

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 2020

Field Sullivan Limited  
70 Royal Hill  
Greenwich  
London  
SE10 8RF

**The Libertarian Research and Education Trust**

**known as Statewatch**

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**The Libertarian Research and Education Trust**

**known as Statewatch**

**Reference and Administrative Details**

<b>Trustees</b>	Jonathan Bloch Victoria Canning Nadine Finch Fiona Godfrey Lilana Kelth Ann Singleton
<b>Secretary</b>	Jonathan Bloch
<b>Principal Office</b>	88 Fleet Street London EC4Y 1DH
<b>Registered Office</b>	10 Queen Street Place London EC4R 1BE  The charity is incorporated in England and Wales.
<b>Company Registration Number</b>	08480724
<b>Charity Registration Number</b>	1154784
<b>Independent Examiner</b>	Field Sullivan Limited 70 Royal Hill Greenwich London SE10 8RF

## **The Libertarian Research and Education Trust**

**known as Statewatch**

### **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 2020.

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: 08480724, charity number: 1154784). 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.

#### **Public benefit**

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

#### **Trustees**

Jonathan Bloch (as of January 2021)  
Victoria Canning  
Jane Deighton (until September 2020)  
Nadine Finch (as of January 2021)  
Fiona Godfrey  
Patrick Hillyard (until December 2020)  
Lilana Keith (as of January 2021)  
Ann Singleton

#### **Secretary**

Sean Burke (until September 2020)  
Chris Jones (October-December 2020)  
Jonathan Bloch (as of January 2021)

#### **Appointment of Trustees**

Any person who is willing to act as a Trustee, and who would not be disqualified from acting under the provisions of Article 26 of Articles of Association, may be appointed to be a Trustee by a decision of the Trustees.

In the last round of new Trustee appointments (2019) we advertised the positions widely on social media and our website. Applicants submitted CVs and personal statements of motivation. The selection method involved an initial discussion, according to the agreed criteria, between the existing Trustees and the Director and a meeting of the Board who then agreed on who to invite to become Trustees. Interviews were conducted by the then Co-Chairs.

The Board is aware of the need to find additional new Trustees, as well as a need for a succession plan, to replace existing Trustees as they stand down at the end of the time of office. We will discuss and decide on these matters in the first half of 2022. We are aware of the need to consider identifying key skills and experience we need on the Board and to advertise for applicants who meet those criteria.

## **The Libertarian Research and Education Trust**

### **known as Statewatch**

#### **Trustees' Report**

##### **Policies and procedures adopted for the induction and training of trustees**

We provide Trustees with the Charity Commission and NCVO guidance for Trustees. We have also contracted external expertise to provide legal advice on contracts and policies. They have prepared a Staff and Volunteers Handbook and are currently working on a Handbook for Trustees. This will cover recruitment, policies, induction and training.

##### **The trustees agreed that our Objectives for 2021 are:**

- To monitor civil liberties and the state in Europe, in particular the European Union, its member states and the UK, by:
  - a) Conducting research and investigations into key issues affecting civil liberties, fundamental rights and democratic standards to produce news, analyses, reports and other output
  - b) Maintaining and updating our observatories, in particular on the 'refugee crisis', interoperability, the European Security Research Programme and Frontex
  
- To inform and empower individuals and civil society, by:
  - c) Providing a news service that acts as a key information hub on civil liberties issues and campaigns, bringing together our own material with that of other organizations and outlets
  - d) Stimulating discussion and debate by working with the media, civil society and parliamentarians and by encouraging individuals to participate in the democratic discourse and make their views known;
  - e) Expanding and increasing engagement with our contributors' network to ensure broader level of expertise and geographical reach;
  - f) Hosting and participating in research and discussion networks on key issues/themes to encourage information-sharing and collaboration;
  - g) Organizing events for discussion, debate and education about key contemporary and historical civil liberties issues;
  - h) Using and developing our social media presence to engage more effectively with our audiences and public institutions;
  - i) Using materials from the Library & Archive to provide a resource for researchers and a historical perspective on contemporary issues.
  
- Action on civil liberties and justice and home affairs issues, by:
  - j) Contributing to building more open, transparent and democratic EU and national institutions and ensure that public institutions act in accordance with the law;
  - k) Challenging new measures that do not meet fundamental human rights standards;
  - l) Playing an active role in our networks and partnerships.
  
