

THE RIGHTS PRACTICE

England & Wales · Charity number 1133616

Details

Status	Registered
Legal form	Charitable company
Company number	04365047
Registered	2010-01-20
Register	View on the Charity Commission register

Contact

Address	The Foundry 17 Oval Way London SE11 5RR
Phone	02037525489
Email	info@rights-practice.org
Website	www.rights-practice.org

Activities

Objects: 1 TO PROMOTE HUMAN RIGHTS (AS SET OUT IN THE UNIVERSAL DECLARATION OF HUMAN RIGHTS AND SUBSEQUENT UNITED NATIONS CONVENTIONS AND DECLARATIONS) THROUGHOUT THE WORLD BY ALL OR ANY OF THE FOLLOWING MEANS;MONITORING ABUSES OF HUMANS RIGHTS;OBTAINING REDRESS FOR THE VICTIMS OF HUMAN RIGHTS ABUSE;RELIEVING NEED AMONG THE VICTIMS OF HUMAN RIGHTS ABUSE;RESEARCH INTO HUMAN RIGHTS ISSUES;PROVIDING TECHNICAL ADVICE TO GOVERNMENT AND OTHERS ON HUMAN RIGHTS MATTERS;CONTRIBUTING TO THE SOUND ADMINISTRATION OF HUMAN RIGHTS LAW;RAISING AWARENESS OF HUMAN RIGHTS ISSUES;PROMOTING PUBLIC SUPPORT FOR HUMAN RIGHTS;PROMOTING RESPECT FOR HUMAN RIGHTS AMONG INDIVIDUALS AND CORPORATIONS;INTERNATIONAL ADVOCACY OF HUMAN RIGHTS;ELIMINATING INFRINGEMENTS OF HUMAN RIGHTS.2 TO RELIEVE POVERTY WORLD-WIDE BY PROVIDING PEOPLE WITH LEGAL SERVICES WHICH THEY COULD NOT OTHERWISE OBTAIN OR WHICH IT WOULD NOT BE REASONABLY PRACTICABLE OR APPROPRIATE TO OBTAIN ELSEWHERE.

Activities: We provided training on international human rights law. We supported pilot projects to improve the safeguarding of detainees' rights. We supported legal aid cases. We provided capacity building to Chinese civil society organisations promoting public participation, an end to the use of torture, abolition of the death penalty and protecting the rights of the disabled.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Human Resources, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Other Charitable Activities
- **What:** Education/training, Human Rights/religious Or Racial Harmony/equality Or Diversity
- **Who:** Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

Geography

- **Area of benefit:** THE WORLD
- China
- Hong Kong
- Taiwan
- Thailand
- Throughout London

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£2,188,800	£1,987,077	£1,255,285	8
2024-03-31	£3,007,564	£1,093,299	£2,845,101	8
2023-03-31	£715,683	£1,176,861	£930,836	8
2022-03-31	£800,863	£861,750	£1,392,014	7
2021-03-31	£1,732,292	£866,081	£1,453,495	6

Trustees

Name	Role	Appointed
ANDREW BRICE TAPPIN		2016-12-06
Alysha Adams		2025-03-27
Catherine Louise Platt		2026-03-20
Daniel Steven Alberman		2018-03-15
James Christopher Jennion		2025-03-27
Kate Antoinette Larsen		2015-09-07
Louise Jones		2025-03-27
PROFESSOR HARRIET EVANS		2012-01-27
Tim Pringle		2014-06-09

THE RIGHTS PRACTICE

England & Wales - Charity number 1133616

Accounts

Charity registration number 1133616

Company registration number 04365047 (England and Wales)

THE RIGHTS PRACTICE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

THE RIGHTS PRACTICE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Professor Harriet Evans, Chair Andrew Tappin, Treasurer Daniel Alberman Kate Larsen Dr Tim Pringle Aqsa Hussain Man Kwan Annette So	(Resigned on 18 September 2023)
Principal staff	Nicola Macbean - Executive Director Sophie Cornford - Programme Manager CM Abdul Muyeed - Finance Manager	
Charity number	1133616	
Company number	04365047	
Principal address	The Foundry 17 Oval Way London SE11 5RR	
Website	www.rights-practice.org	
Auditor	SCB (Accountants) Ltd. 31 Sackville Street Manchester M1 3LZ	
Bankers	HSBC Knightsbridge 102 Brompton Road London SW3 1JJ	

THE RIGHTS PRACTICE

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THE RIGHTS PRACTICE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

The Trustees present their report and financial statements for the year ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019).

Charitable Objects

The objects for which The Rights Practice is established, as set out in the memorandum of association, are to promote human rights (as set out in the Universal Declaration of Human Rights and subsequent United Nations conventions and declarations) throughout the world by all or any of the following means: monitoring abuses of human rights; obtaining redress for the victims of human rights abuse; relieving need among the victims of human rights abuse; research into human rights issues; providing technical advice to government and others on human rights matters; contributing to the sound administration of human rights law; raising awareness of human rights issues; promoting public support for human rights; promoting respect for human rights among individuals and corporations; international advocacy of human rights; eliminating infringements of human rights; and to relieve poverty worldwide by providing people with legal services which they could not otherwise obtain or which it would not be reasonably practicable or appropriate to obtain elsewhere.

Our Aims and Approach

Trustees have considered the Charity Commission's general guidance on public benefit when discussing and approving our aims and objectives. Our current strategy to advance human rights is set out below.

The Rights Practice recognises the complex social, political and material circumstances in which individuals, civil society organisations and governments strive to promote, protect and defend human rights. Full enjoyment of human rights requires governments to respect their human rights obligations under international law. The Rights Practice believes that a vibrant and effective civil society is necessary to hold governments accountable and ensure people know their human rights and are able to defend them.

Our aim is to help build the capacity of a global civil society that can promote public understanding of human rights, advocate for justice and the rule of law, and speak out in defence of human rights. We draw on years of experience and increased concern at China's outsized impact on human rights at home and abroad to maintain our focus on the People's Republic. Yet with many issues of concern also benefitting from a broader perspective, some of our work, for example on the use of the death penalty, now takes an Asia-wide approach, while activities to address the impact of transnational repression on the Chinese and Hong Kong diaspora in Britain involve collaborating with NGOs that engage with other diaspora communities. As part of our activities to challenge the use of the death penalty, we are pleased to cooperate with human rights NGOs in Malaysia, Indonesia, Singapore, Taiwan, India, Japan and Pakistan. We have also joined a consortium, led by the World Coalition Against the Death Penalty, to implement new activities under a new EU financial framework partnership agreement to advance abolition of the death penalty.

The introduction of the National Security Law in 2020 and China's increased influence in the Special Administrative Region led us to incorporate Hong Kong into our overall strategy of supporting lawyers, scholars and NGOs that work to advance human rights through promoting access to justice, dignity of the person, and public participation in decision making. As China seeks to extend its influence and challenge international human rights norms we have also responded to the need for information and to counter the threat of transnational human rights violations which risk silencing diaspora communities.

TRP staff and Trustees held meetings to review our strategy in late 2023. The context for our work includes the heightened repression of civil society in China and Hong Kong and growing geopolitical tensions which have exacerbated the strains on respect for international law and human rights.

Through our work we aim to:

- **Inspire and Connect:** ensuring civil society has the capabilities it needs to promote and defend human rights.
- **Support and Protect:** ensuring civil society has the resources and the protection it needs to sustain its human rights work.
- **Inform and Advocate:** ensuring decision makers have the information and analysis they need to protect human rights.

THE RIGHTS PRACTICE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

Our objectives for 2024 to 2026 are:

Objective 1: Enabling Civil Society

Increased effectiveness of human rights defenders and civil society organisations working to make human rights a reality in Asia.

Objective 2: Access to Justice

Greater accountability for human rights violations in Asia.

The new strategy sharpens our focus on enabling human rights defenders to continue their essential work in an inhospitable environment and challenging impunity through activities to increase access to justice. Underpinning all our work is a commitment to public participation and strengthening gender equality and non-discrimination.

Our activities continue to facilitate the sharing of knowledge, ideas and experience in promoting and defending human rights. We provide assistance with training and international exchange; our local partners implement a range of activities from awareness raising to research, conferences, legal aid and policy advocacy. While our local partners explore innovative approaches in response to restrictions on civil society, The Rights Practice is piloting new ways to provide effective support to those working on the ground, including the provision of online learning and collaboration. In response to China's growing global influence and global assertiveness we have increased efforts to raise awareness of human rights law in China and further the participation of Chinese civil society at the international level.

The Rights Practice has a professional staff of nine in the UK responsible for overall programme management, communications, advocacy, fundraising and finance. Staff are supported to develop their professional and language skills and work is appraised regularly. We have the services of an external consultant to review human resource issues including remuneration rates to ensure that we can retain high quality staff through competitive but affordable salaries. We continue to provide work experience and internships at our office in London. We are very grateful to our intern Sarah for her help in 2023.

The Rights Practice plays an important convening role bringing together stakeholders from human rights organisations, policy makers and the academic community to address issues of shared concern. In January and February 2024, we co-hosted multi-stakeholder workshops to discuss the impact of transnational violations of human rights on diaspora communities in the UK and the available law and policy responses. We also provided training on remote monitoring to UK-based organisations that research and report on the human rights situation in China and Hong Kong.

Achievements and performance

Our work over the past year has taken place against the backdrop of repression in China and Hong Kong, and increased assertiveness by China overseas. We have continued to monitor and report on the Chinese government's treatment of civil society. The space to defend human rights remains very limited and the authorities use a range of tools to inhibit, restrict and sanction citizens, lawyers and civil society organisations (CSOs) that attempt to speak out, organise or hold the authorities to account. CSOs have been subject to surveillance and greater scrutiny of their work. Lawyers face the risk of disbarment by taking politically sensitive cases and speaking publicly. Restrictions on academics continue with Chinese legal scholars finding it extremely difficult to hold meetings, conduct research, provide critical comment or collaborate effectively with foreign scholars. Opportunities for in-person meetings have improved since the Covid-19 pandemic.

Freedoms of speech, association and public participation in Hong Kong were dealt a further blow with the Safeguarding National Security Ordinance (Article 23) adopted in March 2024. We have watched with concern the harassment of local activists and independent organisations undermining Hong Kong's once vibrant civil society. The Hong Kong government has announced HK\$1 million bounties that lead to the arrests of prominent activists in the diaspora, several of whom are in the UK. Alarmed at the apparent increase in acts of transnational repression, The Rights Practice has been collaborating with other stakeholder organisations to inform a more effective response to transnational human rights violations.

The human rights situation in the Xinjiang Uyghur Autonomous Region (XUAR) continues to attract international concern while China has rejected the recommendations in a UN assessment. Increased censorship, travel restrictions and official opacity undermine efforts to understanding the situation on the ground in China.

THE RIGHTS PRACTICE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

Advocacy

Over the past year, The Rights Practice has produced briefings and submissions that contribute to public understanding of China's impact on human rights at home and overseas. Our briefings and submissions are made public on our website. We have also used our convening ability to organise and host multi-stakeholder meetings on a range of topics.

In July 2023, we published a briefing paper "Disappeared by the State: Tracing Uyghur Relatives in China." The paper sheds light on the situation faced by Uyghurs trying to locate family members who may have been detained. We highlight the obligations of the government of China and the lack of transparency from the authorities. We recommend the involvement of international agencies, notably the International Committee of the Red Cross.

In July 2023, The Rights Practice submitted a report to inform the fourth cycle of the UN Universal Periodic Review (UPR) of China. We monitored the review which took place in Geneva in January 2024 and the subsequent adoption of the report in July. With many other NGOs we made public our regret that China rejected recommendations from UN Member States on the situation in the Uyghur region, on the use of the death penalty and on the risks of torture from the use of 'residential surveillance in a designated location.'

In response to increasing barriers for in-country research and monitoring of human rights in China, The Rights Practice hosted online and in-person workshops with UN experts on the challenges of remote monitoring and verification. Participants joined from several China and Hong Kong NGOs. This work contributed to the production of a new toolkit to help overseas-based researchers, activists and NGOs research human rights issues in China. A Toolkit for Civil Society: Monitoring Human Rights in China compiles existing high-quality resources and presents them in a user-friendly format tailored to the unique challenges of China.

The Rights Practice co-hosted with FairSquare a workshop in January with diaspora communities from China and the Middle East. Participants discussed their firsthand experience of transnational repression, the response of the UK authorities and the help and support they expected. The following month we co-organised with the Transnational Law Institute at King's College London a roundtable among academics, lawyers, officials and civil society to discuss legal responses to transnational repression. The Rights Practice will continue to engage with all stakeholders to protect the rights of diaspora communities to be safe from threats originating in their home countries.

In February 2024, we made a submission to the government of Hong Kong in response to their public consultation on proposed Article 23 national security legislation.

Over the past year we have maintained our presence on X Platform (formerly Twitter) with a growing following. We have also initiated more Chinese language communications on social media. To coincide with Human Rights Day on 10 December 2023, we produced and disseminated Chinese-language content on UN mechanisms on Chinese social media platforms. We have continued to send out our China Rights Digest which provides a quarterly update on human rights developments in China.

Enabling Civil Society

The goal of our work enabling civil society is to sustain and enhance the work of human rights defenders and civil society groups, building their capacity to advance human rights and to encourage public participation. The Chinese government does not encourage civil society engagement in public affairs and the space for independent civil society has been squeezed ever tighter in the past ten years. However, groups and individuals have found ways to continue working, particularly on social issues that the government acknowledges as problematic.

We have continued to support Chinese civil society to work on the right to education for the children of migrant workers and other issues of discrimination against women and children in the household registration and family planning systems. A network of community social service providers for migrant worker families support local research and efforts to monitor and engage with local governments on access to public services for migrant worker families. We also support the work of disability rights groups who use online platforms to facilitate discussion among people living with disabilities.

THE RIGHTS PRACTICE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

The Rights Practice continues to support the work of human rights defenders and civil society groups working on rights issues ranging from maternity rights for unmarried women to support for injured workers. We have also continued with our mental health support work through online self-care training for NGO and social workers alongside other civil society actors and the provision of peer support to human rights lawyers. We consider mental health needs as an integral part of every project.

