

Company registration number: 08480724

Charity registration number: 1154784

The Libertarian Research and Education Trust

known as

Statewatch

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2019

Field Sullivan Limited
70 Royal Hill
Greenwich
London
SE10 8RF

The Libertarian Research and Education Trust
known as Statewatch

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Reference and Administrative Details

Trustees	Victoria Canning Jane Deighton Fiona Godfrey Patrick Hillyard Ann Singleton
Secretary	Sean Burke
Principal Office	88 Fleet Street London EC4Y 1DH
Registered Office	10 Queen Street Place London EC4R 1BE The charity is incorporated in England and Wales.
Company Registration Number	08480724
Charity Registration Number	1154784
Independent Examiner	Field Sullivan Limited 70 Royal Hill Greenwich London SE10 8RF

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Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 December 2019.

Statewatch is the working name of The Libertarian Research and Education Trust (LRET), which was established as a trust in 1981. On 3 December 2013 the charity was incorporated, again with the name The Libertarian Research and Education Trust. The company is registered as a charity with the Charity Commission as a successor to the trust (company number: 0848072 4, charity number: 115 4784). The assets and liabilities of the trust have been transferred to this company, and from 3 December 2013 the company has taken over all of the activities of the trust. The Trust does not have a corporate opinion.

The trustees agreed that our Objectives for 2020 are:

- a) To highlight and draw attention to EU measures and practices affecting civil liberties and challenge whether they meet fundamental human rights standards;
- b) Contribute to building a more open, transparent and democratic EU;
- c) Provide a valued resource which informs civil society of the facts and which stimulates discussion and debate, encouraging individuals to participate in the democratic discourse and make their views known;
- d) To increase our capacity to place issues on the mainstream agenda by working with the media, civil society and parliamentarians;
- e) Extend and improve access to information and resources through the launch of our new website incorporating our resources e.g. SEMDOC, the JHA Archive and the Statewatch database;
- f) Publish news stories and in-depth analysis on EU developments;
- g) Continue to hold key institutions in the EU to account;
- h) Expand our network of contributors/correspondents by seeking to involve diverse expertise in EU countries;
- i) Work with the media, civil society and parliamentarians to place issues on the mainstream agenda and to encourage informed debate and discussion;
- j) To maintain the Observatory on the refugee crisis in the Mediterranean and in the EU
- k) Identify new funding opportunities;
- l) Explore options for the future role of the Director and the leadership team;
- m) Recruit and appoint new Trustees;
- n) Continue to evaluate outputs and outcomes.

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Trustees' Report

Our Targets for 2019 were:

1. To update the coverage on the Statewatch website daily/weekly. Achieved;
2. To maintain e-mail lists, Twitter and Facebook. Achieved;
3. To publish regular analyses online. Achieved;
4. To respond to requests for speakers at conferences and seminars. Achieved;
5. To take forward our agreed fund-raising programme. Achieved;
6. To develop and maintain the JHA Archive (1976-2000). Achieved;
7. To continue to develop the Statewatch Library & Archive collection make use of the resources it holds. Achieved;

Throughout 2019 the Library & Archive has been open to the public every Thursday and by appointment at other times. The majority of the catalogue is now online and photos and details of items continue to be added throughout 2019. The charity will continue to explore how it can fully exploit the resources of the Library & Archive for the future.

8. To continue to develop and maintain the Observatory on the refugee crisis. Achieved;
9. To develop and maintain an Observatory on interoperability. Achieved;
10. To develop and maintain the Observatory on the refugee crisis; Achieved.
11. To complete works associated with installing the new CMS to operate the Statewatch website, and report progress to the Board of Trustees. Not Achieved;
12. We worked through the technical challenges associated with transferring data from the old website to the new and reported regular updates to our Board of Trustees. The planned date to launch the new web site is 2020.
13. To update the SEMDOC database; Not achieved;

This target is dependent on the CMS operating the new Statewatch website and on resources being available.