- In relation to governance, funding and organisational development:
  - m) Identify new opportunities for funding and collaboration;
  - n) Update and continue to implement the strategic agenda 2020-22;
  - o) Develop a new long-term vision for Statewatch;
  - p) Enhance monitoring and evaluation framework;
  - q) Maintain and update policies and procedures as necessary;
  - r) Continue to implement recommendations of the Governance Review.

## The Libertarian Research and Education Trust

### known as Statewatch

### Trustees' Report

#### Our Objectives for 2020 were:

- 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.

#### Our Targets for 2020 were:

**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**

Achieved. The website was launched in June 2020. While there is still some development work to be done to improve functionality and appearance, the current site is a significant improvement over its predecessor.

**2. To update the coverage on the Statewatch website daily/weekly**

Achieved. 876 stories were published via news online, consisting of our own research and reporting as well as links to the work of other NGOs, press stories and other sources.

**3. To maintain e-mail lists, Twitter and Facebook**

Achieved. 16 bulletins (containing round-ups of our news, analysis and activities) were sent to the mailing list over the course of the year, as well as 20 other announcements (press releases, calls for action, event announcements, appeals for funding).

Twitter was updated on a daily basis and Facebook at least three times per week. Thanks for the work of our intern between January and March, we were able to improve our approach to using social media. The number of Twitter followers increased by 881 over the year and our tweets obtained 3,584,000 impressions over the course of the year. Facebook followers and 'likes' also grew steadily.

**4. To publish regular analyses online**

Achieved. 22 analyses were published online over the course of the year.

**5. To respond to requests for speakers at conferences and seminars**

Statewatch staff spoke at a five external events throughout the course of the year.

## The Libertarian Research and Education Trust

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#### Trustees' Report

##### **6. To take forward our agreed fund-raising programme**

Partly-achieved. A successful fundraising campaign in September 2020 brought in immediate income of over £21,000 and 14 new Friends of Statewatch, bringing in approximately £110 per month. A new grant of £10,000 was awarded at the end of the year by Citizens for Europe to allow us to undertake in-depth strategic planning during 2021. Obtaining long-term core funding remained challenging.

##### **7. To develop and maintain the JHA Archive (1976-2000)**

Not achieved. Although the JHA Archive remains accessible online, it has not been possible to obtain the resources needed to further develop the resource.

##### **8. To maintain and develop the Statewatch Library & Archive collection make use of the resources it holds**

Partly-achieved. The Library & Archive remained open to visitors every Thursday until the onset of the coronavirus pandemic and the first lockdown. We also hosted a sold-out event on Northern Ireland on 30 January, making use of the materials held in the Library & Archive.

##### **9. To continue to develop and maintain the Observatory on the refugee crisis**

Achieved

##### **10. To update and maintain the Observatory on Frontex**

Partly-achieved. The Observatory had not been updated since 2014 and so time was dedicated to bringing it up-to-date, with a view to re-launching in spring 2021.

##### **11. To develop and maintain an Observatory on interoperability**

Achieved

#### **Income and expenditure**

Our total income for 2020 was £97,167 (2019: £87,029) and our total expenditure was £76,153 (2019: £70,434).

#### **Policy on reserves**

At year end our reserves stood at £10,074 (2019: (£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 retain and develop current staff. The review and revision of wages is necessary to ensure reasonable salaries in relation to sector benchmarking, staff expertise and seniority.

## **The Libertarian Research and Education Trust**

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#### **Trustees' Report**

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 £17,183.88 (as at September 2020) and was £17,832.07 (as at September 2019).

3. Brexit. The legal ramifications of Brexit will have certain negative effects on Statewatch's ability to undertake its work. The Board of Trustees assessed the implications and agreed to proceed with establishing a branch or 'sister' organisation within EU jurisdiction. The Director was tasked with obtaining the necessary legal and other advice in order to advance this plan.

4. Coronavirus. The Board of Trustees ensured that all necessary action was taken to protect the health and wellbeing of Statewatch employees and volunteers following the announcement of the first lockdown in the UK in March 2020. A member of the Board was appointed as a wellbeing contact point to serve as a first point of call for any staff wishing to discuss problems or concerns (e.g. mental health) arising from the pandemic and the restrictive measures taken to address it. The Board was regularly updated on measures taken by the organisation to ensure a 'COVID-secure' working environment after restrictions were eased.

5. Retirement of the Director. After 30 years in post, Tony Bunyan retired as director on 30 September 2020. He was succeeded by Chris Jones (previously project director) in accordance with a decision of the Board of Trustees, who are providing ongoing support to the new director as he settles into the role.