Human Rights and Criminal Justice

Our criminal justice and human rights programme aims to improve respect for human integrity rights, notably a reduction in the use of torture, ill treatment in detention and the death penalty, as well as improved access to justice. We have continued to focus on three areas of concern: torture, the application of the death penalty and the treatment of people in detention. We also pay particular attention to the difference that gender makes in all these areas. The Rights Practice works with Chinese lawyers, legal scholars and CSOs to address these issues through supporting initiatives to conduct research and raise awareness and building their capacity to draw on international law in their legal work. Our advocacy seeks to make the international community, including the United Nations and parliamentarians, aware of the situation in China and to highlight violations of both domestic Chinese and international law.

Over the past year The Rights Practice has piloted the development of an introductory online course in Chinese on international law and the deprivation of liberty. Targeted at Chinese lawyers, the self-study course aims to address the lack of training on international law for lawyers in China. Initial feedback has been positive. We are now introducing a module on the use of the death penalty and planning to develop new content to integrate discussion of Chinese cases.

The Rights Practice work addressing the use of the death penalty now enjoys a strong regional foundation. Over the past year we have brought together legal NGOs and lawyers from eight jurisdictions in Asia that retain the use of the death penalty. Research and discussions have advanced a shared understanding of effective defence in death penalty cases and the need to promote higher professional standards. We have continued to work with human rights documentation NGO, HURIDOCS, to design an online database of death penalty cases in the region for comparative learning among lawyers.

Fundraising standards

The Rights Practice is not registered with the Fundraising Regulator and the charity has not carried out any significant public fundraising activities.

THE RIGHTS PRACTICE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

Financial review

We continue to increase awareness of our work through our website and newsletters encouraging interest from private foundations with potential new funding that can contribute to our unrestricted core costs.

Advance payments from several donors, which are included in these accounts, continue to provide a reasonable cash flow. The charity's finances are subject to foreign exchange rate fluctuations, which we continue to monitor.

Income and Expenditure

The Rights Practice's total income for year ended 31 March 2024 was £3,007,564 This is a significant increase (320%) in our income from the previous year's figure of £715,683. The increase is due to the upfront recognition of several new project grants funded by the EU which will be spent over the next two or three years.

The majority of the charity's income is from restricted project grants. We continue to try and diversify our funding base and have attracted new resources to support some of our work on Hong Kong. We are very grateful for the support we receive from a wide range of institutional donors from four different countries as well as the European Union. Despite economic challenges many donors remain committed to supporting engagement on human rights in China.

Our expenditure on charitable activities (£1,093,299) remained comparable to the previous financial year. Staff costs totalled £366,587 and represent 31.49% of total expenditure. The majority of the staff costs are associated with our programming work: supporting our local partners, providing research, delivering training, monitoring and the dissemination of lessons learned. We do not have dedicated fundraising staff. The Executive Director spends approximately 5% of her time on fundraising from institutional donors. She is supported by other staff on programme design and budgeting. The Rights Practice does not undertake fundraising from the public; a small number of individuals donate via our website.

Balance Sheet

The Rights Practice had unrestricted reserves of £192,854 at 31st March 2024. The Rights Practice's closing restricted funds of £2,652,247 represent funds received and accounted for immediately under FRS102 but the expenditure of which will be spread over the years from 2024 to 2026. The budgeted income and expenditure for the year ahead give Trustees confidence that the charity will continue to operate successfully.

Reserves Policy

During 2023/24, The Rights Practice received grant income from five major institutional donors as well as two smaller donors. Historically the income raised has been largely restricted and dependent on successful grant applications. If there were to be a change to the funding policy of our major donors or we were to fail to secure sufficient new grants, The Rights Practice could face difficulties sustaining the current level of activity as well as delivering its strategy and meeting the needs of its beneficiaries. There would also be an impact on staffing levels.

To ensure that we can continue our work, The Rights Practice board had previously agreed the target of keeping a certain level of unrestricted reserves to ensure that core operations can continue for a period of three months in the event of any funding downturn. This is to ensure that staff can continue working, primarily to secure new funding and for our local partners to continue their work with other sources of support. The target also includes the total cost of winding up the organisation should the need arise following a precipitous decline in future grant income or other unexpected major setback. Our unrestricted funds at 31st March 2024 are sufficient to meet these targets.

Our target policy was reviewed by the board in June 2024 and Trustees decided to increase the reserve to four months' operating costs. We expect to meet this higher level in 2024/25. The level of reserves is disclosed within the quarterly management accounts reviewed by the Trustees.

We continue to work to secure new funding for The Rights Practice enabling it to sustain its operations at current levels.

THE RIGHTS PRACTICE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

Looking Ahead

The Rights Practice operates in an increasingly uncertain geopolitical climate. Senior staff and the board will continue to monitor any impact on funding, advocacy opportunities and the regulatory environment for our work. There are some uncertainties in the donor environment for supporting work relating to China due to questions being raised about its effectiveness and value. The Rights Practice position is that this work is more important than ever. It is impossible to imagine a more open and tolerant China without an active civil society. As China seeks to undermine international human rights law at the United Nations it is important that international civil society is able to counter China's anti-human rights narrative.

Looking forward, The Rights Practice has two objectives: enabling civil society and increasing access to justice. Our work will continue to have a China and Hong Kong focus, but wherever possible we will be looking for ways to connect Chinese and Hong Kong activists with civil society organisations across the Asia region to facilitate shared learning and solidarity.

We expect that our work on access to justice will focus on accountability for human rights violations in relation to the deprivation of liberty, torture and the use of the death penalty. We will continue to explore ways to bring violations in the Xinjiang Uyghur Autonomous Region to light and press for transparency and accountability.

We will support the work of the United Nations to hold states to account for their obligations under international law through responding to requests for information and making submissions to treaty bodies and special procedures. Where feasible we will facilitate the participation of civil society actors from the ground to meet experts and share information about their experiences.

While we are concerned that the space for civil society in China and Hong Kong will remain restricted, nevertheless we see some opportunities for individual activists and groups to connect, to learn from each other, to promote human rights and to advocate cautiously for better practices. We will continue to provide small grants to fund new initiatives on the ground as well as support the organisational and psychological resilience of activists. The end of the pandemic has allowed for more in-person meetings, but online learning will remain a feature of our activities in the years to come.

Our work and that of our local partners requires and depends entirely upon ongoing financial support. We are grateful to our donors for their support in helping to sustain civil society in some of the most inhospitable environments. Funding pressures on donors are a cause for concern and we will continue to monitor the policy context in Europe, the UK and the USA, from where we receive most of our financial support.

THE RIGHTS PRACTICE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

Structure, governance and management

The Company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. The organisation is a charitable company limited by guarantee, incorporated on 1st February 2002 (company registration number: 04365047) and registered as a charity on 20th January 2010 (Charity registration number: 1133616)

The governing body of The Rights Practice is the Board of Trustees. The Board meets quarterly in the evenings. Board meetings in 2023-24 took place in a hybrid format. The 2021-24 strategy shaped TRP work over the past year. In late 2023, staff and Trustees engaged in a strategy review and a revised strategy was approved by Trustees in January 2024. At each Board meeting, Trustees review management accounts, receive and discuss the progress report and consider the risk register. Trustees have delegated the day to day operations of the charity and its activities to the Executive Director and the senior management team.

The Trustees who served in the year are listed in the Administrative Information at the front of this Report. Members of the Board have been recruited through targeted public calls for new Trustees as well as nominations by existing Trustees or senior staff. Trustees are mindful of the need to ensure that the Board has the range of skills, experience and diversity to oversee the charity's governance and strategic direction. Current Trustees bring knowledge and experience of law and human rights; Chinese politics, gender and social policy; corporate social responsibility; public participation and communications, as well as accountancy and charity governance. We continue to seek Trustees with specialist knowledge of fundraising as we try to further diversify our funding base.

New Board members are provided with relevant documents and information on the governance and work of the charity as well as guidance on the role of Trustees; the Executive Director and chair meet with new Trustees to brief them on the work of the charity. All Trustees give their time voluntarily and received no benefits from the charity. Travel expenses of £63.40 were reimbursed to one Trustee last year.

The Rights Practice U.S. Inc. was incorporated in the state of New York as a not for profit organisation (501c3) on July 10, 2008. It had its own governing Board; the Executive Director of The Rights Practice served on the US Board since its inception. The two organisations shared the same objectives and cooperated in advancing their shared charitable purpose. At a meeting of the US Board in April 2024 it was decided to dissolve the U.S. entity and transfer remaining funds to support the activities of the UK charity. No new funds were received by The Rights Practice U.S. Inc. in 2023; the balance of its unrestricted funds at 31st December 2023 was \$73,315.

Following an equivalency determination (ED), The Rights Practice has been assessed as equivalent to a U.S. public charity.

The Rights Practice maintains and reviews a register of significant external and internal risks to the organisation which may impact on our ability to meet our charitable objectives and deliver public benefit. Trustees continue to be reasonably tolerant of risk given our strategic objectives and the challenging political environment in which we work. Staff continuously review and develop mitigating strategies, particularly in areas of medium to high risk. We work closely with those whose work we support to identify, understand and mitigate the risk of potential harm. Strategic risks include growing repression within China and Hong Kong, and the vanishing space for civil society. We continue to monitor the impact of new national security laws in Hong Kong, including the Safeguarding National Security Ordinance (Article 23) introduced in March 2024, and potential risks associated with our small grant giving programme.

The risk register is regularly reviewed by senior staff and discussed by Trustees at each quarterly Board meeting. The Board is kept informed of any changes to the status of risk areas or major revisions to the risk management strategy. All project documents include specific risk assessments and mitigation strategies, particularly with respect to overseas activities, and these are reviewed as part of project monitoring.

THE RIGHTS PRACTICE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

Statement of Trustees' responsibilities

The Trustees, who are also the directors of The Rights Practice for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities 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 Charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity 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 Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

Auditors

A resolution will be proposed and agreed at the Annual General Meeting that SCB (Accountants) Ltd be re-appointed as auditors of the Charity for the ensuing period.

The Trustees' report was approved by the Board of Trustees and signed on their behalf by:

**Professor Harriet Evans, Chair
Trustee**

Dated: 3 October 2024

Harriet Evans

THE RIGHTS PRACTICE

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE RIGHTS PRACTICE

Opinion

We have audited the financial statements of The Rights Practice (the 'charitable company') for the year ended 31st March 2024 which comprise the Statement of Financial Activities, Balance Sheet, Cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2024, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the year ending 31st March 2024 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report for the year ending 31st March 2024 has been prepared in accordance with applicable legal requirements.

THE RIGHTS PRACTICE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF THE RIGHTS PRACTICE

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the financial statements as on 31st March 2024 and the Trustees' report.

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

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

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 8, the trustees' (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees' determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

THE RIGHTS PRACTICE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE RIGHTS PRACTICE

Auditor's responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We discussed with the Directors the policies and procedures in place regarding compliance with laws and regulations. We discussed amongst the audit team the identified laws and regulations, and remained alert to any indications of non-compliance.

During the audit we focussed on laws and regulations which could reasonably be expected to give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006, UK tax legislation, Charity Act 2011, SORP 2019. Our tests included agreeing the financial statement disclosures to underlying supporting documentation and enquiries with management.

Our procedures in relation to fraud included but were not limited to: inquires of management whether they have any knowledge of any actual, suspected or alleged fraud, and discussions amongst the audit team regarding risk of fraud such as opportunities for fraudulent manipulation of financial statements. We determined that the principal risks related to posting manual journal entries to manipulate financial performance and management bias through judgements in accounting estimates. We also addressed the risk of management override of internal controls, including testing journals and appropriateness of other entries in the nominal ledger; reviewing transactions around the end of the reporting period; and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

THE RIGHTS PRACTICE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF THE RIGHTS PRACTICE

Use of our report

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



Mr Jeffrey Bor
(Senior Statutory Auditor)
For and on behalf of SCB (Accountants) Ltd.

31 Sackville Street
Manchester
M1 3LZ

Chartered Accountants
Statutory Auditor

THE RIGHTS PRACTICE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
<u>Income from:</u>					
Donations and legacies	2	327	-	327	639
Charitable activities	3	70,304	2,928,390	2,998,694	713,777
Investments	4	8,543	-	8,543	1,267
Total income		79,174	2,928,390	3,007,564	715,683
<u>Expenditure on:</u>					
Charitable activities	5	70,808	1,022,491	1,093,299	1,176,861
Net income/(expenditure) for the year/ Net movement in funds		8,366	1,905,899	1,914,265	(461,178)
Fund balances at 1 April 2023		184,488	746,348	930,836	1,392,014
Fund balances at 31 March 2024		192,854	2,652,247	2,845,101	930,836

The statement of financial activities includes all gains and losses recognised in the year.

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE RIGHTS PRACTICE

BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Current assets					
Debtors	8	1,512,499		831,868	
Cash at bank and in hand		1,440,312		318,926	
		<u>2,952,811</u>		<u>1,150,794</u>	
Creditors: amounts falling due within one year	9	(107,710)		(219,958)	
Net current assets			<u>2,845,101</u>		<u>930,836</u>
Income funds					
Restricted funds	11	2,652,247		746,348	
Unrestricted funds		192,854		184,488	
			<u>2,845,101</u>		<u>930,836</u>

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

The financial statements were approved by the Trustees on 4 October 2024

Professor Harriet Evans, Chair
Trustee

Harriet Evans

Company Registration No. 04365047

THE RIGHTS PRACTICE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	17		1,112,843		(269,043)
Investing activities					
Interest received		8,543		1,267	
Net cash generated from investing activities			8,543		1,267
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			1,121,386		(267,776)
Cash and cash equivalents at beginning of year			318,926		586,702
Cash and cash equivalents at end of year			<u>1,440,312</u>		<u>318,926</u>

THE RIGHTS PRACTICE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

The Rights Practice is a charitable company limited by guarantee incorporated in England and Wales. The address of the registered office is given on the legal and administrative information page.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's memorandum and articles of association, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The Charity's Financial Statements shows a surplus of £1,914,265 (2023: deficit of £461,178) for the year and free reserves of £192,854 (2023: £184,488).

