalent amount will be included as expenditure under the relevant heading in the Statement of Financial Activities.

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**2. ACCOUNTING POLICIES - continued**

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

**Allocation and apportionment of costs**

All costs are allocated between expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned according to time spent on each activity during the period.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer equipment - 33% on cost

Tangible fixed assets, excluding investments are initially measured at cost and subsequently stated at depreciated historic cost.

**Taxation**

The charity is exempt from corporation tax on its charitable activities.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**2. ACCOUNTING POLICIES - continued**

**Pension costs and other post-retirement benefits**

Pension costs are allocated to activities on the same basis as set out in the allocation and apportionment of costs policy stated above. Pension costs and liabilities are allocated to restricted and unrestricted reserves based on the allocation of labour time to the charities various funds.

**Financial instruments**

Financial assets and financial liabilities are recognised in the balance sheet when the charity becomes a party to the contractual provisions of the instrument.

Trade and other debtors and creditors are classified as basic financial instruments and are initially measured at initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the company will not be able to collect all amounts due. Cash and cash equivalents are classified as basic financial instruments and comprise cash at bank and short-term bank deposits with an original maturity of three months or less which are an integral part of the charity's cash management.

Financial liabilities issued by the company are classified in accordance with the substance of the contractual arrangements entered into and meet the definitions of a financial liability.

Financial assets are de-recognised when:

- the contractual rights to the cash flows from the financial asset expire or are settled; or
- the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset; or
- the charity despite having retained some but not all significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are de-recognised only when the obligation specified in the contract is discharged, cancelled or expires.

**3. DONATIONS AND LEGACIES**

	2019	2018
	£	£
Business donations	949,511	731,569
Foundation grants	408,336	666,715
Government grants	1,309,054	285,223
	<u>2,666,901</u>	<u>1,683,507</u>

Grants secured in 2019 included multi-year grants for the Myanmar Centre For Responsible Business, the Migrant Workers and Mega-Sporting Events programmes. Income is recognised in the year in which the grants were agreed whilst the grant funding was for various periods ending up to 31 December 2021.

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**4. INVESTMENT INCOME**

	2019	2018
	£	£
Deposit account interest	<u>2,060</u>	<u>1,738</u>

**5. RAISING FUNDS**

**Raising donations and legacies**

	2019	2018
	£	£
Staff costs	617	1,476
Insurance	663	628
Telephone	280	612
Postage and stationery	32	36
Sundries	57	105
Bank charges	24	28
Consultancy	4,117	1,122
Training	4	112
Website	320	268
Office rent	98	170
IT expenses	74	68
Accountancy and back office support	1,236	1,251
Travel and accommodation	1,821	3,683
Exchange rate variances	(61)	289
Depreciation	91	94
	<u>9,373</u>	<u>9,942</u>

**6. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Support costs (see note 7) £	Totals £
Migrant workers and work with dignity	385,550	96,050	481,600
Technology	60,034	14,975	75,009
Myanmar Centre for Responsible Business	452,612	108,224	560,836
Centre for Sport and Human Rights	527,228	94,382	621,610
HRD and discrimination	109,637	34,733	144,370
Commodities	204,724	89,191	293,915
High Risk Markets	3,215	3,104	6,319
Built Environment	106,740	11,250	117,990
Shipping	24,619	9,824	34,443
	<u>1,874,359</u>	<u>461,733</u>	<u>2,336,092</u>



**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**6. CHARITABLE ACTIVITIES COSTS - continued**

Comparatives for the year ended 31 December 2018:

	£	£	£
Totals	<u>1,672,314</u>	<u>421,950</u>	<u>2,094,264</u>

**7. SUPPORT COSTS**

	Management £	Finance £	Information technology £	Governance costs £	Totals £
Migrant workers and work with dignity	90,659	181	4,066	1,144	96,050
Technology	14,146	29	640	160	14,975
Myanmar Centre for Responsible Business	62,368	247	43,293	2,316	108,224
Centre for Sport and Human Rights	89,159	188	4,030	1,005	94,382
HRD and discrimination	32,812	68	1,483	370	34,733
Commodities	84,258	174	3,809	950	89,191
High Risk Markets	2,933	6	132	33	3,104
Built Environment	10,628	22	480	120	11,250
Shipping	9,281	19	419	105	9,824
	<u>396,244</u>	<u>934</u>	<u>58,352</u>	<u>6,203</u>	<u>461,733</u>

Comparatives for the year ended 31 December 2018:

	£	£	£	£	£
Totals	<u>353,474</u>	<u>1,031</u>	<u>59,854</u>	<u>7,591</u>	<u>21,950</u>

**8. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	2019 £	2018 £
Auditors' remuneration	6,068	3,751
Depreciation - owned assets	2,637	2,665
Surplus on disposal of fixed assets	-	(35)
	<u></u>	<u></u>

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**9. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2019 nor for the year ended 31 December 2018.