#### **Funding**

We are grateful to the support received during 2020 from the Open Society Initiative for Europe (Open Society Foundations), Privacy International, Garden Court Chambers and Friends of Statewatch.

#### **Review of the year**

Statewatch continued to maintain its position as one of the best-known NGOs working on EU justice and home affairs (JHA) and security policies 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; policing, criminal law, immigration, asylum, security and counter-terrorism, racism and fascism, surveillance, secrecy and transparency, privacy and data protection. Developments in EU law and policy 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.



## The Libertarian Research and Education Trust

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#### Trustees' Report

Key work in 2020 included the publication of two in-depth reports: Automated Suspicion: the EU's new travel surveillance initiatives (July) and Deportation Union: rights, accountability, and the EU's push to increase forced removals (August), both of which were accompanied by well-attended online events. Complaints we filed with the European Ombudsman against Frontex and Europol for failing to comply with transparency legislation were also accepted, and we engaged in correspondence with the Ombudsman in relation to the issues raised. We continued to publish regular news, analysis and documentation, to circulate and publicise the work of other civil society organisations working in our field, and to support and amplify campaigns led by other organisations.

#### Working with others in civil society

In 2020 we continued to engage with our existing networks and to forge new relationships, inter alia by:

- Co-sponsoring webinars with the Transnational Institute:
  - o States of Control - the dark side of pandemic politics (April)
  - o Walls Must Fall: Ending the deadly politics of border militarisation (June)
  
- Signing open and closed letters on matters of importance in our fields:
  - o On the arrest of human rights activists in Egypt (December)
  - o On the EU's 'Online Terrorist Content' Regulation (November)
  - o On telecommunications data retention (October)
  - o On the EU's Copyright Directive and the need for a child rights impact assessment for the UK's new Law Enforcement Data Service (not public)
  - o On the crackdown on protests in Belarus (July)
  
- We also coordinated and publicised an open letter, with Osservatorio Solidarità, to the International Maritime Organization, calling for the revocation of the Libyan search and rescue zone in order to prevent 'pullbacks' of people attempting to flee to safety
  
- In July, we worked with European Digital Rights on their submission to the European Commission's public consultation on the future of Europol, calling for a halt to the expansion of unnecessary surveillance and data-processing powers, and meaningful independent evaluation and debate prior to any proposed expansion of such powers.
  
- In May, with Privacy International, Fundación Datos Protegidos and Red en Defensa de los Derechos Digitales (R3D), we produced a joint submission to the UN Special Rapporteur on contemporary forms of racism, racial discrimination, xenophobia and related intolerance, in response to their call for input on how digital technologies deployed in the context of border enforcement and administration reproduce, reinforce, and compound racial discrimination; which was referenced multiple times in the resulting report.
  
- In March, the Global Legal Action Network filed a complaint with the European Court of Auditors regarding financial support to the Libyan authorities that facilitates human rights abuses. We provided documents and information for the research that preceded the complaint.

## The Libertarian Research and Education Trust

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### Trustees' Report

#### Press coverage

Our work was featured in reports published by The Guardian, Malta Today, Balkan Insight, Nordic Monitor, Pressenza, Le Solr, Coda, Helse, Sputnik, The New Humanitarian, Radio FM4, Netzpolitik, EurActiv, IPro and EUobserver. A documentary on surveillance, '7 Billion Suspects', produced by pan-European channel ARTE featured excerpts of an interview with our project director.

We were regularly consulted by journalists seeking background information and documentation, including correspondents for the Financial Times, Liberty Investigates (the journalistic arm of Liberty), BBC, Lighthouse Reports and Babel Productions/ARTE.

#### Contributions to conferences, workshops and other events

We organised two well-attended public events in London in January ('Northern Ireland: the legacy of collusion') and February ('Biometrics, big data and state power'), and continued to host online events following the introduction of lockdown and other restrictive measures. Our three-part series of webinars to accompany the launch of the report Deportation Union, which brought together staff and external experts, were particularly well-received, and were attended by almost 500 people from 35 countries.