The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. Trustees will continue to monitor and ensure spending to be done in line with income in order to maintain target level of reserves. The review of cashflow for 12 months from the date of approval of the financial statements, the associated assumptions that underpin it, secured new income and the steps that could be taken to reduce expenditure should this be necessary. We reviewed the reserve policy and available free reserves as well as modelled scenarios for actual and budgeted results to understand the impact of various income and expenditure.

Based on the information above, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operation for the foreseeable future and will remain surplus in future periods. Therefore, the Trustees have adopted the going concern basis in preparing these accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

THE RIGHTS PRACTICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.4 Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Investment income is included when receivable.

1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

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. Indirect costs have been allocated to activities on a basis considered to be fair and reasonable.

Governance costs includes those costs associated with meeting the constitutional and statutory requirements of the charity and includes audit fees and costs linked with the strategic management of the charity. Governance costs which cannot be allocated directly are apportioned on an appropriate basis.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Allocation of Support Costs

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include strategy development. These costs have been allocated between cost of raising funds and expenditure on charitable activities.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

1.8 Creditors and Provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

THE RIGHTS PRACTICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies (Continued)

1.9 Retirement benefits

The pension costs charged in the financial statements represent the contributions payable to the defined contribution pension scheme set up by the Charitable Company. The assets of the scheme are administered by the Trustees of that scheme and are held separately from the assets of the Charitable Company.

1.10 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

1.11 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/expenditure for the period.

1.12 Debtors

Trade and sundry debtors are recognised at the settlement amount due. Prepayments are valued at the amount repaid net of any trade discounts due.

1.13 Judgement and Key Sources of Estimate Uncertainty

In the application of the company's accounting policies, the charity is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

2 Donations and legacies

	Unrestricted funds	Total 2024	Total 2023
	£	£	£
Donations and gifts	327	327	639
	<u>327</u>	<u>327</u>	<u>639</u>
Donations and gifts			
Individual	327	327	639
	<u>327</u>	<u>327</u>	<u>639</u>

THE RIGHTS PRACTICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

3 Charitable activities

	2024 £	2023 £
Grants	2,998,694	713,277
Other income	-	500
	<u>2,998,694</u>	<u>713,777</u>
Analysis by fund		
Unrestricted funds	70,304	74,250
Restricted funds	2,928,390	639,527
	<u>2,998,694</u>	<u>713,777</u>

Grants include funds that will be spent over the years from 2024 through to 2026.

4 Investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	<u>8,543</u>	<u>1,267</u>

THE RIGHTS PRACTICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

5 Charitable activities

	Charitable Activities £	Total 2024 £	Total 2023 £
Staff costs	366,587	366,587	330,890
Direct costs (including grants)	676,949	676,949	795,832
Support costs	49,763	49,763	50,139
	<u>1,093,299</u>	<u>1,093,299</u>	<u>1,176,861</u>
Analysis by fund			
Unrestricted funds	70,808	70,808	
Restricted funds	1,022,491	1,022,491	
	<u>1,093,299</u>	<u>1,093,299</u>	
For the year ended 31 March 2023			
Unrestricted funds	55,679		55,679
Restricted funds	1,121,182		1,121,182
	<u>1,176,861</u>		<u>1,176,861</u>

Included within unrestricted charitable activities are amounts paid to auditors of £6,060 (2023: £5,832 relating to the audit and £1,816 (2023: £1,596) relating to other financial services.

There were £206 Foreign exchange net loss during the year (2023: £12).

Included within support costs are amounts paid for rent in the UK & China of £29,278 (2023: £30,370).

6 Trustees

No Trustee received any remuneration during the year (2023: none) and Travel expenses of £63.40 were reimbursed to one Trustee in the year (2023: none).

THE RIGHTS PRACTICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

7 Employees

Staff Numbers

The average monthly number of employees (including full time equivalent) during the year were as follows:

	2024 Number	2023 Number
Admin	1.50	1.50
Direct charitable activities	6.50	6.50
	<u>8.00</u>	<u>8.00</u>
	2024 £	2023 £
Wages and salaries	318,946	288,384
Social security costs	28,582	26,156
Other pension costs	19,059	16,350
	<u>366,587</u>	<u>330,890</u>

One employee was paid at a rate in excess of £60,000 per annum (2023: one).

The Trustees and the Executive Director are considered key management of the charitable company. Total remuneration paid to key management in the year amounted to £65,100 (2023: £62,000).

8 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Trade debtors	1,504,562	756,369
Other debtors	7,523	11,342
Prepayments and accrued income	414	64,157
	<u>1,512,499</u>	<u>831,868</u>

Trade debtors include EU grants of £1.1m that have been promised but not yet received and will be spent over the years from 2024 through to 2026.

THE RIGHTS PRACTICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

9 Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	70,089	65,374
Other creditors	1,339	333
Accruals and deferred income	36,282	154,251
	<u>107,710</u>	<u>219,958</u>

10 Retirement benefit schemes

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The charge to profit or loss in respect of defined contribution schemes was £19,059 (2023: £16,350).

11 Movement in funds

The income funds of the charity comprise the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2023 £	Movement in funds		Balance at 31 March 2024 £
		Income £	Expenditure £	
Improving Access to Justice	906,395	414,233	(415,655)	904,973
Human Rights and Criminal Justice	(160,047)	1,167,550	(530,552)	476,951
Enabling Civil Society	-	1,346,607	(76,284)	1,270,323
Total restricted funds	<u>746,348</u>	<u>2,928,390</u>	<u>(1,022,491)</u>	<u>2,652,247</u>
Unrestricted general funds	184,488	79,174	(70,808)	192,854
Total funds	<u>930,836</u>	<u>3,007,564</u>	<u>(1,093,299)</u>	<u>2,845,101</u>

THE RIGHTS PRACTICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

11 Movement in funds

(Continued)

Improving Access to Justice

To improve access to justice for the poor and victims of human rights violations through the provision of legal aid and increasing the numbers of, and delivering training to, lawyers and other human rights defenders.

Human Rights and Criminal Justice

To improve respect for the dignity of the person through projects combatting torture, championing reduced use of the death penalty and advocating for improved human rights protection for all detained persons. The opening overdrawn balance of £160,046 for Human Rights and Criminal Justice was temporary due to a delay in receiving further pre-financing. These funds have subsequently been received.

Enabling Civil Society

To increase the effectiveness of human rights defenders and civil society organisations working to make human rights a reality in Asia.

During the year, the charity received two grants one of £0.9m and another of £1.3m from EU. Under the terms of grants, if the balance of any expenditure not incurred from grant may be reclaimed by the donor.

12 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total 2024 £
Fund balances at 31 March 2024 are represented by:			
Current assets/(liabilities)	192,854	2,652,247	2,845,101
	<u>192,854</u>	<u>2,652,247</u>	<u>2,845,101</u>

13 Operating lease commitments

At the reporting end date the Charity had outstanding commitments for future minimum lease payments under operating leases, which may be terminated by giving three months' notice. These fall due as follows:

	2024 Land & building £	2024 Other £	2024 Total £	2023 Land & building £	2023 Other £	2023 Total £
Within one year	13,465	5,862	19,327	20,217	5,297	25,514
Between two and five years	-	-	-	13,478	3,531	17,009
	<u>13,465</u>	<u>5,862</u>	<u>19,327</u>	<u>33,695</u>	<u>8,828</u>	<u>42,523</u>

The operating lease relates to The Foundry, which is the charity's principal address. The amount recognised as an expense in the year is £28,056 (2023: £24,220)

14 Share capital

The company is limited by guarantee and does not have a share capital divided by shares.

THE RIGHTS PRACTICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

15 Related party transactions

No trustee or other person related to the charity had any personal interest in any contract or transactions entered into during the year (2023: none).

16 Ultimate controlling party

For the whole of the year, the charity was under the control of the Directors and Trustees as shown on page 2.

17 Cash generated from operations

	2024	2023
	£	£
Surplus/(deficit) for the year	1,914,265	(461,178)
Adjustments for:		
Investment income recognised in statement of financial activities	(8,543)	(1,267)
Movements in working capital:		
(Increase)/decrease in debtors	(680,631)	172,942
(Decrease)/increase in creditors	(112,248)	20,460
Cash generated from/(absorbed by) operations	<u>1,112,843</u>	<u>(269,043)</u>

THE RIGHTS PRACTICE

England & Wales - Charity number 1133616

Accounts

Charity registration number 1133616

Company registration number 04365047 (England and Wales)

THE RIGHTS PRACTICE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

THE RIGHTS PRACTICE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Professor Harriet Evans, Chair Andrew Tappin, Treasurer Daniel Alberman Kate Larsen Dr Tim Pringle Aqsa Hussain Man Kwan Annette So	(Resigned on 18 September 2023)
Principal staff	Nicola Macbean - Executive Director Sophie Cornford - Programme Manager CM Abdul Muyeed - Finance Manager	
Charity number	1133616	
Company number	04365047	
Principal address	The Foundry 17 Oval Way London SE11 5RR	
Website	www.rights-practice.org	
Auditor	SCB (Accountants) Ltd. 31 Sackville Street Manchester M1 3LZ	
Bankers	HSBC Knightsbridge 102 Brompton Road London SW3 1JJ	

THE RIGHTS PRACTICE

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THE RIGHTS PRACTICE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

The Trustees present their report and financial statements for the year ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019).

Charitable Objects

The objects for which The Rights Practice is established, as set out in the memorandum of association, are to promote human rights (as set out in the Universal Declaration of Human Rights and subsequent United Nations conventions and declarations) throughout the world by all or any of the following means: monitoring abuses of human rights; obtaining redress for the victims of human rights abuse; relieving need among the victims of human rights abuse; research into human rights issues; providing technical advice to government and others on human rights matters; contributing to the sound administration of human rights law; raising awareness of human rights issues; promoting public support for human rights; promoting respect for human rights among individuals and corporations; international advocacy of human rights; eliminating infringements of human rights; and to relieve poverty worldwide by providing people with legal services which they could not otherwise obtain or which it would not be reasonably practicable or appropriate to obtain elsewhere.

Our Aims and Approach

Trustees have considered the Charity Commission's general guidance on public benefit when discussing and approving our aims and objectives. Our current strategy to advance human rights is set out below.

The Rights Practice recognises the complex social, political and material circumstances in which individuals, civil society organisations and governments strive to promote, protect and defend human rights. Full enjoyment of human rights requires governments to respect their human rights obligations under international law. The Rights Practice believes that a vibrant and effective civil society is necessary to hold governments accountable and ensure people know their human rights and are able to defend them.

Our aim is to help build the capacity of a global civil society that can promote public understanding of human rights, advocate for justice and the rule of law, and speak out in defence of human rights. We draw on years of experience and increased concern at China's outsized impact on human rights at home and abroad to maintain our focus on the People's Republic. Yet with many issues of concern also benefitting from a broader perspective, some of our work, for example on the use of the death penalty, now takes an Asia-wide approach, while activities to address the impact of transnational repression on the Chinese and Hong Kong diaspora in Britain involve collaborating with NGOs that engage with other diaspora communities. As part of our activities to challenge the use of the death penalty, we are pleased to cooperate with human rights NGOs in Malaysia, Indonesia, Singapore, Taiwan, India, Japan and Pakistan. We have also joined a consortium, led by the World Coalition Against the Death Penalty, to implement new activities under a new EU financial framework partnership agreement to advance abolition of the death penalty.

The introduction of the National Security Law in 2020 and China's increased influence in the Special Administrative Region led us to incorporate Hong Kong into our overall strategy of supporting lawyers, scholars and NGOs that work to advance human rights through promoting access to justice, dignity of the person, and public participation in decision making. As China seeks to extend its influence and challenge international human rights norms we have also responded to the need for information and to counter the threat of transnational human rights violations which risk silencing diaspora communities.

TRP staff and Trustees held meetings to review our strategy in late 2023. The context for our work includes the heightened repression of civil society in China and Hong Kong and growing geopolitical tensions which have exacerbated the strains on respect for international law and human rights.

Through our work we aim to:

- **Inspire and Connect:** ensuring civil society has the capabilities it needs to promote and defend human rights.
- **Support and Protect:** ensuring civil society has the resources and the protection it needs to sustain its human rights work.
- **Inform and Advocate:** ensuring decision makers have the information and analysis they need to protect human rights.

THE RIGHTS PRACTICE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

Our objectives for 2024 to 2026 are:

Objective 1: Enabling Civil Society

Increased effectiveness of human rights defenders and civil society organisations working to make human rights a reality in Asia.

Objective 2: Access to Justice

Greater accountability for human rights violations in Asia.

The new strategy sharpens our focus on enabling human rights defenders to continue their essential work in an inhospitable environment and challenging impunity through activities to increase access to justice. Underpinning all our work is a commitment to public participation and strengthening gender equality and non-discrimination.

Our activities continue to facilitate the sharing of knowledge, ideas and experience in promoting and defending human rights. We provide assistance with training and international exchange; our local partners implement a range of activities from awareness raising to research, conferences, legal aid and policy advocacy. While our local partners explore innovative approaches in response to restrictions on civil society, The Rights Practice is piloting new ways to provide effective support to those working on the ground, including the provision of online learning and collaboration. In response to China's growing global influence and global assertiveness we have increased efforts to raise awareness of human rights law in China and further the participation of Chinese civil society at the international level.

The Rights Practice has a professional staff of nine in the UK responsible for overall programme management, communications, advocacy, fundraising and finance. Staff are supported to develop their professional and language skills and work is appraised regularly. We have the services of an external consultant to review human resource issues including remuneration rates to ensure that we can retain high quality staff through competitive but affordable salaries. We continue to provide work experience and internships at our office in London. We are very grateful to our intern Sarah for her help in 2023.

The Rights Practice plays an important convening role bringing together stakeholders from human rights organisations, policy makers and the academic community to address issues of shared concern. In January and February 2024, we co-hosted multi-stakeholder workshops to discuss the impact of transnational violations of human rights on diaspora communities in the UK and the available law and policy responses. We also provided training on remote monitoring to UK-based organisations that research and report on the human rights situation in China and Hong Kong.