**Trustees' expenses**

During the year one trustee (2018 - two) was reimbursed expenses as follows:

	2019 £	2018 £
Travel expenses	<u>1,061</u>	<u>2,804</u>

**10. STAFF COSTS**

	2019 £	2018 £
Wages and salaries	654,784	701,196
Social security costs	59,640	60,557
Other pension costs	<u>32,548</u>	<u>35,322</u>
	<u>746,972</u>	<u>797,075</u>

The key management personnel of the charity comprise the trustees, the Chief Executive Officer and his deputy. The total employee benefits of the key management personnel of the charity were £282,012 (2018 - £266,339).

Under FRS 102, employee benefits include gross salary, benefits in kind, employer's social security and employer pension costs.

The average monthly number of employees during the year was as follows:

	2019	2018
Staff	<u>9</u>	<u>10</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**10. STAFF COSTS - continued**

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2019	2018
£60,001 - £70,000	3	2
£80,001 - £90,000	-	1
£90,001 - £100,000	1	1
£100,001 - £110,000	1	1
£130,001 - £140,000	1	1
	<u>6</u>	<u>6</u>

Retirement benefits are accruing to six employees (2018 - six) earning over £60,000 per annum. The total pension contributions paid in respect of said employees was £26,430 for the year ended 31 December 2019 (2018 - £26,845).

**11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	385,795	1,297,712	1,683,507
Investment income	1,508	230	1,738
Other income - rent receivable	-	3,212	3,212
<b>Total</b>	<b>387,303</b>	<b>1,301,154</b>	<b>1,688,457</b>
<b>EXPENDITURE ON</b>			
Raising funds	9,942	-	9,942
<b>Charitable activities</b>			
General	(1)	-	(1)
Migrant workers and work with dignity	16,988	383,628	400,616
Technology	-	57,748	57,748
Myanmar Centre for Responsible Business	-	713,685	713,685
Centre for Sport and Human Rights	119,398	595,859	715,257
HRD and discrimination	8,672	53,433	62,105
Commodities	8,634	40,000	48,634
High Risk Markets	15,916	17,083	32,999
Built Environment	41,207	3,433	44,640
Shipping	8,584	9,997	18,581
Impairment losses	(18,079)	-	(18,079)

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2019

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
<b>Total</b>	211,261	1,874,866	2,086,127
<b>NET INCOME/(EXPENDITURE)</b>	176,042	(573,712)	(397,670)
<b>Transfers between funds</b>	76,278	(76,278)	-
<b>Net movement in funds</b>	252,320	(649,990)	(397,670)
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	303,265	1,288,602	1,591,867
<b>TOTAL FUNDS CARRIED FORWARD</b>	555,585	638,612	1,194,197

12. TANGIBLE FIXED ASSETS

	Computer equipment £
<b>COST</b>	
At 1 January 2019	12,911
Additions	1,115
At 31 December 2019	14,026
<b>DEPRECIATION</b>	
At 1 January 2019	9,804
Charge for year	2,637
At 31 December 2019	12,441
<b>NET BOOK VALUE</b>	
At 31 December 2019	1,585
At 31 December 2018	3,107

Fixed assets are not capitalised below the value of £250.

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**13. FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
<b>MARKET VALUE</b>	
At 1 January 2019 and 31 December 2019	2
<b>NET BOOK VALUE</b>	
At 31 December 2019	2
At 31 December 2018	2

The above shares in group undertakings represent investment assets held in the UK. In addition the company is a member of two companies limited by guarantee incorporated in the UK and one company incorporated in the USA without share capital.

The company's investments at the balance sheet date in the share capital of companies include the following:

**Subsidiaries**

**IHRB Trading Limited**

Registered office:

Nature of business: Consultancy Services

	% holding
Class of share:	
Ordinary	100

	2019 £	2018 £
Aggregate capital and reserves	(29,518)	(29,607)
Profit for the year	88	18,079

**Myanmar Centre For Responsible Business Limited**

Registered office:

Nature of business: Consultancy Services

	% holding
Class of share:	
Ordinary	100

	2019 £	2018 £
Aggregate capital and reserves	1	1

**Centre for Sport and Human Rights Limited**

Nature of Business: Charity

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**13. FIXED ASSET INVESTMENTS - continued**

The above company is limited by guarantee, with the Institute For Human Rights and Business being the sole member.