Staff also gave presentations and speeches at a number of external events throughout the course of the year. In February, Jane Kilpatrick presented research on Frontex, the use of personal data, and the externalisation of EU borders at the conference 'externalisation of borders, practices of detention and denial of the right to asylum', in Lagos, Nigeria. From March onwards, staff continued to contribute to public events. Yasha Maccanico spoke at 'United We Talk 17: EU and Libya Collaboration - Pull Backs by Remote Control', a conference on the situation in the Mediterranean hosted by Italian jurists' organisation Giustizia Insieme, the conference 'Guerre, Migrazioni e diritti nel Mediterraneo', and was a panellist at the Permanent Peoples' Tribunal event for International Migrants' Day. An interview with Chris Jones was published by The Privacy Collective as part of the publicity surrounding their legal complaint against the data-broking companies Salesforce and Oracle.

#### Achievements in 2020

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

- Publication of the in-depth reports Automated Suspicion and Deportation Union, associated events and follow-up work (related news, analysis, consultation with and provision of information to MEPs, other civil society organisations, journalists);
- Acceptance by the European Ombudsman of two complaints against EU agencies Europol and Frontex for failure to comply with EU transparency legislation (resolution of the complaints due in 2021);
- Successful completion of the project Biometric Europe: imposing digital identities in the name of security, which concluded with a workshop bringing together some 30 representatives of civil society organisations, academics and journalists from across Europe to discuss issues with challenging shifts towards the 'interoperability' of policing and migration databases;
- Ongoing implementation of the project EU justice and home affairs agencies: transparency, accountability and fundamental rights, with a particular highlight being the successful convening of a researchers' network of individuals working on related issues from across Europe in order to share information and engage in collaboration;

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### Trustees' Report

- Successful launch of the new Statewatch website, improving accessibility and usability for both internal and external users;
- The Board was expanded and its structure was revised, in response to recommendations of an external governance review. During 2020, four new Trustees were appointed (with effect from January 2021) and one Trustee resigned in February. The Board now includes a Chair and Vice-Chair (rather than two Co-Chairs), plus a Treasurer and Company Secretary. The Board now takes responsibility for some governance issues previously dealt with by the Director and staff members. The Board explored the possibility of including Patrons in the organisational structure. This resulted in some increase in advisory and volunteer activity.

#### Our core work and ongoing activities

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

- Statewatch News provides news, analysis and extensive documentation;
- 16 active subject-specific 'Observatories' covering key issues in-depth and 10 archived Observatories;
- 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 documented all EU Justice and Home Affairs legislation from 1993 to 2019 (due to a lack of internal resources and the increased availability of external information sources, SEMDOC is no longer updated);
- Justice and Home Affairs Archive: 9,000+ EU JHA documents from 1976-2000 (most officially unpublished) available online;
- Online access to back issues of Statewatch Journal (previously Bulletin) since 1991.

#### Networks and partnerships

Statewatch continues to be a member of and active participant of the following networks: 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).


#### Statewatch contributors group

A reduced version of the annual Statewatch contributors' meeting was held online in June, in order to exchange knowledge and ideas about key events in countries across Europe and the future work of Statewatch. 16 contributors attended.

#### 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 25 October 2021 and signed on its behalf by:

  
Ann Singleton  
Trustee  
28.10.2021

## **The Libertarian Research and Education Trust**

**known as Statewatch**

### **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.

**The Libertarian Research and Education Trust**

**known as Statewatch**

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

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2020 which are set out on pages 12 to 26.

**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').

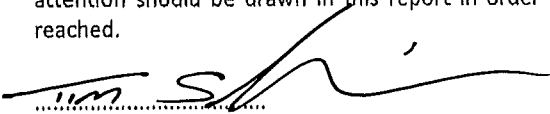
Having satisfied myself that the accounts of The Libertarian Research and Education Trust are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the 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.

  
.....  
Timothy Sullivan FCA  
Field Sullivan Limited  
70 Royal Hill  
Greenwich  
London  
SE10 8RF

Date: 29/10/21

The Libertarian Research and Education Trust

known as Statewatch

Statement of Financial Activities for the Year Ended 31 December 2020  
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2020 £	Unrestricted funds £	Restricted funds £	Total 2019 £
<b>Income and Endowments from:</b>							
Donations and legacies	3	43,651	51,740	95,391	11,600	52,597	64,197
Charitable activities	4	1,774	-	1,774	22,827	-	22,827
Investment income	5	2	-	2	5	-	5
<b>Total income</b>		<b>45,427</b>	<b>51,740</b>	<b>97,167</b>	<b>34,432</b>	<b>52,597</b>	<b>87,029</b>
<b>Expenditure on:</b>							
Charitable activities	6	(9,589)	(66,564)	(76,153)	(33,687)	(36,747)	(70,434)
Total expenditure		(9,589)	(66,564)	(76,153)	(33,687)	(36,747)	(70,434)
Gains/losses on investment assets		90	-	90	45	-	45
<b>Net movement in funds</b>		<b>35,928</b>	<b>(14,824)</b>	<b>21,104</b>	<b>790</b>	<b>15,850</b>	<b>16,640</b>
<b>Reconciliation of funds</b>							
Total funds brought forward		(26,880)	15,850	(11,030)	(27,670)	-	(27,670)
Total funds carried forward	16	9,048	1,026	10,074	(26,880)	15,850	(11,030)