Our Targets for 2020 are:

1. To launch the new Statewatch website in July 2020 and monitor the functionality of the CMS in the operation of the website, providing regular reports on progress to the Board of Trustees;
2. To update the coverage on the Statewatch website daily/weekly;
3. To maintain e-mail lists, Twitter and Facebook;

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4. To publish regular analyses online;
5. To respond to requests for speakers at conferences and seminars;
6. To take forward our agreed fund-raising programme;
7. To develop and maintain the JHA Archive (1976-2000);
8. To maintain and develop the Statewatch Library & Archive collection make use of the resources it holds;
9. To continue to develop and maintain the Observatory on the refugee crisis;
10. To update and maintain the Observatory on Frontex
11. To develop and maintain an Observatory on interoperability;

Income and expenditure

Our total income for 2019 was £87,029 and our total expenditure was £70,434.

Policy on reserves

At year end our reserves stood at (£11,030). Reserves are held to meet any unexpected shortfall in income and to meet any necessary expenditure to protect or expand the trust's work. Trustees will endeavour to increase the reserves if income permits. However, the first call on increased income will be to meet staff wages.

Risk analysis

The trust has reviewed the following significant risks and has agreed the following steps to mitigate them:

1. Staff development and retention. Statewatch employees are employed part time and are highly skilled in the specialist field of our work. Our staff team is central to ensuring that Statewatch continues to be one of the most trusted NGOs working on EU Justice and Home Affairs (JHA) and in relation to security policy and access to EU documents (freedom of information). Our priority is to develop and retain current staff. The first call on increased funding is to ensure wages are at a reasonable level.
2. Review and monitor action to reduce our projected pension deficit. We have an action plan in place with the Pensions' Trust, our pension provider, to reduce our deficit by paying additional annual contributions over ten years 2013 - 2023. The present estimate from the Pensions Trust of employer liability on withdrawal is £17,832.07 (as at September 2019) and was £16,077.18 (as at September 2018).
3. Information, Communication and Technology. The work to Install the new CMS has been beset by technical challenges resulting in delays in realising a fully operational website. Progress on the CMS work is regularly reported regularly to our Board of Trustees. We have agreed the target launch date for the new Statewatch website of May 2020.

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4. Reserves. Our reserves are held to meet any unexpected shortfall in income and to meet any necessary expenditure to protect or expand the trust's work. Trustees are committed to increase the reserves if income permits. However, the first call on increased income will be to meet staff wages.

Funding

We are grateful for the support received during 2019 from the Open Society Initiative for Europe (Open Society Foundations), Privacy International, Garden Court Chambers, and Friends of Statewatch.

Review of the year

In our 29th year Statewatch continued to maintain its position as one of the best-known NGOs working on EU Justice and Home Affairs (JHA) and security policy and access to EU documents (freedom of information). Statewatch remains the EU's main dedicated civil liberties "watchdog". The core work of Statewatch has been to provide documentation, information and research on developments within the EU raising awareness of issues that challenge individual rights and liberties.

We encourage the publication of investigative journalism and research, and provide extensive background documentation to inform and engage civil society and promote democratic accountability of the EU and its agencies and bodies. Our website promotes our work. It is extensively used by civil liberties activists, NGOs, academics, students, lawyers, journalists, parliamentarians, policy-makers and members of the public who share our concerns and appreciate our work.

Our work has focused on the following policy areas in the EU: policing, criminal law, immigration, asylum, security and counter-terrorism, racism and fascism, surveillance, secrecy and transparency, privacy and data protection. Developments in these areas directly affect the policy and practice in the Member States and in turn, affect the fundamental rights and liberties of citizens and third-country nationals.

Working with others in civil society

Statewatch signed two open letters coordinated by other groups, calling for amendments to the proposed EU Copyright Directive (January) and urging the rejection of the UK-USA CLOUD Act (October). In April we coordinated an open letter to MEPs on the European Parliament's LIBE committee which was signed by four other civil society organisations and ourselves. It called on MEPs to reject the 'Fingerprinting Regulation' which introduces mandatory fingerprinting and biometric photos for all national identity cards in the EU.

Statewatch staff attended the European Digital Rights (EDRi) general assembly in April and Migreurop general assembly in December. Statewatch is a member of both networks. Our Project Director also attended the 'Privacy Camp' event hosted by EDRi in Brussels, which included the European Data Protection Supervisor-civil society Consultative Forum.

Our Researcher and Project Director both attended the Sabir Festival in Lecce, Italy in May 2019, where they participated in a meeting amongst different groups present to consider ways that different NGOs and journalists could coordinate their work on EU migration policies. This was followed up with a meeting in Brussels in October, which they both attended and spoke at.