Achievements and performance

Our work over the past year has taken place against the backdrop of repression in China and Hong Kong, and increased assertiveness by China overseas. We have continued to monitor and report on the Chinese government's treatment of civil society. The space to defend human rights remains very limited and the authorities use a range of tools to inhibit, restrict and sanction citizens, lawyers and civil society organisations (CSOs) that attempt to speak out, organise or hold the authorities to account. CSOs have been subject to surveillance and greater scrutiny of their work. Lawyers face the risk of disbarment by taking politically sensitive cases and speaking publicly. Restrictions on academics continue with Chinese legal scholars finding it extremely difficult to hold meetings, conduct research, provide critical comment or collaborate effectively with foreign scholars. Opportunities for in-person meetings have improved since the Covid-19 pandemic.

Freedoms of speech, association and public participation in Hong Kong were dealt a further blow with the Safeguarding National Security Ordinance (Article 23) adopted in March 2024. We have watched with concern the harassment of local activists and independent organisations undermining Hong Kong's once vibrant civil society. The Hong Kong government has announced HK\$1 million bounties that lead to the arrests of prominent activists in the diaspora, several of whom are in the UK. Alarmed at the apparent increase in acts of transnational repression, The Rights Practice has been collaborating with other stakeholder organisations to inform a more effective response to transnational human rights violations.

The human rights situation in the Xinjiang Uyghur Autonomous Region (XUAR) continues to attract international concern while China has rejected the recommendations in a UN assessment. Increased censorship, travel restrictions and official opacity undermine efforts to understanding the situation on the ground in China.

THE RIGHTS PRACTICE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

Advocacy

Over the past year, The Rights Practice has produced briefings and submissions that contribute to public understanding of China's impact on human rights at home and overseas. Our briefings and submissions are made public on our website. We have also used our convening ability to organise and host multi-stakeholder meetings on a range of topics.

In July 2023, we published a briefing paper "Disappeared by the State: Tracing Uyghur Relatives in China." The paper sheds light on the situation faced by Uyghurs trying to locate family members who may have been detained. We highlight the obligations of the government of China and the lack of transparency from the authorities. We recommend the involvement of international agencies, notably the International Committee of the Red Cross.

In July 2023, The Rights Practice submitted a report to inform the fourth cycle of the UN Universal Periodic Review (UPR) of China. We monitored the review which took place in Geneva in January 2024 and the subsequent adoption of the report in July. With many other NGOs we made public our regret that China rejected recommendations from UN Member States on the situation in the Uyghur region, on the use of the death penalty and on the risks of torture from the use of 'residential surveillance in a designated location.'

In response to increasing barriers for in-country research and monitoring of human rights in China, The Rights Practice hosted online and in-person workshops with UN experts on the challenges of remote monitoring and verification. Participants joined from several China and Hong Kong NGOs. This work contributed to the production of a new toolkit to help overseas-based researchers, activists and NGOs research human rights issues in China. A Toolkit for Civil Society: Monitoring Human Rights in China compiles existing high-quality resources and presents them in a user-friendly format tailored to the unique challenges of China.

The Rights Practice co-hosted with FairSquare a workshop in January with diaspora communities from China and the Middle East. Participants discussed their firsthand experience of transnational repression, the response of the UK authorities and the help and support they expected. The following month we co-organised with the Transnational Law Institute at King's College London a roundtable among academics, lawyers, officials and civil society to discuss legal responses to transnational repression. The Rights Practice will continue to engage with all stakeholders to protect the rights of diaspora communities to be safe from threats originating in their home countries.

In February 2024, we made a submission to the government of Hong Kong in response to their public consultation on proposed Article 23 national security legislation.

Over the past year we have maintained our presence on X Platform (formerly Twitter) with a growing following. We have also initiated more Chinese language communications on social media. To coincide with Human Rights Day on 10 December 2023, we produced and disseminated Chinese-language content on UN mechanisms on Chinese social media platforms. We have continued to send out our China Rights Digest which provides a quarterly update on human rights developments in China.

Enabling Civil Society

The goal of our work enabling civil society is to sustain and enhance the work of human rights defenders and civil society groups, building their capacity to advance human rights and to encourage public participation. The Chinese government does not encourage civil society engagement in public affairs and the space for independent civil society has been squeezed ever tighter in the past ten years. However, groups and individuals have found ways to continue working, particularly on social issues that the government acknowledges as problematic.

We have continued to support Chinese civil society to work on the right to education for the children of migrant workers and other issues of discrimination against women and children in the household registration and family planning systems. A network of community social service providers for migrant worker families support local research and efforts to monitor and engage with local governments on access to public services for migrant worker families. We also support the work of disability rights groups who use online platforms to facilitate discussion among people living with disabilities.

THE RIGHTS PRACTICE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

The Rights Practice continues to support the work of human rights defenders and civil society groups working on rights issues ranging from maternity rights for unmarried women to support for injured workers. We have also continued with our mental health support work through online self-care training for NGO and social workers alongside other civil society actors and the provision of peer support to human rights lawyers. We consider mental health needs as an integral part of every project.

Human Rights and Criminal Justice

Our criminal justice and human rights programme aims to improve respect for human integrity rights, notably a reduction in the use of torture, ill treatment in detention and the death penalty, as well as improved access to justice. We have continued to focus on three areas of concern: torture, the application of the death penalty and the treatment of people in detention. We also pay particular attention to the difference that gender makes in all these areas. The Rights Practice works with Chinese lawyers, legal scholars and CSOs to address these issues through supporting initiatives to conduct research and raise awareness and building their capacity to draw on international law in their legal work. Our advocacy seeks to make the international community, including the United Nations and parliamentarians, aware of the situation in China and to highlight violations of both domestic Chinese and international law.

Over the past year The Rights Practice has piloted the development of an introductory online course in Chinese on international law and the deprivation of liberty. Targeted at Chinese lawyers, the self-study course aims to address the lack of training on international law for lawyers in China. Initial feedback has been positive. We are now introducing a module on the use of the death penalty and planning to develop new content to integrate discussion of Chinese cases.

The Rights Practice work addressing the use of the death penalty now enjoys a strong regional foundation. Over the past year we have brought together legal NGOs and lawyers from eight jurisdictions in Asia that retain the use of the death penalty. Research and discussions have advanced a shared understanding of effective defence in death penalty cases and the need to promote higher professional standards. We have continued to work with human rights documentation NGO, HURIDOCS, to design an online database of death penalty cases in the region for comparative learning among lawyers.

Fundraising standards

The Rights Practice is not registered with the Fundraising Regulator and the charity has not carried out any significant public fundraising activities.

THE RIGHTS PRACTICE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

Financial review

We continue to increase awareness of our work through our website and newsletters encouraging interest from private foundations with potential new funding that can contribute to our unrestricted core costs.

Advance payments from several donors, which are included in these accounts, continue to provide a reasonable cash flow. The charity's finances are subject to foreign exchange rate fluctuations, which we continue to monitor.

Income and Expenditure

The Rights Practice's total income for year ended 31 March 2024 was £3,007,564 This is a significant increase (320%) in our income from the previous year's figure of £715,683. The increase is due to the upfront recognition of several new project grants funded by the EU which will be spent over the next two or three years.

The majority of the charity's income is from restricted project grants. We continue to try and diversify our funding base and have attracted new resources to support some of our work on Hong Kong. We are very grateful for the support we receive from a wide range of institutional donors from four different countries as well as the European Union. Despite economic challenges many donors remain committed to supporting engagement on human rights in China.

Our expenditure on charitable activities (£1,093,299) remained comparable to the previous financial year. Staff costs totalled £366,587 and represent 31.49% of total expenditure. The majority of the staff costs are associated with our programming work: supporting our local partners, providing research, delivering training, monitoring and the dissemination of lessons learned. We do not have dedicated fundraising staff. The Executive Director spends approximately 5% of her time on fundraising from institutional donors. She is supported by other staff on programme design and budgeting. The Rights Practice does not undertake fundraising from the public; a small number of individuals donate via our website.

Balance Sheet

The Rights Practice had unrestricted reserves of £192,854 at 31st March 2024. The Rights Practice's closing restricted funds of £2,652,247 represent funds received and accounted for immediately under FRS102 but the expenditure of which will be spread over the years from 2024 to 2026. The budgeted income and expenditure for the year ahead give Trustees confidence that the charity will continue to operate successfully.

Reserves Policy

During 2023/24, The Rights Practice received grant income from five major institutional donors as well as two smaller donors. Historically the income raised has been largely restricted and dependent on successful grant applications. If there were to be a change to the funding policy of our major donors or we were to fail to secure sufficient new grants, The Rights Practice could face difficulties sustaining the current level of activity as well as delivering its strategy and meeting the needs of its beneficiaries. There would also be an impact on staffing levels.

To ensure that we can continue our work, The Rights Practice board had previously agreed the target of keeping a certain level of unrestricted reserves to ensure that core operations can continue for a period of three months in the event of any funding downturn. This is to ensure that staff can continue working, primarily to secure new funding and for our local partners to continue their work with other sources of support. The target also includes the total cost of winding up the organisation should the need arise following a precipitous decline in future grant income or other unexpected major setback. Our unrestricted funds at 31st March 2024 are sufficient to meet these targets.

Our target policy was reviewed by the board in June 2024 and Trustees decided to increase the reserve to four months' operating costs. We expect to meet this higher level in 2024/25. The level of reserves is disclosed within the quarterly management accounts reviewed by the Trustees.

We continue to work to secure new funding for The Rights Practice enabling it to sustain its operations at current levels.

THE RIGHTS PRACTICE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

Looking Ahead

The Rights Practice operates in an increasingly uncertain geopolitical climate. Senior staff and the board will continue to monitor any impact on funding, advocacy opportunities and the regulatory environment for our work. There are some uncertainties in the donor environment for supporting work relating to China due to questions being raised about its effectiveness and value. The Rights Practice position is that this work is more important than ever. It is impossible to imagine a more open and tolerant China without an active civil society. As China seeks to undermine international human rights law at the United Nations it is important that international civil society is able to counter China's anti-human rights narrative.

Looking forward, The Rights Practice has two objectives: enabling civil society and increasing access to justice. Our work will continue to have a China and Hong Kong focus, but wherever possible we will be looking for ways to connect Chinese and Hong Kong activists with civil society organisations across the Asia region to facilitate shared learning and solidarity.

We expect that our work on access to justice will focus on accountability for human rights violations in relation to the deprivation of liberty, torture and the use of the death penalty. We will continue to explore ways to bring violations in the Xinjiang Uyghur Autonomous Region to light and press for transparency and accountability.

We will support the work of the United Nations to hold states to account for their obligations under international law through responding to requests for information and making submissions to treaty bodies and special procedures. Where feasible we will facilitate the participation of civil society actors from the ground to meet experts and share information about their experiences.

While we are concerned that the space for civil society in China and Hong Kong will remain restricted, nevertheless we see some opportunities for individual activists and groups to connect, to learn from each other, to promote human rights and to advocate cautiously for better practices. We will continue to provide small grants to fund new initiatives on the ground as well as support the organisational and psychological resilience of activists. The end of the pandemic has allowed for more in-person meetings, but online learning will remain a feature of our activities in the years to come.

Our work and that of our local partners requires and depends entirely upon ongoing financial support. We are grateful to our donors for their support in helping to sustain civil society in some of the most inhospitable environments. Funding pressures on donors are a cause for concern and we will continue to monitor the policy context in Europe, the UK and the USA, from where we receive most of our financial support.

THE RIGHTS PRACTICE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

Structure, governance and management

The Company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. The organisation is a charitable company limited by guarantee, incorporated on 1st February 2002 (company registration number: 04365047) and registered as a charity on 20th January 2010 (Charity registration number: 1133616)

The governing body of The Rights Practice is the Board of Trustees. The Board meets quarterly in the evenings. Board meetings in 2023-24 took place in a hybrid format. The 2021-24 strategy shaped TRP work over the past year. In late 2023, staff and Trustees engaged in a strategy review and a revised strategy was approved by Trustees in January 2024. At each Board meeting, Trustees review management accounts, receive and discuss the progress report and consider the risk register. Trustees have delegated the day to day operations of the charity and its activities to the Executive Director and the senior management team.

The Trustees who served in the year are listed in the Administrative Information at the front of this Report. Members of the Board have been recruited through targeted public calls for new Trustees as well as nominations by existing Trustees or senior staff. Trustees are mindful of the need to ensure that the Board has the range of skills, experience and diversity to oversee the charity's governance and strategic direction. Current Trustees bring knowledge and experience of law and human rights; Chinese politics, gender and social policy; corporate social responsibility; public participation and communications, as well as accountancy and charity governance. We continue to seek Trustees with specialist knowledge of fundraising as we try to further diversify our funding base.

New Board members are provided with relevant documents and information on the governance and work of the charity as well as guidance on the role of Trustees; the Executive Director and chair meet with new Trustees to brief them on the work of the charity. All Trustees give their time voluntarily and received no benefits from the charity. Travel expenses of £63.40 were reimbursed to one Trustee last year.

The Rights Practice U.S. Inc. was incorporated in the state of New York as a not for profit organisation (501c3) on July 10, 2008. It had its own governing Board; the Executive Director of The Rights Practice served on the US Board since its inception. The two organisations shared the same objectives and cooperated in advancing their shared charitable purpose. At a meeting of the US Board in April 2024 it was decided to dissolve the U.S. entity and transfer remaining funds to support the activities of the UK charity. No new funds were received by The Rights Practice U.S. Inc. in 2023; the balance of its unrestricted funds at 31st December 2023 was \$73,315.

Following an equivalency determination (ED), The Rights Practice has been assessed as equivalent to a U.S. public charity.

The Rights Practice maintains and reviews a register of significant external and internal risks to the organisation which may impact on our ability to meet our charitable objectives and deliver public benefit. Trustees continue to be reasonably tolerant of risk given our strategic objectives and the challenging political environment in which we work. Staff continuously review and develop mitigating strategies, particularly in areas of medium to high risk. We work closely with those whose work we support to identify, understand and mitigate the risk of potential harm. Strategic risks include growing repression within China and Hong Kong, and the vanishing space for civil society. We continue to monitor the impact of new national security laws in Hong Kong, including the Safeguarding National Security Ordinance (Article 23) introduced in March 2024, and potential risks associated with our small grant giving programme.