	2019 £	2018 £
Aggregate capital and reserves	25,213	-
Surplus / (Deficit) for year	<u>25,213</u>	<u>-</u>

**IHRB USA**

Country of incorporation: USA

Nature of business: Charity

The above company is incorporated without share capital, with the Institute For Human Rights and Business being the sole member.

	2019 £	2018 £
Aggregate capital and reserves	8,424	4,748
Surplus / (Deficit) for year	<u>3,676</u>	<u>278</u>

**Associated company**

**Corporate Human Rights Benchmark Limited**

Nature of business: Benchmarking corporate human rights compliance

The above company is limited by guarantee, with the Institute For Human Rights and Business one of four members.

	2019 £	2018 £
Aggregate capital and reserves	3,596	50,000
Surplus / (Deficit) for year	<u>(46,404)</u>	<u>50,000</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019	2018
	£	£
Trade debtors	46,173	145,962
Other debtors	345	6,284
Amounts owed by group undertakings	257,485	97,363
Accrued income	469,827	251,996
Prepayments	19,368	25,085
	<u>793,198</u>	<u>526,690</u>

**15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019	2018
	£	£
Trade creditors	48,122	36,397
Social security and other taxes	43,395	15,555
Accrued expenses	11,714	18,407
Deferred income	100,593	84,209
	<u>203,824</u>	<u>154,568</u>

Deferred income brought forward from 2018 of £84,209 has been released during the year.

Deferred income as at 31 December 2019 comprises grant funding received in the period of £100,593. The grants have been made for activities in 2020.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2019

16. MOVEMENT IN FUNDS

	At 1.1.19 £	Net movement in funds £	At 31.12.19 £
<b>Unrestricted funds</b>			
General fund	155,585	(119,032)	36,553
Contingency reserve	400,000	-	400,000
	<u>555,585</u>	<u>(119,032)</u>	<u>436,553</u>
<b>Restricted funds</b>			
Migrant workers and work with dignity	171,159	60,890	232,049
Technology	3,819	(3,819)	-
Centre for Sport and Human Rights	75,645	(75,645)	-
Myanmar Centre for Responsible			
Business	382,989	395,509	778,498
Shipping	5,000	(5,000)	-
Commodities	-	74,054	74,054
	<u>638,612</u>	<u>445,989</u>	<u>1,084,601</u>
<b>TOTAL FUNDS</b>	<u>1,194,197</u>	<u>326,957</u>	<u>1,521,154</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	348,424	(467,456)	(119,032)
<b>Restricted funds</b>			
Migrant workers and work with dignity	542,488	(481,598)	60,890
Technology	50,000	(53,819)	(3,819)
Centre for Sport and Human Rights	545,965	(621,610)	(75,645)
Myanmar Centre for Responsible			
Business	956,345	(560,836)	395,509
Shipping	16,662	(21,662)	(5,000)
Built Environment	15,574	(15,574)	-
HRD and discrimination	49,999	(49,999)	-
Commodities	146,965	(72,911)	74,054
	<u>2,323,998</u>	<u>(1,878,009)</u>	<u>445,989</u>
<b>TOTAL FUNDS</b>	<u>2,672,422</u>	<u>(2,345,465)</u>	<u>326,957</u>



NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2019

16. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.1.18 £	Net movement in funds £	Transfers between funds £	At 31.12.18 £
<b>Unrestricted funds</b>				
General fund	303,265	176,042	(323,722)	155,585
Contingency reserve	-	-	400,000	400,000
	<u>303,265</u>	<u>176,042</u>	<u>76,278</u>	<u>555,585</u>
<b>Restricted funds</b>				
Migrant workers and work with dignity	163,998	7,161	-	171,159
Technology	-	3,819	-	3,819
Centre for Sport and Human Rights	62,549	89,374	(76,278)	75,645
Myanmar Centre for Responsible				
Business	1,044,970	(661,981)	-	382,989
High Risk Markets	17,085	(17,085)	-	-
Shipping	-	5,000	-	5,000
	<u>1,288,602</u>	<u>(573,712)</u>	<u>(76,278)</u>	<u>638,612</u>
<b>TOTAL FUNDS</b>	<u>1,591,867</u>	<u>(397,670)</u>	<u>-</u>	<u>1,194,197</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**16. MOVEMENT IN FUNDS - continued**