All of the charity's activities derive from continuing operations during the above two periods.  
The funds breakdown for 2019 is shown in note 16.

The Libertarian Research and Education Trust

known as Statewatch

(Registration number: 08480724)  
Balance Sheet as at 31 December 2020

	Note	2020 £	2019 £
<b>Current assets</b>			
Debtors	11	1,514	14,210
Investments	12	1,122	1,031
Cash at bank and in hand		<u>40,854</u>	<u>13,739</u>
		43,490	28,980
<b>Creditors: Amounts falling due within one year</b>	13	<u>(3,233)</u>	<u>(9,178)</u>
<b>Total assets less current liabilities</b>		40,257	19,802
<b>Creditors: Amounts falling due after more than one year</b>	14	(13,000)	(13,000)
<b>Provisions</b>	15	<u>(17,183)</u>	<u>(17,832)</u>
<b>Net assets/(liabilities)</b>		<u>10,074</u>	<u>(11,030)</u>
<b>Funds of the charity:</b>			
<b>Restricted funds</b>		1,026	15,850
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>9,048</u>	<u>(26,880)</u>
<b>Total funds</b>	16	<u>10,074</u>	<u>(11,030)</u>

For the financial year ending 31 December 2020 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.

**The Libertarian Research and Education Trust**

**known as Statewatch**

**(Registration number: 08480724)**

**Balance Sheet as at 31 December 2020**

The financial statements on pages 12 to 26 were approved by the trustees, and authorised for issue on 25 October 2021 and signed on their behalf by:

*Ann Singleton*  
Ann Singleton  
Trustee  
28.10.2021



## **The Libertarian Research and Education Trust**

**known as Statewatch**

### **Notes to the Financial Statements for the Year Ended 31 December 2020**

#### **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 25 October 2021.

#### **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 2020**

**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.

***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.

**Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

## **The Libertarian Research and Education Trust**

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### **Notes to the Financial Statements for the Year Ended 31 December 2020**

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

#### **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.

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**Notes to the Financial Statements for the Year Ended 31 December 2020**

**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.

**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.

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Notes to the Financial Statements for the Year Ended 31 December 2020

3 Income from donations and legacies

	Unrestricted funds		Total 2020	Total 2019
	General	Restricted funds		
	£	£	£	£
Donations and legacies;				
Committed giving	29,993	-	29,993	7,026
Citizens for Europe	8,837	-	8,837	-
Gift aid reclaimed	821	-	821	574
Grants, including capital grants;				
Garden Court	4,000	-	4,000	4,000
OSIFE	-	42,308	42,308	42,597
Privacy International	-	9,432	9,432	10,000
	<u>43,651</u>	<u>51,740</u>	<u>95,391</u>	<u>64,197</u>

4 Income from charitable activities

	Unrestricted funds		Total 2020	Total 2019
	General			
	£		£	£
Fees and supplies		1,019	1,019	21,488
Other income		755	755	1,339
		<u>1,774</u>	<u>1,774</u>	<u>22,827</u>

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Notes to the Financial Statements for the Year Ended 31 December 2020

5 Investment income

	Unrestricted funds		
	General	Total	Total
	£	2020	2019
		£	£
Interest receivable and similar income;			
Interest receivable on bank deposits	<u>2</u>	<u>2</u>	<u>5</u>

6 Expenditure on charitable activities

	Note	Total	Total
		2020	2019
		£	£
Wages and salaries	9	48,093	45,081
Pension	9	3,057	6,999
Conference		-	150
Computer software and maintenance		5,457	1,062
Printing, postage and stationery		35	140
Trade subscriptions		1,011	439
Sundries		318	-
Travel and subsistence		473	1,901
Staff entertaining (allowable for tax)		-	15
Support costs	7	<u>17,709</u>	<u>14,647</u>
		<u>76,153</u>	<u>70,434</u>

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**Notes to the Financial Statements for the Year Ended 31 December 2020**