The risk register is regularly reviewed by senior staff and discussed by Trustees at each quarterly Board meeting. The Board is kept informed of any changes to the status of risk areas or major revisions to the risk management strategy. All project documents include specific risk assessments and mitigation strategies, particularly with respect to overseas activities, and these are reviewed as part of project monitoring.

THE RIGHTS PRACTICE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2024

Statement of Trustees' responsibilities

The Trustees, who are also the directors of The Rights Practice for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities 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 Charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity 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 Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

Auditors

A resolution will be proposed and agreed at the Annual General Meeting that SCB (Accountants) Ltd be re-appointed as auditors of the Charity for the ensuing period.

The Trustees' report was approved by the Board of Trustees and signed on their behalf by:

**Professor Harriet Evans, Chair
Trustee**

Dated: 3 October 2024

Harriet Evans

THE RIGHTS PRACTICE

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE RIGHTS PRACTICE

Opinion

We have audited the financial statements of The Rights Practice (the 'charitable company') for the year ended 31st March 2024 which comprise the Statement of Financial Activities, Balance Sheet, Cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2024, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the year ending 31st March 2024 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report for the year ending 31st March 2024 has been prepared in accordance with applicable legal requirements.

THE RIGHTS PRACTICE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF THE RIGHTS PRACTICE

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the financial statements as on 31st March 2024 and the Trustees' report.

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

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

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 8, the trustees' (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees' determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

THE RIGHTS PRACTICE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE RIGHTS PRACTICE

Auditor's responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We discussed with the Directors the policies and procedures in place regarding compliance with laws and regulations. We discussed amongst the audit team the identified laws and regulations, and remained alert to any indications of non-compliance.

During the audit we focussed on laws and regulations which could reasonably be expected to give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006, UK tax legislation, Charity Act 2011, SORP 2019. Our tests included agreeing the financial statement disclosures to underlying supporting documentation and enquiries with management.

Our procedures in relation to fraud included but were not limited to: inquires of management whether they have any knowledge of any actual, suspected or alleged fraud, and discussions amongst the audit team regarding risk of fraud such as opportunities for fraudulent manipulation of financial statements. We determined that the principal risks related to posting manual journal entries to manipulate financial performance and management bias through judgements in accounting estimates. We also addressed the risk of management override of internal controls, including testing journals and appropriateness of other entries in the nominal ledger; reviewing transactions around the end of the reporting period; and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

THE RIGHTS PRACTICE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF THE RIGHTS PRACTICE

Use of our report

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



Mr Jeffrey Bor
(Senior Statutory Auditor)
For and on behalf of SCB (Accountants) Ltd.

31 Sackville Street
Manchester
M1 3LZ

Chartered Accountants
Statutory Auditor

THE RIGHTS PRACTICE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
<u>Income from:</u>					
Donations and legacies	2	327	-	327	639
Charitable activities	3	70,304	2,928,390	2,998,694	713,777
Investments	4	8,543	-	8,543	1,267
Total income		<u>79,174</u>	<u>2,928,390</u>	<u>3,007,564</u>	<u>715,683</u>
<u>Expenditure on:</u>					
Charitable activities	5	<u>70,808</u>	<u>1,022,491</u>	<u>1,093,299</u>	<u>1,176,861</u>
Net income/(expenditure) for the year/ Net movement in funds		8,366	1,905,899	1,914,265	(461,178)
Fund balances at 1 April 2023		<u>184,488</u>	<u>746,348</u>	<u>930,836</u>	<u>1,392,014</u>
Fund balances at 31 March 2024		<u><u>192,854</u></u>	<u><u>2,652,247</u></u>	<u><u>2,845,101</u></u>	<u><u>930,836</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE RIGHTS PRACTICE

BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Current assets					
Debtors	8	1,512,499		831,868	
Cash at bank and in hand		1,440,312		318,926	
		<u>2,952,811</u>		<u>1,150,794</u>	
Creditors: amounts falling due within one year	9	(107,710)		(219,958)	
Net current assets			<u>2,845,101</u>		<u>930,836</u>
Income funds					
Restricted funds	11	2,652,247		746,348	
Unrestricted funds		192,854		184,488	
		<u>2,845,101</u>		<u>930,836</u>	

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

The financial statements were approved by the Trustees on 4 October 2024

Professor Harriet Evans, Chair
Trustee

Harriet Evans

Company Registration No. 04365047

THE RIGHTS PRACTICE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	17		1,112,843		(269,043)
Investing activities					
Interest received		8,543		1,267	
Net cash generated from investing activities			8,543		1,267
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			1,121,386		(267,776)
Cash and cash equivalents at beginning of year			318,926		586,702
Cash and cash equivalents at end of year			<u>1,440,312</u>		<u>318,926</u>

THE RIGHTS PRACTICE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

The Rights Practice is a charitable company limited by guarantee incorporated in England and Wales. The address of the registered office is given on the legal and administrative information page.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's memorandum and articles of association, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The Charity's Financial Statements shows a surplus of £1,914,265 (2023: deficit of £461,178) for the year and free reserves of £192,854 (2023: £184,488).

The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. Trustees will continue to monitor and ensure spending to be done in line with income in order to maintain target level of reserves. The review of cashflow for 12 months from the date of approval of the financial statements, the associated assumptions that underpin it, secured new income and the steps that could be taken to reduce expenditure should this be necessary. We reviewed the reserve policy and available free reserves as well as modelled scenarios for actual and budgeted results to understand the impact of various income and expenditure.

Based on the information above, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operation for the foreseeable future and will remain surplus in future periods. Therefore, the Trustees have adopted the going concern basis in preparing these accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

THE RIGHTS PRACTICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.4 Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Investment income is included when receivable.

1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

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. Indirect costs have been allocated to activities on a basis considered to be fair and reasonable.

Governance costs includes those costs associated with meeting the constitutional and statutory requirements of the charity and includes audit fees and costs linked with the strategic management of the charity. Governance costs which cannot be allocated directly are apportioned on an appropriate basis.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Allocation of Support Costs

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include strategy development. These costs have been allocated between cost of raising funds and expenditure on charitable activities.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

1.8 Creditors and Provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

THE RIGHTS PRACTICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies (Continued)

1.9 Retirement benefits

The pension costs charged in the financial statements represent the contributions payable to the defined contribution pension scheme set up by the Charitable Company. The assets of the scheme are administered by the Trustees of that scheme and are held separately from the assets of the Charitable Company.

1.10 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

1.11 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/expenditure for the period.

1.12 Debtors

Trade and sundry debtors are recognised at the settlement amount due. Prepayments are valued at the amount repaid net of any trade discounts due.

1.13 Judgement and Key Sources of Estimate Uncertainty

In the application of the company's accounting policies, the charity is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

2 Donations and legacies

	Unrestricted funds	Total 2024	Total 2023
	£	£	£
Donations and gifts	327	327	639
	<u>327</u>	<u>327</u>	<u>639</u>
Donations and gifts			
Individual	327	327	639
	<u>327</u>	<u>327</u>	<u>639</u>

THE RIGHTS PRACTICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

3 Charitable activities

	2024 £	2023 £
Grants	2,998,694	713,277
Other income	-	500
	<u>2,998,694</u>	<u>713,777</u>
Analysis by fund		
Unrestricted funds	70,304	74,250
Restricted funds	2,928,390	639,527
	<u>2,998,694</u>	<u>713,777</u>

Grants include funds that will be spent over the years from 2024 through to 2026.

4 Investments

	Unrestricted funds	Unrestricted funds
	2024 £	2023 £
Interest receivable	8,543	1,267
	<u>8,543</u>	<u>1,267</u>

THE RIGHTS PRACTICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

5 Charitable activities

	Charitable Activities £	Total 2024 £	Total 2023 £
Staff costs	366,587	366,587	330,890
Direct costs (including grants)	676,949	676,949	795,832
Support costs	49,763	49,763	50,139
	<u>1,093,299</u>	<u>1,093,299</u>	<u>1,176,861</u>
Analysis by fund			
Unrestricted funds	70,808	70,808	
Restricted funds	1,022,491	1,022,491	
	<u>1,093,299</u>	<u>1,093,299</u>	
For the year ended 31 March 2023			
Unrestricted funds	55,679		55,679
Restricted funds	1,121,182		1,121,182
	<u>1,176,861</u>		<u>1,176,861</u>

Included within unrestricted charitable activities are amounts paid to auditors of £6,060 (2023: £5,832 relating to the audit and £1,816 (2023: £1,596) relating to other financial services.

There were £206 Foreign exchange net loss during the year (2023: £12).

Included within support costs are amounts paid for rent in the UK & China of £29,278 (2023: £30,370).

6 Trustees

No Trustee received any remuneration during the year (2023: none) and Travel expenses of £63.40 were reimbursed to one Trustee in the year (2023: none).

THE RIGHTS PRACTICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

7 Employees

Staff Numbers

The average monthly number of employees (including full time equivalent) during the year were as follows:

	2024 Number	2023 Number
Admin	1.50	1.50
Direct charitable activities	6.50	6.50
	<u>8.00</u>	<u>8.00</u>
	2024 £	2023 £
Wages and salaries	318,946	288,384
Social security costs	28,582	26,156
Other pension costs	19,059	16,350
	<u>366,587</u>	<u>330,890</u>

One employee was paid at a rate in excess of £60,000 per annum (2023: one).

The Trustees and the Executive Director are considered key management of the charitable company. Total remuneration paid to key management in the year amounted to £65,100 (2023: £62,000).

8 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Trade debtors	1,504,562	756,369
Other debtors	7,523	11,342
Prepayments and accrued income	414	64,157
	<u>1,512,499</u>	<u>831,868</u>

Trade debtors include EU grants of £1.1m that have been promised but not yet received and will be spent over the years from 2024 through to 2026.

THE RIGHTS PRACTICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

9 Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	70,089	65,374
Other creditors	1,339	333
Accruals and deferred income	36,282	154,251
	<u>107,710</u>	<u>219,958</u>

10 Retirement benefit schemes

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The charge to profit or loss in respect of defined contribution schemes was £19,059 (2023: £16,350).

11 Movement in funds

The income funds of the charity comprise the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2023 £	Movement in funds		Balance at 31 March 2024 £
		Income £	Expenditure £	
Improving Access to Justice	906,395	414,233	(415,655)	904,973
Human Rights and Criminal Justice	(160,047)	1,167,550	(530,552)	476,951
Enabling Civil Society	-	1,346,607	(76,284)	1,270,323
Total restricted funds	<u>746,348</u>	<u>2,928,390</u>	<u>(1,022,491)</u>	<u>2,652,247</u>
Unrestricted general funds	184,488	79,174	(70,808)	192,854
Total funds	<u>930,836</u>	<u>3,007,564</u>	<u>(1,093,299)</u>	<u>2,845,101</u>

THE RIGHTS PRACTICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

11 Movement in funds

(Continued)

Improving Access to Justice

To improve access to justice for the poor and victims of human rights violations through the provision of legal aid and increasing the numbers of, and delivering training to, lawyers and other human rights defenders.

Human Rights and Criminal Justice

To improve respect for the dignity of the person through projects combatting torture, championing reduced use of the death penalty and advocating for improved human rights protection for all detained persons. The opening overdrawn balance of £160,046 for Human Rights and Criminal Justice was temporary due to a delay in receiving further pre-financing. These funds have subsequently been received.

Enabling Civil Society

To increase the effectiveness of human rights defenders and civil society organisations working to make human rights a reality in Asia.

During the year, the charity received two grants one of £0.9m and another of £1.3m from EU. Under the terms of grants, if the balance of any expenditure not incurred from grant may be reclaimed by the donor.

12 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total 2024 £
Fund balances at 31 March 2024 are represented by:			
Current assets/(liabilities)	192,854	2,652,247	2,845,101
	<u>192,854</u>	<u>2,652,247</u>	<u>2,845,101</u>

13 Operating lease commitments

At the reporting end date the Charity had outstanding commitments for future minimum lease payments under operating leases, which may be terminated by giving three months' notice. These fall due as follows:

	2024 Land & building £	2024 Other £	2024 Total £	2023 Land & building £	2023 Other £	2023 Total £
Within one year	13,465	5,862	19,327	20,217	5,297	25,514
Between two and five years	-	-	-	13,478	3,531	17,009
	<u>13,465</u>	<u>5,862</u>	<u>19,327</u>	<u>33,695</u>	<u>8,828</u>	<u>42,523</u>

The operating lease relates to The Foundry, which is the charity's principal address. The amount recognised as an expense in the year is £28,056 (2023: £24,220)

14 Share capital

The company is limited by guarantee and does not have a share capital divided by shares.

THE RIGHTS PRACTICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

15 Related party transactions

No trustee or other person related to the charity had any personal interest in any contract or transactions entered into during the year (2023: none).

16 Ultimate controlling party

For the whole of the year, the charity was under the control of the Directors and Trustees as shown on page 2.

17 Cash generated from operations

	2024	2023
	£	£
Surplus/(deficit) for the year	1,914,265	(461,178)
Adjustments for:		
Investment income recognised in statement of financial activities	(8,543)	(1,267)
Movements in working capital:		
(Increase)/decrease in debtors	(680,631)	172,942
(Decrease)/increase in creditors	(112,248)	20,460
Cash generated from/(absorbed by) operations	<u>1,112,843</u>	<u>(269,043)</u>

THE RIGHTS PRACTICE

England & Wales - Charity number 1133616

Accounts

Charity registration number 1133616

Company registration number 04365047 (England and Wales)

THE RIGHTS PRACTICE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

THE RIGHTS PRACTICE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Professor Harriet Evans, Chair Andrew Tappin, Treasurer Daniel Alberman Kate Larsen Dr Tim Pringle Aqsa Hussain Man Kwan Annette So
Principal staff	Nicola Macbean - Executive Director Sophie Cornford - Programme Manager CM Abdul Mueyed - Finance Manager
Charity number	1133616
Company number	04365047
Principal address	The Foundry 17 Oval Way London SE11 5RR
Website	www.rights-practice.org
Auditor	SCB (Accountants) Ltd. 31 Sackville Street Manchester M1 3LZ
Bankers	HSBC Knightsbridge 102 Brompton Road London SW3 1JJ

THE RIGHTS PRACTICE

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THE RIGHTS PRACTICE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their report and financial statements for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019).