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In November we co-published a report with the Platform on International Cooperation on Undocumented Migrants (PICUM), explaining the EU's new 'interoperability' Regulations and how they might affect undocumented migrants. Our Director and Project Director attended the launch event in Brussels, which was also held in November and was attended by around 50 people including NGO workers, lawyers, researchers and academics.

As part of the project 'EU justice and home affairs agencies: transparency, accountability and fundamental rights', we have established a network of researchers across the EU working on issues relating to EU agencies, primarily Frontex, which meets online every six weeks for presentations and discussions on topics of mutual interest.

Press coverage

We provided information to journalists throughout the year and our work featured prominently in press coverage of the EU's 'interoperability' rules. As well as this, we were directly cited in The Guardian, TechDirt, Pikara, InfoMigrants, Le Monde (front page of the print edition), the New Delhi Times, EUobserver, The Irish Times, The Washington Post, Newham Recorder, FM4, and Planet Biometrics.

Our Project Director engaged with two journalists from The Black Sea (European Investigative Collaborations) on ID cards Regulation and interoperability

Contributions to conferences, workshops and other events

Our Director:

- November: Spoke at PICUM conference in Brussels and launch of our joint report on interoperability and its potential implications for undocumented migrants.
- 25 September - 1 October: 2nd trip to Lesbos, Greece, following state actions and human rights and civil liberties abuses, first reported by Statewatch in 2014 . Participated together with Statewatch Co-Chair Ann Singleton in the "Welcome to EU 10-year Anniversary Three-day Conference" at Thermi including an inspiring Concert and Memorial gathering in Thermi village for those who had died at sea. The Memorial plaque had been destroyed by fascists. Went to the Hope Centre which is an inspiration and met up with the founders Eric and Philippa Kempson. Visited the Lesbos Legal Centre and discussed the prosecution of anti-fascists.
- 20 September: Gave a Lecture on Investigative Journalism at Winchester University entitled "The 1970s - Terrorism, Racism and Radicalism."
- 22-23 April: Spoke at World Universities Network (WUN) Memorials Project workshop at the University of the Aegean . Lesbos, Greece, led by Ann Singleton Statewatch Co-Chair. Visit to Moria camp (detention centre) and to the Medecins Sans Frontieres' Centre just outside the Moria Camp. Met the founder of the Aegean Boat Report, journalists, humanitarian workers and activists.
- 31 March 2019: Spoke at the Launch of the ABC Trial Archive at May Day Rooms. (The ABC Trial was a trial of charges under sections 1 and 2 of the Official Secrets Act 1911 trial in United Kingdom. It took place in 1978 and is named after the three defendants: Crispin Aubrey, John Berry and Duncan Campbell). The event was organised by Statewatch.
- 10 March: Gave a Lecture at University of Bristol on "Security and Migration" to MSc students.
- 19-20 February: As a member of the Centre for European Policy Studies (CEPS), attended the Task Force on E-evidence exchange with the USA, in Brussels. Also attended and contributed at three further meetings.

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Our Project Director:

- November: presented our joint report with PICUM at the final TRANSAD (Transatlantic Network for the Study of Armed Drones) in Barcelona;
- November: spoke at a PICUM seminar that coincide with the launch of our joint report on interoperability and its potential implications for undocumented migrants;
- October: spoke at a Brussels-based meeting entitled 'Mapping EU funding for externalisation policies'. Talk looked at forthcoming changes to the EU's Internal Security Fund;
- May: attended Sabir Festival in Lecce, Italy to give a talk on the EU's interoperability agenda and increased data-gathering on migrants; attended a meeting amongst different groups seeking to coordinate work on EU migration policies
- April: attended the EDRI 2019 General Assembly (London)
- March: spoke at an event organised by the Delas Centre for Peace Studies in Barcelona - launch of the TNI/Centre Delas/Stop Wapenhandel report 'Building Walls'
- January: attended the 'Uncovered' conference organised by the European Center for Press and Media Freedom in Berlin. The purpose of the conference was to showcase 12 projects funded by the IJ4EU grants last year, one of which was 'The Invisible Border' for which Statewatch did background research
- January: attended the EDRI 'Privacy Camp' and the EDPS-civil society Consultative Forum in Brussels

Our researchers:

- December: participated in the ASGI organised event "Externalization of Borders and the Role of IOM" at Universita Tre, Rome.
- December: Both researchers presented Statewatch's ongoing work on accountability and transparency of Frontex at an internal meeting of Migreurop in Paris, and discussed future work and partnerships with organisations present; also participated in two round table strategic meetings in Paris with Migreurop partners on the criminalisation of solidarity and on Frontex.
- December: represented Statewatch at the launch of Migreurop's Atlas report in London.
- November: presented the Migreurop Atlas on Migrations at a session on "migratory trends and critical shifts in the Mediterranean" at a conference organised by the Maison de France and the Latin American Centre at Oxford University on "Migration in Latin America and the Mediterranean Compared: Violence, State Cruelty and (Un-) Institutional Resistance".
- November: Yasha Maccanico awarded a PhD in Policy Studies by the University of Bristol (with Statewatch), funded by the ESRC and the University of Bristol, for thesis on "European Immigration Policies as a Problem: state power and authoritarianism. The development of immigration policy as a means of asserting state power in the EU and its member states".
- October: presented an intervention on the new EU multi-annual financial framework (MFF) externalisation, focussing on the proposed budget for Frontex, at a strategy meeting organised by ASGI and TNI, among others.
- October: participated in a conference on human rights and the law of the sea in Milan organised by the city's order of lawyers' human rights committee, entitled "Il Mare dei Diritti Umani". The talks were broadcast by Radio Radicale and published in 2020 in article form by the juridical website "Giustizia Insieme".
- October: ran two workshops on migration policy at the UNESCO World Bioethics Day conference at Swansea University.
- September: attended a training day on the new Frontex Regulation and workshop on strategic litigation in Rome, organised by ASGI. Delivered a presentation on exemptions to individual rights to data protection.

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- June: participated in an international conference organised by the University of the West of England in Bristol on "International Conference: Interdisciplinary Perspectives on European Solidarity" with a presentation entitled "The European Agenda on Migration: Make-Believe Solidarity to Undermine both Solidarity and Rights in Pursuit of Strategic Policy Goals".
- May: participated in a University of Bristol workshop on the "Ethics of Resistance to Immigration Controls".
- May: publication of an article in the feminist Spanish language Pikara magazine for which (Yasha Maccanico) was interviewed, entitled "El naufragio de los derechos humanos en Europa" (The shipwreck of human rights in Europe).
- May: attended the Sabir Festival in Lecce, Italy, attended a meeting amongst different groups seeking to coordinate work on EU migration policies.
- March: participated with international partners (Osservatorio Solidarietà, Migreurop) in preparing a Charter of Commitments for candidates at the 2019 European Parliament elections entitled "Carta d'impegno sulla migrazione per i candidati e le candidate alle elezioni europee" calling for a radical change in outlook and policies on migration.

Achievements in 2019

Statewatch maintained its output and position as one of Europe's most trusted and productive providers of information and analysis in the JHA field.

Our website in 2019:

- Received over a million hits a month;
- We continued updating the Observatory on the Refugee crisis in the Med and in the EU. This observatory provides a "one-stop" shop for all the official documents from the European Commission, analyses and critiques from NGOs and academics and news stories. A twice monthly round-up is provided alongside daily updates. The site has proved very popular with civil society and NGOs, the EU and national media and with activists on the ground;
- We set up and maintained the Observatory on interoperability.

Our core work and ongoing activities

We provide a free and extensive online information service which includes:

- Statewatch News Online, provides news, analysis and extensive documentation;
- 20 subject-specific "Observatories" covering key issues in-depth;
- Statewatch Database over 34,000 items from the website, journal and our archives dating back to 1991;
- Statewatch European Monitoring and Documentation Centre (SEMDOC), which documents all EU Justice and Home Affairs legislation since 1993;
- JHA Archive of 9,000+ EU JHA documents from 1976- 2000 (most officially unpublished) available online;
- Maintaining online access to back issues of Statewatch Journal (previously Bulletin) since 1991;
- In 2019 we published and updated 11 analyses providing in-depth coverage of particular issues.

Statewatch website

We publicise our work through our website. We encourage the publication of investigative journalism, research and provide extensive background documentation to inform and engage civil society and promote democratic accountability of EU institutions. Statewatch provides analysis on key civil liberties issues and maintains a number of dedicated websites. We aim to place these issues on the agenda of civil society organisations, policymakers and the media to enhance public understanding and informed debate.