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	387,303	(211,261)	176,042
<b>Restricted funds</b>			
Migrant workers and work with dignity	390,789	(383,628)	7,161
Technology	61,567	(57,748)	3,819
Centre for Sport and Human Rights	685,233	(595,859)	89,374
Myanmar Centre for Responsible Business	51,704	(713,685)	(661,981)
High Risk Markets	(2)	(17,083)	(17,085)
Shipping	14,997	(9,997)	5,000
Built Environment	3,433	(3,433)	-
HRD and discrimination	53,433	(53,433)	-
Commodities	40,000	(40,000)	-
	<u>1,301,154</u>	<u>(1,874,866)</u>	<u>(573,712)</u>
<b>TOTAL FUNDS</b>	<u><u>1,688,457</u></u>	<u><u>(2,086,127)</u></u>	<u><u>(397,670)</u></u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2019

16. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.18 £	Net movement in funds £	Transfers between funds £	At 31.12.19 £
<b>Unrestricted funds</b>				
General fund	303,265	57,010	(323,722)	36,553
Contingency reserve	-	-	400,000	400,000
	<u>303,265</u>	<u>57,010</u>	<u>76,278</u>	<u>436,553</u>
<b>Restricted funds</b>				
Migrant workers and work with dignity	163,998	68,051	-	232,049
Centre for Sport and Human Rights	62,549	13,729	(76,278)	-
Myanmar Centre for Responsible Business	1,044,970	(266,472)	-	778,498
High Risk Markets	17,085	(17,085)	-	-
Commodities	-	74,054	-	74,054
	<u>1,288,602</u>	<u>(127,723)</u>	<u>(76,278)</u>	<u>1,084,601</u>
<b>TOTAL FUNDS</b>	<u><u>1,591,867</u></u>	<u><u>(70,713)</u></u>	<u><u>-</u></u>	<u><u>1,521,154</u></u>

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**16. MOVEMENT IN FUNDS - continued**

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	735,727	(678,717)	57,010
<b>Restricted funds</b>			
Migrant workers and work with dignity	933,277	(865,226)	68,051
Technology	111,567	(111,567)	-
Centre for Sport and Human Rights	1,231,198	(1,217,469)	13,729
Myanmar Centre for Responsible Business	1,008,049	(1,274,521)	(266,472)
High Risk Markets	(2)	(17,083)	(17,085)
Shipping	31,659	(31,659)	-
Built Environment	19,007	(19,007)	-
HRD and discrimination	103,432	(103,432)	-
Commodities	186,965	(112,911)	74,054
	<u>3,625,152</u>	<u>(3,752,875)</u>	<u>(127,723)</u>
<b>TOTAL FUNDS</b>	<u>4,360,879</u>	<u>(4,431,592)</u>	<u>(70,713)</u>

Unrestricted funds represent monies given to the charity without restrictions.

The trustees have a reserves policy of keeping approximately 3 months of working capital in reserves. Unrestricted reserves held as at 31 December 2019 are broadly in line with the policy. As an extension to the policy, £400,000 of unrestricted reserves have been designated as a contingency reserve. The charity is not able to access these funds without trustees prior approval.

Restricted funds represent monies given to the charity for a particular activity as follows:

Migrant Workers and Work with Dignity: Strengthening protection of migrant worker rights and examining the responsibilities of recruitment agencies.

Centre for Sport and Human Rights: Human rights in the context of sporting events (FIFA World Cup, Olympic Games etc).

Technology: Collective action programme focusing on the human rights risks of digital technology

Myanmar Centre For Responsible Business: An initiative to encourage responsible business activities throughout Myanmar.

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**16. MOVEMENT IN FUNDS - continued**

High Risk Markets: Programme related specifically to responsible business conduct in high-risk environments, which includes the role that investors, local companies and governments should play.

Shipping: Identifying and developing human rights lifecycle and principles relating to Maritime Sector

Built Environment: Exploring the extent to which built environment promotes, threatens or diminishes human dignity

Human Rights Defenders and Discrimination: Protecting human rights defenders and challenging business and discriminatory practices

Commodities: Work on the extractive sector aiming to embed the protection of and respect for human rights, transparency, and accountability.

**17. EMPLOYEE BENEFIT OBLIGATIONS**

The charity contributed to defined contribution pension schemes for all of the employees during the period. Contributions of £33,083 (2018 - £35,321) have been charged to the Statement of Financial Activities for the period under review. As at 31 December 2019 there were no unpaid contributions (2018 - £nil).

**18. RELATED PARTY DISCLOSURES**

**IHRB Trading Limited**  
Subsidiary company

As at 31 December 2019 the subsidiary owed the charity £78,397 (2018 - £111,607). An impairment loss has been provided on the loan of £29,606. Provision was made in a previous period. The loan by the charity has no fixed repayment term and is interest free.