Charitable Objects

The objects for which The Rights Practice is established, as set out in the memorandum of association, are to promote human rights (as set out in the Universal Declaration of Human Rights and subsequent United Nations conventions and declarations) throughout the world by all or any of the following means: monitoring abuses of human rights; obtaining redress for the victims of human rights abuse; relieving need among the victims of human rights abuse; research into human rights issues; providing technical advice to government and others on human rights matters; contributing to the sound administration of human rights law; raising awareness of human rights issues; promoting public support for human rights; promoting respect for human rights among individuals and corporations; international advocacy of human rights; eliminating infringements of human rights; and to relieve poverty worldwide by providing people with legal services which they could not otherwise obtain or which it would not be reasonably practicable or appropriate to obtain elsewhere.

Our Aims and Approach

Trustees have considered the Charity Commission's general guidance on public benefit when discussing and approving our aims and objectives. Our current strategy to advance human rights is set out below.

The Rights Practice recognises the complex social, political and material circumstances in which individuals, civil society organisations and governments strive to promote, protect and defend human rights. Full enjoyment of human rights requires governments to respect their human rights obligations under international law. The Rights Practice believes that a vibrant and effective civil society is necessary to hold governments accountable and ensure people know their human rights and are able to defend them.

Our aim is to help build the capacity of a global civil society that can promote public understanding of human rights, advocate for justice and the rule of law, and speak out in defence of human rights. We draw on our years of engagement to retain a focus on China, yet many issues of concern also benefit from a broader perspective. Our work to address the use of the death penalty now takes an Asia-wide approach and we are proud to cooperate with human rights NGOs in Malaysia, Indonesia, Singapore, Taiwan, India and Pakistan. The introduction of the National Security Law and China's increased influence in the Special Administrative Region led us to incorporate Hong Kong into our overall strategy of supporting lawyers, scholars and NGOs that work to advance human rights through promoting access to justice, dignity of the person, and public participation in decision making. As China seeks to extend its influence and challenge international human rights norms we have also responded to the need for information and to counter the threat of transnational human rights violations.

TRP staff and Trustees reviewed our strategy in early 2023 against a background of heightened repression of civil society in China and Hong Kong, and the increased difficulties NGOs experience in securing essential resources. We reaffirmed our intention to respond to multi-faceted challenges through continuing to sustain and build the capacity of civil society and by deepening understanding of the issues through international advocacy. Our objectives for 2021 to 2024 are to:

- Promote equality rights across all areas and aspects of our work.
- Strengthen the role of lawyers and other Human Rights Defenders (HRD) in defence of justice and personal integrity rights.
- Help to increase global awareness of human rights in China.
- Enhance public participation of Chinese civil society at domestic and international levels.
- Sustain and strengthen capabilities of Chinese Human Rights Defenders (HRD) and civil society.

THE RIGHTS PRACTICE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

Our programme work focuses on two human rights priorities: criminal justice and the role of human rights defenders. The human rights and criminal justice programme work to protect the rights of all persons deprived of their liberty, promote the right to a fair trial and an effective defence, combat the use of torture, and reduce and challenge the use of the death penalty. We support individuals and civil society organisations that work to defend and promote human rights through building their capacity and supporting the right to participate in decision making. Gender equality and non-discrimination are cross-cutting objectives across all our projects.

Our activities continue to facilitate the sharing of knowledge, ideas and experience in promoting and defending human rights. We provide assistance with training and international exchange; our local partners implement a range of activities from awareness raising to research, conferences, legal aid and policy advocacy. While our local partners explore innovative approaches in response to restrictions on civil society, The Rights Practice is exploring new ways to provide effective support to those working on the ground, including the provision of online learning and collaboration which the pandemic encouraged. In response to China's growing global influence, we have increased efforts to raise awareness of human rights in China and further the participation of Chinese civil society at the international level.

The Rights Practice has a small professional staff in London responsible for overall programme management, communications, fundraising and finance. Staff are supported to develop their professional and language skills and work is appraised regularly. We have the services of an external consultant to review human resource issues and particularly remuneration rates in order to ensure that we can retain high quality staff through competitive but affordable salaries. We continue to provide work experience and internships at our office in London. We are very grateful to two volunteers for their useful contributions to the team in the past year.

The Rights Practice plays a valued role bringing together stakeholders from human rights organisations, policy makers and the academic community to address issues of shared concern. In October 2022, we hosted a two-day China human rights forum of organisations and individual activists from the UK, Europe and beyond. In February 2023, we co-hosted with the Transnational Law Institute at King's College London a multi-stakeholder workshop to discuss the impact and potential responses to transnational violations of human rights.

THE RIGHTS PRACTICE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance

Our work over the past year has taken place against the backdrop of heightened repression in China and increased assertiveness by China overseas. We have continued to monitor the Chinese government's treatment of civil society. The space to defend human rights remains very limited and the authorities use a range of tools to inhibit, restrict and sanction citizens, lawyers and civil society organisations (CSOs) that attempt to speak out, organise or hold the authorities to account. CSOs have been subject to surveillance and greater scrutiny of their work. Lawyers face the risk of disbarment by taking politically sensitive cases and speaking publicly. Restrictions on academics continue with Chinese legal scholars finding it extremely difficult to hold meetings, conduct research, provide critical comment or collaborate effectively with foreign scholars. Covid-19 restrictions limited the opportunities for in-person meetings until early 2023.

The precipitous decline in freedoms of speech, association and public participation in Hong Kong, brought about by the introduction of the National Security Law in July 2020, have continued to have a deleterious impact on what was once a vibrant civil society leading many Hong Kongers to join a growing diaspora. The largescale human rights violations taking place in the Xinjiang Uyghur Autonomous Region (XUAR) have also continued to attract condemnation from international civil society, parliamentarians and governments. In response, China has made it much more difficult to collect data on what is happening on the ground. In June 2022, The Rights Practice published its handbook for the Uyghur community in the U.K. providing practical advice on life in Britain and tips for responding to harassment originating in China. We also investigated the challenges Uyghurs face trying to obtain official information on the whereabouts and circumstances of family members detained in the Uyghur region. China is failing to meet its obligations under international law to provide relatives with prompt and accurate information about those deprived of their liberty.

Following the introduction of the Overseas NGO Management Law in 2017 The Rights Practice scaled back activities in China. We remain open to the possibility of registration but have observed that no organisation working in the field of legal reform and human rights has had a representative office in China approved by the police. Many of the overseas NGOs that have been authorised to operate in China report close scrutiny by the authorities putting at risk their operational autonomy and potentially undermining their charitable or public interest objectives.

THE RIGHTS PRACTICE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2023

Advocacy

Increased repression in Xinjiang, Hong Kong and China itself underscores the need for The Rights Practice to strengthen its contribution to the public understanding of the human rights situation in China. Over the past year we have participated in meetings with scholars and diplomats to share our insights into the scale and nature of repression across China and its growing transnational manifestations. We have shared our deep concerns at reversals in the rule of law, the silencing of civil society and minority communities and the deployment of a range of repressive tools in which the threat and use of detention underpins everything. With China playing an increasingly assertive role at the United Nations we have been diligent in responding to calls from UN mechanisms for evidence and analysis of the human rights situation in China. We have provided submissions to UN experts on the use of torture and arbitrary detention as well as to the UN Committee on Economic, Social and Cultural Rights.

The Rights Practice has continued to research and engage on the use of the death penalty. Over the past year, we have submitted a number of reports to UN Special Procedures concerning the impact of the death penalty in China, as well as the role of lawyers. We have also been working with groups across Asia to support research into the effectiveness of lawyers in death penalty cases. We attended the World Congress Against the Death Penalty in Berlin in November 2022 and held a side event in which groups presented their research findings. Over the past year we have maintained our presence on Twitter with a growing following. We have continued to send out our China Rights Digest which provides a quarterly update on human rights developments in China.

Public Participation and the Role of Civil Society

The goal of our work to support public participation and the role of civil society is to build the capacity of civil society actors to advance human rights and encourage greater public participation in public affairs through targeted assistance to support their work and develop new knowledge and skills. The last couple of years have seen the Chinese government retreat from any meaningful attempts to provide space for civil society engagement in public affairs through consultations, but there continue to be limited opportunities for evidence-based advocacy on topics of concern to the authorities. The Chinese government acknowledges that it must solve a range of social and economic problems facing ordinary, often angry, citizens.

We have continued to support a Chinese civil society organisation to work on the right to education for the children of migrant workers and other issues of discrimination against women and children in the household registration and family planning systems. The CSO developed an advocacy network of community social service providers to migrant worker families; providing training on advocacy and public participation strategies; supporting local advocacy initiatives and doing detailed research to support advocacy. The CSO has been based in Hong Kong since 2020 where they have begun to cooperate with a range of anti-discrimination organisations. The CSO also supports a disability rights group who run a popular online platform facilitating discussion among people living with disabilities.

In September 2022, The Rights Practice completed a four-year project focussing on building the psychological resilience of Chinese civil society actors and increasing the capacity of legal professionals to assist survivors of torture and ill treatment. In the final year, we published a handbook for lawyers working with survivors of torture and a report on the mental health of human rights defenders as well as supporting self-care training for NGO and social workers and providing small grants for peer support initiatives in several regions of China. We have continued to support mental health work with some smaller grants and collaborating with another NGO to provide peer support to human rights lawyers.

Human Rights and Criminal Justice

Our criminal justice and human rights programme aim to improve respect for human integrity rights, notably a reduction in the use of torture, ill treatment in detention and the death penalty, as well as improved access to justice. We have continued to focus on three areas of concern: torture, the application of the death penalty and the treatment of people in detention. We also pay particular attention to the difference that gender makes in all these areas. The Rights Practice works with Chinese lawyers, legal scholars and CSOs to address these issues through supporting initiatives to conduct research and raise awareness and building their capacity to draw on international law in their legal work. Our advocacy seeks to make the international community, including the United Nations and parliamentarians, aware of the situation in China and to highlight violations of both domestic Chinese and international law.

THE RIGHTS PRACTICE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2023

Our work addressing the problem of torture and the ill treatment of persons deprived of their liberty in China has continued with a limited number of small-scale activities over the past year. We have continued to advocate for abolition of "residential surveillance in a designated location" and an end to the extrajudicial detentions taking place in the Xinjiang Uyghur Autonomous Region. We have also supported the efforts of Chinese lawyers to raise awareness of the UN Convention Against Torture (CAT) and China's obligations as a state party. With the move to more online learning and meetings, we are developing new resources to share UN standards on the treatment of prisoners. Lawyers recognise that these international rules provide a good entry point for the critical examination of Chinese practice and the advocacy of better treatment for detainees. Despite high levels of repression, there continues to be limited space for small scale training activities among human rights lawyers.

Our strategic shift towards a broader Asia approach in our work is proving successful. We are engaged on a regional project addressing defence representation in death penalty cases. We have convened a number of virtual workshops with lawyers and civil society activists from seven Asian countries, including our partner organisation in Malaysia. We also worked with a human rights documentation organisation to begin designing an online database to support case and law research by defence lawyers in retentionist countries.

Lawyers in China are still able to hold small scale training and discussion activities on specific aspects of death penalty practice including forensic assessments, but pandemic restrictions on travel made international seminars and workshops impossible. In a challenging environment we have been encouraged by the success of local and small-scale salons as forums for lawyers, journalists, writers, artists and academics to engage critically on the use of the death penalty through discussing its treatment in books, film and other arts.

We have continued to encourage local partners to monitor the gender balance of participants in all these projects and networks, as an integral component of our work to encourage participation and foster gender equity.

Financial review

We continue to increase awareness of our work through our website and newsletters encouraging interest from private foundations with potential new funding that can contribute to our unrestricted core costs.

Advance payments from several donors continue to provide a reasonable cash flow. The charity's finances are subject to foreign exchange rate fluctuations, which we continue to monitor.

Income and Expenditure

The Rights Practice's total income for year ended 31 March 2023 was £715,683. This is a decrease of 10.63% in our income from the previous year's figure of £800,863. The decrease is due to some long-running projects completing during the reporting period.

The majority of the charity's income is from restricted project grants. We continue to try and diversify our funding base and have attracted new resources to support some of our work on Hong Kong and the Uyghur crisis. We are very grateful for the support we receive from a wide range of institutional donors from four different countries as well as the European Union. Despite economic challenges many donors remain committed to supporting engagement on human rights in China.

The end of the Covid-19 pandemic saw our expenditure on charitable activities increase by 36.57% to £1,176,861 compared to the previous financial year. Staff costs totalled £330,890 and represent 28.12% of total expenditure. The majority of the staff costs are associated with our programming work: supporting our local partners, providing research, delivering training, monitoring and the dissemination of lessons learned. We do not have dedicated fundraising staff. The Executive Director spends approximately 5% of her time on fundraising from institutional donors. She is supported by other staff on programme design and budgeting. The Rights Practice does not undertake fundraising from the public; a small number of individuals donate via our website.

Balance Sheet

The Rights Practice had unrestricted reserves of £184,488 on 31st March 2023. The Rights Practice's closing restricted funds of £746,348 represent funds received and accounted for immediately under FRS102 but which will be used subsequently in 2023-25. The budgeted income and expenditure for the year ahead give Trustees confidence that the charity will continue to operate successfully.

THE RIGHTS PRACTICE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2023

Reserves Policy

During 2022/23, The Rights Practice received grant income from five major institutional donors as well as three smaller donors. Historically the income raised has been largely restricted and dependent on successful grant applications. If there were to be a change to the funding policy of our major donors or we were to fail to secure sufficient new grants, The Rights Practice could face difficulties sustaining the current level of activity as well as delivering its strategy and meeting the needs of its beneficiaries. There would also be an impact on staffing levels.