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News Online and Observatories

In 2019 Statewatch published 1,108 stories and reports with additional background documents and links on News Online and a further 869 on the Refugee Observatory. 141 were our own stories and 967 were from other sources (14.6% of the material we published was our own work). We maintained 20 Observatories; the most used Observatories were on the Refugee crisis, access to EU documents; EU-UK-USA Data Surveillance, Interoperability and Big Brother, and Frontex.

Statewatch European Monitoring Document Centre (SEMDOC)

SEMDOC provides detailed information and full-text documents on all EU legislation adopted or proposed since 1993. This resource carries information on the Trevi, Maastricht, Amsterdam and Lisbon eras.

JHA Archive (1976-2000)

The hard-copy library held by Statewatch of 9,010 Council documents covering the period 1976-2000 (before the EU institutions' public registers were set up) have been scanned into pdf format and key-worded. This database provides a unique free resource which is not available anywhere else in the EU. Updating of the archive is on-going.

Statewatch database

The searchable database with material gathered since 1991 now holds over 34,000 items. Both SEMDOC and the searchable database were subscription-based for over 10 years until made available free to all in 2010.

Networks and Partnerships

Statewatch continues to be an active participant of the following networks: ECAS, European Digital Rights (EDRI), Migreurop, FOIAdvocates, the Drone Campaign Network, FREEgroup (Brussels), ALTER-EU, and the Ethical Journalism Network. We also work closely with Privacy International, Transnational Institute (TNI) and associates at the German magazine CILIP (Civil Liberties & Police/Bürgerrechte und Polizei). Statewatch is also a partner of European Alternatives and LEAP (formerly the JUSTICIA network).

Objectives

In 2019 Statewatch met all but two of its objectives. The unmet objectives relate to completing the work on our new Content Management System (CMS) for our website. We were able to identify the key delivery milestones essential for the installation of our new CMS and website. Throughout 2019 we worked through the technical challenges associated with transferring data from the old website to the new and reported regular updates to our Board of Trustees. The planned date to launch the new web site is 2020.

The second unmet objective in 2019 was to update the SEMDOC database. Meeting this objective relies on the new CMS system being up and running. We should be able to revisit this important output following the planned launch of our new website in May 2020.

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Statewatch Contributors Group

The Contributors Group is comprised of 33 individuals and organisations drawn from journalists, academics, and lawyers, and Civil Liberties NGOs from 18 EU countries who support Statewatch's work by contributing information and analysis.

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 6 August 2020 and signed on its behalf by:



Ann Singleton
Trustee

6th August 2020

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Statement of Trustees' Responsibilities

The trustees (who are also the directors of The Libertarian Research and Education Trust for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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Independent Examiner's Report to the trustees of The Libertarian Research and Education Trust

I report to the trustees (who are also Directors for the purpose of company law) on my examination of the financial statements of The Libertarian Research and Education Trust ('the charitable company') for the year ended 31 December 2019 which comprise the Statement of Financial Activities, the Balance Sheet and related notes.

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

Respective responsibilities of trustees and examiner

As the charity's trustees of The Libertarian Research and Education Trust (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of The Libertarian Research and Education Trust are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of The Libertarian Research and Education Trust as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

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Independent Examiner's Report to the trustees of The Libertarian Research and Education Trust

Field Sullivan Ltd

Field Sullivan Limited
70 Royal Hill
Greenwich
London
SE10 8RF

Date: *10/8/20*

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Statement of Financial Activities for the Year Ended 31 December 2019
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2019 £	Unrestricted funds £	Total 2018 £
Income and Endowments from:						
Donations and legacies		11,600	52,597	64,197	28,816	28,816
Charitable activities		22,827	-	22,827	13,199	13,199
Investment income	5	5	-	5	4	4
Total income		34,432	52,597	87,029	42,019	42,019
Expenditure on:						
Charitable activities		(33,687)	(36,747)	(70,434)	(52,239)	(52,239)
Total expenditure		(33,687)	(36,747)	(70,434)	(52,239)	(52,239)
Gains/losses on investment assets		45	-	45	(51)	(51)
Net movement in funds		790	15,850	16,640	(10,271)	(10,271)
Reconciliation of funds						
Total funds brought forward		(27,670)	-	(27,670)	(17,399)	(17,399)
Total funds carried forward	14	(26,880)	15,850	(11,030)	(27,670)	(27,670)

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2018 is shown in note 14.