**Myanmar Centre For Responsible Business Limited**  
Subsidiary company

The balance due from the subsidiary at the balance sheet date was £38,104 (2018 - £15,362). This loan to the subsidiary has no fixed repayment term and is interest free.

Expenses of £342,530 (2018 - £310,832) were recharged by the subsidiary to the charity during the year.

**Centre for Sport and Human Rights Limited**  
Subsidiary company

As at 31 December 2019 the subsidiary owed the charity £170,591 (2018 - £nil). The loan by the charity has no fixed repayment term and is interest free.

**INSTITUTE FOR HUMAN RIGHTS & BUSINESS  
LIMITED**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2019**

	31.12.19 £	31.12.18 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Business donations	949,511	731,569
Foundation grants	408,336	666,715
Government grants	1,309,054	285,223
	<hr/>	<hr/>
	2,666,901	1,683,507
<b>Investment income</b>		
Deposit account interest	2,060	1,738
<b>Other income - rent receivable</b>		
Rent receivable	3,461	3,212
	<hr/>	<hr/>
<b>Total incoming resources</b>	2,672,422	1,688,457
 <b>EXPENDITURE</b>		
<b>Raising donations and legacies</b>		
Wages	362	1,200
Social security	99	80
Pensions	156	196
Insurance	663	628
Telephone	280	612
Postage and stationery	32	36
Sundries	57	105
Bank charges	24	28
Consultancy	4,117	1,122
Training	4	112
Website	320	268
Office rent	98	170
IT expenses	74	68
Accountancy and back office support	1,236	1,251
Travel and accommodation	1,821	3,683
Exchange rate variances	(61)	289
Depreciation of tangible fixed assets	91	94
	<hr/>	<hr/>
	9,373	9,942

This page does not form part of the statutory financial statements

**INSTITUTE FOR HUMAN RIGHTS & BUSINESS  
LIMITED**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2019**

	31.12.19 £	31.12.18 £
<b>Raising donations and legacies</b>		
<b>Charitable activities</b>		
Wages	562,966	590,000
Social security	53,851	53,161
Pensions	28,011	29,751
Insurance	1,073	2,025
Telephone	5,009	9,019
Postage and stationery	6,423	13,283
Sundries	4,784	5,607
General travel and accommodation	163,071	188,770
Office rent	3,225	1,339
IT expenses	6,775	8,722
Event costs	160,363	107,986
Consultancy	528,123	372,258
Donations	19,706	-
Myanmar staff costs	246,349	216,594
Professional fees	18,312	4,901
Bank charges	33	143
Exchange rate variances	14,655	32,784
Recruitment fees	-	35,971
Swiss staff costs	51,630	-
	<hr/>	<hr/>
	1,874,359	1,672,314
 <b>Impairment losses</b>		
Impairment of loan to group undertaking	-	(18,079)
 <b>Support costs</b>		
<b>Management</b>		
Wages	91,456	109,996
Social security	5,690	7,316
Pensions	4,381	5,375
Insurance	25,150	20,995
Telephone	8,882	8,924
Postage and stationery	2,013	2,572
Event costs	26,778	4,968
Sundries	8,767	11,733
Consultancy	99,960	27,015
Training	(2,044)	4,237
Office rent	28,164	30,737
Accountancy and back office support	54,787	51,236
Carried forward	353,984	285,104

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**INSTITUTE FOR HUMAN RIGHTS & BUSINESS  
LIMITED**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2019**

	31.12.19 £	31.12.18 £
<b>Management</b>		
Brought forward	353,984	285,104
Professional fees	15,600	20,739
Office move and renovation	2,420	1,176
Travel and accommodation	24,240	46,490
(Profit)/loss on sale of tangible fixed assets	-	(35)
	<hr/> 396,244	<hr/> 353,474
<b>Finance</b>		
Bank charges	934	1,031
<b>Information technology</b>		
Website	21,982	15,525
IT expenses	7,007	7,603
Communication and media	26,817	34,155
Computer equipment depreciation	2,546	2,571
	<hr/> 58,352	<hr/> 59,854
<b>Governance costs</b>		
Auditors' remuneration	6,068	3,751
Board meeting expenses	135	3,840
	<hr/> 6,203	<hr/> 7,591
Total resources expended	<hr/> 2,345,465	<hr/> 2,086,127
Net income/(expenditure)	<hr/> <hr/> 326,957	<hr/> <hr/> (397,670)

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