To ensure that we can continue our work, The Rights Practice board has agreed the target of keeping a certain level of unrestricted reserves to ensure that core operations can continue for a period of three months in the event of any funding downturn. This is to ensure that staff can continue working, primarily to secure new funding and for our local partners to continue their work with other sources of support. The target also includes the total cost of winding up the organisation should the need arise following a precipitous decline in future grant income or another unexpected major setback. Our unrestricted funds on 31st March 2023 are sufficient to meet these targets.

We continue to work to secure new funding for The Rights Practice enabling it to sustain its operations at current levels.

This policy will be reviewed annually by the board and whenever there are significant changes to staffing levels or the external funding environment. The level of reserves is disclosed within the quarterly management accounts reviewed by the Trustees.

THE RIGHTS PRACTICE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

Looking Ahead

The international environment and geopolitical context in which we work are challenging. The war in Ukraine and global economic insecurities are already having an impact on support for civil society as funders experience shrinking budgets and new priorities. At the same time ethical and practical difficulties have led many politicians and donors to question the value of cooperation with China. However, as Xi Jinping's China rejects the idea of universal values and accountability for human rights violations there is, more than ever, the need for international attention to the situation on the ground and the implications of China's counter narrative on human rights for international law.

The Rights Practice remains committed to engaging and supporting the people of China in the defence of human rights. We observe the extraordinary resilience of many Chinese human rights defenders and civil society organisations and their ability to identify new ways of working. We know it is difficult to measure the impact of this work, but we urge any donor considering withdrawing their support to try and imagine a more open China without a lively civil society. We know that informed citizens, free from fear and empowered to participate in public life and decision making will be as important to the China of the future as cutting-edge technology and a growing economy. We will continue to cooperate with others to help keep alive the promise of a flourishing civil society in both China and Hong Kong.

The serious human rights violations that are still taking place in Xinjiang and the rapid deterioration of fundamental freedoms in Hong Kong remain issues of concern for us. We expect to continue to work with our partners and the international community to develop effective responses and to ensure timely information reaches policy makers.

As we look ahead, we are excited by the prospect of more meetings in person as China opens its borders and there is greater freedom to travel. Nevertheless, the pandemic demonstrated the benefits of online meetings and learning, and these activities will continue to remain a feature of our capacity building activities in the year ahead. This will require continued investment in effective and secure digital working practices. We have also been investing time to explore effective ways to deliver learning online, including self-paced study.

We remain committed to our small grants scheme and being able to support new initiatives by those on the ground. The ever-present risk of detention is exacerbating the mental health strains experienced by human rights defenders in China. We will be continuing to support initiatives that foster wellbeing and, where needed, allow for time away from the day-to-day anxieties of working in a climate of fear and repression.

We will continue to deepen and broaden our engagement with civil society in Asia. Regional collaboration on defence representation in death penalty cases is bringing new insights and opportunities for mutual learning. We hope donors will follow in seeing the benefits of greater regional cooperation and incorporating Chinese civil society into new networks.

Our advocacy strategy sets out our communications priorities in the year ahead: the use of the death penalty, the ill treatment of detainees, the situation of human rights defenders and independent civil society organisations, the treatment of Uyghur and other Turkic Muslims in the Xinjiang region and new threats to civil and political rights in Hong Kong. We will continue to draw on our knowledge and experience to share information about the human rights situation in China with decision makers in the UK, Europe, the United Nations and beyond.

Our work and that of our local partners requires and depends entirely upon ongoing financial support. Resisting the spread of authoritarianism needs fresh and urgent rethinking of the case for fostering human rights awareness and expectations in countries under autocratic governments. We will continue to monitor the policy context in the UK, Europe and the USA, from where we receive most of our funding and make the case for resources to support civil society.

THE RIGHTS PRACTICE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

Structure, governance and management

The Rights Practice was incorporated as a company limited by guarantee on 2 February 2002 (registration 04365047). The organisation was registered as a charity in January 2010. The governing documents of the charity are the Memorandum of Association (as amended on 16 December 2009) and the Articles of Association (2002).

The governing body of The Rights Practice is the Board of Trustees. The Board meets quarterly in the evenings. Following the coronavirus pandemic, Board meetings in 2022-23 took place in a hybrid format. TRP work over the past year has been informed by the 2021-24 strategy; a refresh of the strategy was approved by Trustees in January 2023. At each Board meeting, Trustees review management accounts, receive and discuss the progress report and consider the risk register. Trustees have delegated the day-to-day operations of the charity and its activities to the Executive Director and the senior management team.

The Trustees who served in the year are listed in the administrative details above. Members of the Board have been recruited through targeted public calls for new Trustees as well as nominations by existing Trustees or senior staff. Trustees are mindful of the need to ensure that the Board has the range of skills, experience and diversity to oversee the charity's governance and strategic direction. Current Trustees bring knowledge and experience of law and human rights; Chinese politics, gender and social policy; corporate social responsibility; public participation and communications, as well as accountancy and charity governance. We continue to seek Trustees with specialist knowledge of fundraising as we try to further diversify our funding base.

New Board members are provided with relevant documents and information on the governance and work of the charity as well as guidance on the role of Trustees; the Executive Director and chair meet with new Trustees to brief them on the work of the charity. Over the past year the Executive Director met regularly with the Chair to plan Board meetings and discuss any issues of concern. All Trustees give their time voluntarily and received no benefits from the charity. No expenses were reclaimed by Trustees in the past year.

The Rights Practice U.S. Inc. was incorporated in the state of New York as a not-for-profit organisation (501c3) on July 10, 2008. It has its own governing Board; the Executive Director of The Rights Practice serves on the US Board. The two organisations have the same objectives and cooperate in advancing their shared charitable purpose. Following an equivalency determination (ED), The Rights Practice's UK entity has been assessed as equivalent to a U.S. public charity. Our U.S. entity has no current grant contracts and is providing funds for project work undertaken by the UK charity. The Rights Practice U.S. Inc. had a turnover of \$173,007 in 2022 and a balance of unrestricted funds on 31st December 2022 of \$86,766.

The Rights Practice maintains and reviews a register of significant external and internal risks to the organisation which may impact on our ability to meet our charitable objectives and deliver public benefit. Trustees continue to be reasonably tolerant of risk given our strategic objectives and the challenging political environment in which we work. Staff continuously review and develop mitigating strategies, particularly in areas of medium to high risk. Strategic risks include growing repression within China and Hong Kong, and the vanishing space for civil society. We continue to monitor the impact of the National Security Law in Hong Kong, introduced in 2020, and potential risks from our small grant giving programme.

The risk register is regularly reviewed by senior staff and discussed by Trustees at each quarterly Board meeting. The Board is kept informed of any changes to the status of risk areas or major revisions to the risk management strategy. All project documents include specific risk assessments and mitigation strategies, particularly with respect to overseas activities, and these are reviewed as part of project monitoring.

THE RIGHTS PRACTICE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2023

Statement of Trustees' responsibilities

The Trustees, who are also the directors of The Rights Practice for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity 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 Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report was approved by the Board of Trustees.



Professor Harriet Evans, Chair
Trustee

Dated: 21/4/2023

THE RIGHTS PRACTICE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE RIGHTS PRACTICE

Opinion

We have audited the financial statements of The Rights Practice (the 'charitable company') for the year ended 31st March 2023 which comprise the Statement of Financial Activities, Balance Sheet, Cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2023, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the year ending 31st March 2023 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report for the year ending 31st March 2023 has been prepared in accordance with applicable legal requirements.

THE RIGHTS PRACTICE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF THE RIGHTS PRACTICE

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the financial statements as on 31st March 2023 and the Trustees' report.

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

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

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 9, the trustees' (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees' determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity.
- We communicated identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit. We examined and discussed with management any known or suspected instances of fraud or non-compliance with laws and regulations.

We assessed the risks of material misstatement in respect of fraud as follows:

- The audit team discussed whether there were any areas that were susceptible to misstatement as part of their fraud discussion.
- In addressing the risk of management override of controls, we tested the appropriateness of journal entries with a focus on large or unusual transactions based on criteria determined using our knowledge of the organisation and industry. We also challenged assumptions and judgements made.

THE RIGHTS PRACTICE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE RIGHTS PRACTICE

- We incorporated an element of unpredictability in the selection of the nature, timing and extent of our audit procedures.
- Based on the results of our risk assessment we designed our audit procedures to identify and to address material misstatements in relation to fraud, including bribery and non compliance

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (ie. gives a true and fair view).

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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



Mr Jeffrey Bor
(Senior Statutory Auditor)
For and on behalf of SCB (Accountants) Ltd.

31 Sackville Street
Manchester
M1 3LZ

Chartered Accountants
Statutory Auditor

THE RIGHTS PRACTICE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
<u>Income from:</u>					
Donations and legacies	2	639	-	639	507
Charitable activities	3	74,250	639,527	713,777	800,312
Investments	4	1,267	-	1,267	44
Total income		<u>76,156</u>	<u>639,527</u>	<u>715,683</u>	<u>800,863</u>
<u>Expenditure on:</u>					
Charitable activities	5	<u>55,679</u>	<u>1,121,182</u>	<u>1,176,861</u>	<u>861,750</u>
Net income/(expenditure) for the year/ Net movement in funds		20,477	(481,655)	(461,178)	(60,887)
Fund balances at 1 April 2022		<u>164,011</u>	<u>1,228,003</u>	<u>1,392,014</u>	<u>1,452,901</u>
Fund balances at 31 March 2023		<u><u>184,488</u></u>	<u><u>746,348</u></u>	<u><u>930,836</u></u>	<u><u>1,392,014</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE RIGHTS PRACTICE

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Current assets					
Debtors	8	831,868		1,004,810	
Cash at bank and in hand		318,926		586,702	
		<u>1,150,794</u>		<u>1,591,512</u>	
Creditors: amounts falling due within one year	9	<u>(219,958)</u>		<u>(199,498)</u>	
Net current assets			<u>930,836</u>		<u>1,392,014</u>
Income funds					
Restricted funds	11		746,348		1,228,003
Unrestricted funds			184,488		164,011
			<u>930,836</u>		<u>1,392,014</u>

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

The financial statements were approved by the Trustees on



Professor Harriet Evans, Chair
Trustee

Company Registration No. 04365047

THE RIGHTS PRACTICE

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash absorbed by operations	15		(269,043)		(57,298)
Investing activities					
Interest received		1,267		44	
Net cash generated from investing activities			1,267		44
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(267,776)		(57,254)
Cash and cash equivalents at beginning of year			586,702		643,956
Cash and cash equivalents at end of year			<u>318,926</u>		<u>586,702</u>

THE RIGHTS PRACTICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies (Continued)

1.8 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/expenditure for the period.

2 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2023 £	2022 £
Donations and gifts	639	507
	<u>639</u>	<u>507</u>
Donations and gifts		
Individual	639	507
	<u>639</u>	<u>507</u>

3 Charitable activities

	2023 £	2022 £
Grants	713,277	798,912
Other income	500	1,400
	<u>713,777</u>	<u>800,312</u>
Analysis by fund		
Unrestricted funds	74,250	47,232
Restricted funds	639,527	753,080
	<u>713,777</u>	<u>800,312</u>

THE RIGHTS PRACTICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

4 Investments

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Interest receivable	1,267	44

5 Charitable activities

	Unrestricted funds	Restricted funds	Total 2023	Total 2022
	£	£	£	£
Staff costs	3,241	327,649	330,890	235,560
Depreciation and impairment	-	-	-	226
Direct costs (including grants)	12,846	782,986	795,832	571,006
Support costs	39,592	10,547	50,139	54,958
	<u>55,679</u>	<u>1,121,182</u>	<u>1,176,861</u>	<u>861,750</u>

Included within unrestricted charitable activities are amounts paid to auditors of £5,832 (2022: £5,400) relating to the audit and £1,596 (2022: £2,916) relating to other financial services.

There were £12 Foreign exchange Gain or Loss during the year (2022: Nil).

Included within support costs are amounts paid for rent in the UK & China of £30,370 (2022: £29,164).

6 Trustees

No Trustee received any remuneration during the year (2022: none) and no Trustee was reimbursed for any expenses in the year (2022: none).

THE RIGHTS PRACTICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

7 Employees

	2023	2022
	£	£
Wages and salaries	288,384	206,626
Social security costs	26,156	16,855
Other pension costs	16,350	12,078
	<u>330,890</u>	<u>235,560</u>

One employee was paid at a rate in excess of £60,000 per annum (2022: none). The average number of full time equivalent staff during the year was nine (2022: seven).

The Trustees and the Executive Director are considered key management of the charitable company. Total remuneration paid to key management in the year amounted to £62,000 (2022: £57,747).

8 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	756,369	988,564
Other debtors	11,342	15,005
Prepayments and accrued income	64,157	1,241
	<u>831,868</u>	<u>1,004,810</u>

9 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	65,374	104,007
Other creditors	333	249
Accruals and deferred income	154,251	95,242
	<u>219,958</u>	<u>199,498</u>

10 Retirement benefit schemes

Defined contribution schemes

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The charge to profit or loss in respect of defined contribution schemes was £16,350 (2022: £12,078).

THE RIGHTS PRACTICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

11 Movement in funds

The income funds of the charity comprise the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2022 £	Movement in funds		Balance at 31 March 2023 £
		Income £	Expenditure £	
Improving Access to Justice	1,140,147	441,254	(675,206)	906,195
Human Rights and Criminal Justice	87,856	198,273	(446,175)	(160,046)
Total restricted funds	1,228,003	639,527	1,121,381	746,348
Unrestricted general funds	164,011	76,156	(55,679)	184,488
Total funds	1,392,014	715,683	(1,177,060)	930,836

Improving Access to Justice

To improve access to justice for the poor and victims of human rights violations through the provision of legal aid and increasing the numbers of, and delivering training to, lawyers and other human rights defenders.

Human Rights and Criminal Justice

To improve respect for the dignity of the person through projects combatting torture, championing reduced use of the death penalty and advocating for improved human rights protection for all detained persons. The overdrawn balance of £160,046 for Human Rights and Criminal Justice was temporary due to a delay in receiving further pre-financing. These funds have subsequently been received.