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(Registration number: 08480724)
Balance Sheet as at 31 December 2019

	Note	2019 £	2018 £
Current assets			
Debtors	9	14,210	6,997
Investments	10	1,031	987
Cash at bank and in hand		<u>13,739</u>	<u>5,152</u>
		28,980	13,136
Creditors: Amounts falling due within one year	11	<u>(9,178)</u>	<u>(6,729)</u>
Total assets less current liabilities		19,802	6,407
Creditors: Amounts falling due after more than one year	12	(13,000)	(18,000)
Provisions	13	<u>(17,832)</u>	<u>(16,077)</u>
Net liabilities		<u>(11,030)</u>	<u>(27,670)</u>
Funds of the charity:			
Restricted funds		15,850	-
Unrestricted income funds			
Unrestricted funds		<u>(26,880)</u>	<u>(27,670)</u>
Total funds	14	<u>(11,030)</u>	<u>(27,670)</u>

For the financial year ending 31 December 2019 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

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Balance Sheet as at 31 December 2019

The financial statements on pages 14 to 25 were approved by the trustees, and authorised for issue on 6 August 2020 and signed on their behalf by:

Ann Singleton

Ann Singleton
Trustee

6th August 2020

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Notes to the Financial Statements for the Year Ended 31 December 2019

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

10 Queen Street Place
London
EC4R 1BE

The principal place of business is:

88 Fleet Street
London
EC4Y 1DH

These financial statements were authorised for issue by the trustees on 6 August 2020.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with 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 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

The Libertarian Research and Education Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

In common with many similar organisations who receive the majority of their income from public funding, the viability of The Libertarian Research and Education Trust is dependent on finding continuing sources of funding. As set out in the trustee's report, the company's financial situation remains challenging, but the trustees are working to address these issues. Accordingly, the trustees believe it is appropriate to prepare the accounts on a going concern basis.

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Notes to the Financial Statements for the Year Ended 31 December 2019

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Income and endowments

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

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

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Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Current asset investments

Current asset investments are included at the lower of cost and net realisable value / market value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

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Notes to the Financial Statements for the Year Ended 31 December 2019

Provisions

Provisions are recognised when the charity has an obligation at the reporting date as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

3 Income from donations and legacies

	Unrestricted funds		Total 2019 £	Total 2018 £
	General £	Restricted funds £		
Donations and legacies;				
Donations from companies, trusts and similar proceeds	7,026	-	7,026	17,043
Legacies	-	-	-	9,000
Gift aid reclaimed	574	-	574	(1,227)
Grants, including capital grants;				
Garden Court	4,000	-	4,000	4,000
OSIFE	-	42,597	42,597	-
Project grant privacy	-	10,000	10,000	-
	<u>11,600</u>	<u>52,597</u>	<u>64,197</u>	<u>28,816</u>

4 Income from charitable activities

	Unrestricted funds		Total 2019 £	Total 2018 £
	General £	Restricted funds £		
Fees and supplies	21,488	-	21,488	13,023
Other income	1,339	-	1,339	176
	<u>22,827</u>	<u>-</u>	<u>22,827</u>	<u>13,199</u>

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Notes to the Financial Statements for the Year Ended 31 December 2019

5 investment income

	Unrestricted funds		
	General	Total	Total
	£	2019	2018
		£	£
Interest receivable and similar income;			
Interest receivable on bank deposits	5	5	4

6 Expenditure on charitable activities

	Note	Total 2019 £	Total 2018 £
Wages and salaries		45,081	32,798
Pension		6,999	2,048
Conference		150	582
Rent		7,500	7,500
Insurance		592	592
Telephone and fax		2,711	2,755
Office expenses		20	366
Computer software and maintenance		1,063	320
Printing, postage and stationery		139	8
Trade subscriptions		439	494
Travel and subsistence		1,902	827
Staff entertaining (allowable for tax)		14	-
Independent examination		2,856	2,778
Legal and professional		687	898
Bank charges		281	273
		<u>70,434</u>	<u>52,239</u>

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Notes to the Financial Statements for the Year Ended 31 December 2019

7 Staff costs

The aggregate payroll costs were as follows:

	2019 £	2018 £
Staff costs during the year were:		
Wages and salaries	45,081	32,798
Pension costs	<u>6,999</u>	<u>2,048</u>
	<u><u>52,080</u></u>	<u><u>34,846</u></u>

No employee received emoluments of more than £60,000 during the year.