**7 Analysis of governance and support costs**

**Support costs**

	<b>Total 2020 £</b>	<b>Total 2019 £</b>
Rent	5,000	7,500
Insurance	618	592
Telephone and fax	2,935	2,711
Office expenses	203	20
Independent examination	3,090	2,856
Legal and professional	5,627	688
Bank charges	236	280
	<u>17,709</u>	<u>14,647</u>

**8 Trustees remuneration and expenses**

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

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Notes to the Financial Statements for the Year Ended 31 December 2020

9 Staff costs

The aggregate payroll costs were as follows:

	2020 £	2019 £
<b>Staff costs during the year were:</b>		
Wages and salaries	48,093	45,081
Pension costs	<u>3,057</u>	<u>6,999</u>
	<u>51,150</u>	<u>52,080</u>

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2020 No	2019 No
Charitable activities	<u>3</u>	<u>6</u>

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

10 Taxation

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

11 Debtors

	2020 £	2019 £
Recoverable on long-term contracts	-	13,200
Prepayments	802	460
Other debtors	<u>712</u>	<u>550</u>
	<u>1,514</u>	<u>14,210</u>

12 Current asset investments

	2020 £	2019 £
Unlisted other shares	<u>1,122</u>	<u>1,031</u>



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Notes to the Financial Statements for the Year Ended 31 December 2020

13 Creditors: amounts falling due within one year

	2020	2019
	£	£
Other taxation and social security	322	598
Other creditors	-	3,126
Accruals	2,911	5,454
	<u>3,233</u>	<u>9,178</u>

14 Creditors: amounts falling due after one year

	2020	2019
	£	£
Other creditors	<u>13,000</u>	<u>13,000</u>

15 Provisions

	Pension contributions provision	Total
	£	£
At 1 January 2020	(17,832)	(17,832)
Pension provision movement	<u>648</u>	<u>648</u>
At 31 December 2020	<u>(17,184)</u>	<u>(17,184)</u>

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Notes to the Financial Statements for the Year Ended 31 December 2020

16 Funds

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 December 2020 £
<b>Unrestricted funds</b>					
<i>General</i>					
General Funds	(26,880)	45,427	(9,589)	90	9,048
<b>Restricted funds</b>					
OSIFE	5,850	42,308	(47,422)	-	736
PI Project	10,000	9,432	(19,142)	-	290
	<u>15,850</u>	<u>51,740</u>	<u>(66,564)</u>	<u>-</u>	<u>1,026</u>
<b>Total funds</b>	<u>(11,030)</u>	<u>97,167</u>	<u>(76,153)</u>	<u>90</u>	<u>10,074</u>

	Balance at 1 January 2019 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 December 2019 £
<b>Unrestricted funds</b>					
<i>General</i>					
General Funds	(27,670)	34,432	(33,687)	45	(26,880)
<b>Restricted funds</b>					
OSIFE	-	42,597	(36,747)	-	5,850
PI Project	-	10,000	-	-	10,000
	<u>-</u>	<u>52,597</u>	<u>(36,747)</u>	<u>-</u>	<u>15,850</u>
<b>Total funds</b>	<u>(27,670)</u>	<u>87,029</u>	<u>(70,434)</u>	<u>45</u>	<u>(11,030)</u>

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The specific purposes for which the funds are to be applied are as follows:

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.

Privacy International - 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.

**17 Analysis of net assets between funds**

	Unrestricted funds		Total funds £
	General £	Restricted funds £	
Current assets	42,464	1,026	43,490
Current liabilities	(3,233)	-	(3,233)
Creditors over 1 year	(13,000)	-	(13,000)
Provisions	(17,183)	-	(17,183)
<b>Total net assets</b>	<b>9,048</b>	<b>1,026</b>	<b>10,074</b>

	Unrestricted funds		Total funds £
	General £	Restricted funds £	
Current assets	13,130	15,850	28,980
Current liabilities	(9,178)	-	(9,178)
Creditors over 1 year	(13,000)	-	(13,000)
Provisions	(17,832)	-	(17,832)
<b>Total net assets</b>	<b>(26,880)</b>	<b>15,850</b>	<b>(11,030)</b>

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**18 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 (2019 - £13,000).

**19 Covid**

During the year the charity's activities were adversely affected by the outbreak of COVID 19. As a result the charity had to temporarily close its office with staff working from home to continue the charity's activities. Working practices were subsequently adapted according to law, policy, guidance and health and safety considerations.