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Notes to the Financial Statements for the Year Ended 31 December 2019

8 Taxation

The charity is a registered charity and is therefore exempt from taxation.

9 Debtors

	2019 £	2018 £
Recoverable on long-term contracts	13,200	5,900
Prepayments	460	572
Other debtors	550	525
	<u>14,210</u>	<u>6,997</u>

10 Current asset investments

	2019 £	2018 £
Unlisted other shares	<u>1,031</u>	<u>987</u>

11 Creditors: amounts falling due within one year

	2019 £	2018 £
Other taxation and social security	598	-
Other creditors	3,126	1,251
Accruals	5,454	5,478
	<u>9,178</u>	<u>6,729</u>

12 Creditors: amounts falling due after one year

	2019 £	2018 £
Other creditors	<u>13,000</u>	<u>18,000</u>

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Notes to the Financial Statements for the Year Ended 31 December 2019

13 Provisions

	Pension contributions provision £	Total £
At 1 January 2019	(16,077)	(16,077)
Pension provision movement	<u>(1,755)</u>	<u>(1,755)</u>
At 31 December 2019	<u><u>(17,832)</u></u>	<u><u>(17,832)</u></u>

14 Funds

	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 December 2019 £
Unrestricted funds				
<i>General</i>				
General Fund	-	-	45	45
Unrestricted income fund	<u>26,827</u>	<u>(18,354)</u>	<u>-</u>	<u>8,473</u>
	<u>26,827</u>	<u>(18,354)</u>	<u>45</u>	<u>8,518</u>
Restricted funds				
OSIFE	<u>42,597</u>	<u>(36,747)</u>	<u>-</u>	<u>5,850</u>
PI Project	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>10,000</u>
	<u>52,597</u>	<u>(36,747)</u>	<u>-</u>	<u>15,850</u>
Total funds	<u><u>(79,424)</u></u>	<u><u>55,101</u></u>	<u><u>(45)</u></u>	<u><u>(24,368)</u></u>

OSIFE - This grant was awarded for the 'European Union justice and home affairs agencies: Transparency, accountability and fundamental rights' project, which examines the transparency, accountability, and implications for fundamental rights of the activities of three EU agencies: Frontex, Europol and eu-Lisa.

Project Grant Privacy - The project title is 'Biometric Europe: Imposing digital identities in the name of security'. The project will educate and inform relevant groups and individuals about the challenges the EU's biometric identity initiatives pose for individual rights in order to increase civil society action (such as campaigns, advocacy, awareness-raising activities, legal cases) and media coverage on the topic, to contribute to attempts to ensure that the EU's biometric identity initiatives are implemented in a manner that prioritises fundamental rights.

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Notes to the Financial Statements for the Year Ended 31 December 2019

	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 December 2018 £
Unrestricted funds				
<i>General</i>				
General Fund	-	-	(51)	(51)
Unrestricted income fund	23,446	(17,393)	-	6,053
	<u>23,446</u>	<u>(17,393)</u>	<u>(51)</u>	<u>6,002</u>

15 Analysis of net funds

	At 1 January 2019 £	Cash flow £	At 31 December 2019 £
Cash at bank and in hand	5,152	8,587	13,739
Current asset investments	987	44	1,031
Net debt	<u>6,139</u>	<u>8,631</u>	<u>14,770</u>
	At 1 January 2018 £	Cash flow £	At 31 December 2018 £
Cash at bank and in hand	-	5,152	5,152
Current asset investments	-	987	987
Net debt	<u>-</u>	<u>6,139</u>	<u>6,139</u>

16 Related party transactions

During the year the charity made the following related party transactions:

A C Bunyan

The loan was made by a founder of the charity and they have agreed that the loan will not be called in until there are sufficient resources available to the charity to repay the loan.. At the balance sheet date the amount due to A C Bunyan was £13,000 (2018 - £18,000).

17 Non-adjusting events after the financial period

Subsequent to the year end the charity's activities have been adversely affected by the outbreak of COVID 19. As a result the charity has had to temporarily close its office and staff are working from home to continue the charity's activities, and is confident that it will continue its activities once the outbreak has been contained.