12 Analysis of net assets between funds

	Unrestricted £	Restricted £	Total £
Fund balances at 31 March 2023 are represented by:			
Current assets/(liabilities)	184,488	746,348	930,836
	184,488	746,348	930,836

13 Operating lease commitments

At the reporting end date the Charity had outstanding commitments for future minimum lease payments under operating leases, which may be terminated by giving three months' notice. These fall due as follows:

	2023 Land & building £	2023 Other £	2023 Total £	2022 Land & building £	2022 Other £	2022 Total £
Within one year	20,217	5,297	25,514	20,198	4,022	24,220
Between two and five years	13,478	3,531	17,009	40,394	8,044	48,438

THE RIGHTS PRACTICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

13 Operating lease commitments (Continued)

<u>33,695</u>	<u>8,828</u>	<u>42,523</u>	<u>60,592</u>	<u>12,066</u>	<u>72,658</u>
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The operating lease relates to The Foundry, which is the charity's principal address. The amount recognised as an expense in the year is £24,220 (2022: £24,241).

14 Related party transactions

No trustee or other person related to the charity had any personal interest in any contract or transactions entered into during the year (2022: none).

15 Cash generated from operations	2023 £	2022 £
Deficit for the year	(461,178)	(60,887)
Adjustments for:		
Investment income recognised in statement of financial activities	(1,267)	(44)
Depreciation and impairment of tangible fixed assets	-	226
Movements in working capital:		
Decrease/(increase) in debtors	172,942	(72,714)
Increase in creditors	<u>20,460</u>	<u>76,713</u>
Cash absorbed by operations	<u>(269,043)</u>	<u>(56,706)</u>

THE RIGHTS PRACTICE

England & Wales - Charity number 1133616

Accounts

Charity registration number 1133616

Company registration number 04365047 (England and Wales)

THE RIGHTS PRACTICE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

THE RIGHTS PRACTICE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Professor Harriet Evans, Chair Andrew Tappin, Treasurer Daniel Alberman Kate Larsen Dr Tim Pringle Lorna Hawthorne Aqsa Hussain Man Kwan Annette So	(Resigned on 04 January 2022) (Appointed on 14 January 2021) (Appointed on 03 December 2021)
Executive Director	Nicola Macbean	
Charity number	1133616	
Company number	04365047	
Principal address	The Foundry 17 Oval Way London SE11 5RR	
Website	www.rights-practice.org	
Auditor	Cansdales Audit LLP St Mary's Court The Broadway Old Amersham Bucks HP7 0UT	
Bankers	HSBC Knightsbridge 102 Brompton Road London SW3 1JJ	

THE RIGHTS PRACTICE

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THE RIGHTS PRACTICE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their report and financial statements for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019).

Charitable Objects

The objects for which The Rights Practice is established, as set out in the memorandum of association, are to promote human rights (as set out in the Universal Declaration of Human Rights and subsequent United Nations conventions and declarations) throughout the world by all or any of the following means: monitoring abuses of human rights; obtaining redress for the victims of human rights abuse; relieving need among the victims of human rights abuse; research into human rights issues; providing technical advice to government and others on human rights matters; contributing to the sound administration of human rights law; raising awareness of human rights issues; promoting public support for human rights; promoting respect for human rights among individuals and corporations; international advocacy of human rights; eliminating infringements of human rights; and to relieve poverty worldwide by providing people with legal services which they could not otherwise obtain or which it would not be reasonably practicable or appropriate to obtain elsewhere.

Our Aims and Approach

Trustees have considered the Charity Commission's general guidance on public benefit when discussing and approving our aims and objectives. Our current strategy to advance human rights is set out below.

The Rights Practice recognises the complex social, political and material circumstances in which individuals, civil society organisations and governments strive to promote, protect and defend human rights. Full enjoyment of human rights requires governments to respect their human rights obligations under international law. The Rights Practice believes that a vibrant and effective civil society is necessary to hold governments accountable and ensure people know their human rights and are able to defend them.

Our aim is to help build the capacity of a global civil society that can promote public understanding of human rights, advocate for justice and the rule of law, and speak out in defence of human rights. Our work focuses on China, supporting the lawyers, scholars and NGOs that are working to advance human rights through promoting access to justice, dignity of the person, and public participation in decision making. While we continue to prioritise concerns about human rights in China we now aim to embed our engagement with China in an Asia-wide approach and have been establishing relationships with human rights NGOs in Malaysia, Indonesia, Singapore, Taiwan, India and Pakistan. The introduction of the National Security Law (NSL) has also led us to incorporate Hong Kong into our overall strategy.

TRP staff and Trustees reviewed our strategy in 2021 against a background of increased repression of civil society, particularly in China, and growing difficulties accessing resources. We reaffirmed our intention to respond to multi-faceted challenges through continuing to sustain and build the capacity of civil society and by deepening understanding of the issues through international advocacy. Our objectives for 2021 to 2023 are to:

1. Promote equality rights across all areas and aspects of our work.
2. Strengthen the role of lawyers and other Human Rights Defenders (HRD) in defence of justice and personal integrity rights.
3. Help to increase global awareness of human rights in China.
4. Enhance public participation of Chinese civil society at domestic and international levels.
5. Sustain and strengthen capabilities of Chinese Human Rights Defenders (HRD) and civil society.

Our programme work continues to focus on two areas: human rights and criminal justice, and public participation and the role of civil society. Our human rights and criminal justice programme works to promote the right to a fair trial, protect the rights of detainees, combat the use of torture, reduce and challenge the use of the death penalty. Our public participation and civil society programme is focussed on building capacity within civil society to engage on human rights issues, particularly the right to non-discrimination. A priority is to develop training skills as well as deepen knowledge of international law and practice. Gender equality remains a cross-cutting issue across all our projects and we have been pleased to observe progress in participation and awareness, particularly in our criminal justice programme.

THE RIGHTS PRACTICE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

Our activities continue to facilitate the sharing of knowledge, ideas and experience in promoting and defending human rights. We provide assistance with training and international exchange; our local partners implement a range of activities from awareness raising to research, conferences, legal aid and policy advocacy. As our local partners explore new ways of working in response to the NGO Law and restrictions on civil society in China, The Rights Practice is piloting new ways to provide effective support to those working on the ground. Covid-19 has highlighted the opportunities for greater online learning and collaboration. The medium also poses new challenges: ensuring participatory learning, stable and open access to the Internet and secure connections. Our strategy for 2021-23, continues to place the work of human rights defenders, lawyers and civil society organisations at the heart of what we support. We will prioritise the promotion of equality rights, and the defence of justice and personal integrity rights. In response to China's greater global influence we will also increase efforts to raise awareness of human rights in China and further the participation of Chinese civil society at the international level.

The Rights Practice has a small professional staff in London responsible for overall programme management, fundraising and finance. Compared to the past year we have updated a number of internal policies to ensure compliance with best practice and our legal obligations. Staff are supported to develop their professional and language skills and work is appraised regularly. We have the services of an external consultant to review remuneration rates in order to ensure that, despite the funding challenges, we can retain high quality staff through competitive salaries.

We have appreciated the help of interns in London this year, assisting with research and translation. We cooperate with other London-based human rights organisations and the academic community. Over the past year we have welcomed the return of in-person meetings while continuing to use online and hybrid meeting formats where they enable increased international participation.

Achievements and performance

Our work over the past year has taken place against the backdrop of repression in China and increased assertiveness by China overseas, as well as ongoing Covid-19 restrictions. This trend has continued with China's strict adherence to a zero-Covid policy and greater scrutiny of civil society actors in the run up to the 20th Party Congress. We have continued to monitor the Chinese government's treatment of civil society. The space to defend human rights remains very limited and the authorities use a range of tools to inhibit, restrict and sanction citizens, lawyers and civil society organisations (CSOs) that attempt to speak out, organise or hold to account. CSOs have been subject to surveillance and greater scrutiny of their work. Lawyers face the risk of disbarment by taking politically sensitive cases and speaking publicly. Restrictions on academics continue with Chinese legal scholars finding it very difficult to hold meetings, conduct research, provide critical comment and to collaborate effectively with foreign scholars.

Following the introduction of the Overseas NGO Management Law in 2017 The Rights Practice scaled back activities in China. We remain open to the possibility of registration, but have observed that no organisation working in the field of legal reform and human rights has had a representative office in China approved by the police. Many of the overseas NGOs that have been authorised to operate in China report close scrutiny by the authorities putting at risk their operational autonomy and potentially undermining their charitable or public interest objectives.

We have observed the departure of many international NGOs and funders from working in China. There are complex moral and operational dilemmas to continued engagement. For The Rights Practice two questions guide our thinking. Can our support help those on the ground make a difference? And, can we be confident that we will do no harm? We recognise the challenges in assessing the impact of projects where repression limits the opportunities for change and implementation may be undermined by police interference. However, we also observe the continued resilience of Chinese human rights defenders and civil society organisations and their extraordinary ability to identify new spaces and strategies for the promotion and defence of human rights. We believe there is a useful role for overseas NGOs to help maintain the capacity of civil society actors in China through providing opportunities for learning and to connect with colleagues. We see the difficult political and operating environment in countries such as China as a challenge to international NGOs and donors to rethink our ways of working and supporting civil society in the most authoritarian contexts.

THE RIGHTS PRACTICE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

The precipitous decline in freedoms of speech, association and public participation in Hong Kong, brought about by the introduction of the National Security Law in July 2020, have continued. The largescale human rights violations taking place in the Xinjiang Uyghur Autonomous Region (XUAR) have continued to attract condemnation from international civil society, parliamentarians and governments. The Rights Practice published a report and participated in a number of public and private online events to raise awareness and develop policy responses to the crisis in the Uyghur region. As part of our response to the crisis we have developed a handbook for members of the Uyghur diaspora in the UK which is now being widely shared within the community.

Advocacy

Developments in Xinjiang, and now Hong Kong, have underscored the need for The Rights Practice to continue to contribute to public understanding of the human rights situation in China. We published a report on the (ab)use of criminal proceedings in the XUAR which contributed to the largescale arbitrary use of detention in the Uyghur region. Our 2020 report, *Invisible Pain*, highlighting reports of sexual and gender based violence in Xinjiang, continued to be disseminated online and at meetings. Although there are specific features to the repression in different regions and towards different groups in China, common elements include reversals in the rule of law, the silencing of civil society and, even mildly, critical voices, and the deployment of a range of repressive tools in which the threat and use of detention underpins everything. Businesses, organisations and countries need to develop a long term strategy to shape their relationship with China. Strategies should support human rights and the role of human rights advocates in China, including a clear understanding of how policies to expand trade or other relationships may also undermine the role of civil society and respect for human rights.

The Rights Practice has continued to research and engage on the use of the death penalty. Over the past year, we have submitted a number of reports to UN Special Procedures concerning the impact of the death penalty in China, as well as the role of lawyers. We also submitted a Universal Periodic Review mid-term report which focused on the death penalty and deprivation of liberty. We have been working with groups across Asia to support research into the role of lawyers in death penalty cases. Over the past year we have maintained our presence on Twitter with a growing following. We have launched a new China Rights Digest which provides a quarterly update on human rights developments in China.

Public Participation and the Role of Civil Society

The goal of our work to support public participation and the role of civil society is to build the capacity of civil society actors to advance human rights and encourage greater public participation in public affairs through targeted assistance to support their work and develop new knowledge and skills. The last couple of years have seen the Chinese government retreat from any meaningful attempts to provide space for civil society engagement in public affairs through consultations, but there continue to be limited opportunities for evidence-based advocacy on topics of concern to the authorities. The Chinese government acknowledges that it must solve a range of social and economic problems facing ordinary, often angry, citizens.

We have continued to support a Chinese civil society organisation (CSO) to work on the right to education for the children of migrant workers and other issues of discrimination against women and children in the household registration and family planning systems. The CSO developed an advocacy network of community social service providers to migrant worker families; providing training on advocacy and public participation strategies; supporting local advocacy initiatives and doing detailed research to support advocacy. Until the summer of 2016, the CSO held a number of salons and larger network meetings to share experience and plan advocacy actions, including supporting legislative proposals for the *lianghui* (the annual "two sessions" of the National People's Congress and the Chinese People's Political Consultative Conference) which were reported widely in mainstream media. They have produced research reports on barriers to education for migrant children using their own online platform to publicise their findings. In July 2019, the CSO had to suspend operations for security reasons and is now based in Hong Kong. Covid-19 restrictions have continued to hamper in-person activities but the network continues to meet online and some local in-person salons have been possible. The CSO has been researching the impact of Covid-19 on the migrant worker population, in particular on migrant children's education. It also supports a disability rights group who run a popular online platform facilitating discussion.

In September 2018, The Rights Practice started a new three-year project focussing on building psychological resilience of Chinese civil society actors and increasing the capacity of legal professionals to assist survivors of torture and ill treatment. This year, we published a mental health handbook for civil society in English and Chinese. This has been very well received and generated a lot of interest and requests for training in China. As well as training, we have also provided small grants for peer support initiatives in several regions of China.

THE RIGHTS PRACTICE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

In May 2016, The Rights Practice began administering a fellowship programme for Chinese human rights defenders and activists in need of a break from an increasingly difficult working environment in China or for individuals who had already left China and were delaying their return home due to fear of repression. In total, the fellowship programme supported 25 fellows in programmes ranging from three to 18 months. The focus of fellowships has ranged widely, including human rights law, civil society empowerment, mental health, women's rights, labour rights, disability rights, citizen journalism, English language, organic farming, and NGO management. The program ended in December 2021.

Human Rights and Criminal Justice

Our criminal justice and human rights programme aims to improve respect for human integrity rights, notably a reduction in the use of torture, ill treatment in detention and the death penalty, as well as improved access to justice. We have continued to focus on three areas of concern: torture, the application of the death penalty and the treatment of people in detention. We also pay particular attention to the difference that gender makes in all these areas. The Rights Practice works with Chinese lawyers, legal scholars and civil society organisations to address these issues through supporting initiatives to conduct research and raise awareness, and building their capacity to draw on international law in their legal work. Our advocacy seeks to make the international community, including the United Nations and parliamentarians, aware of the situation in China and to highlight violations of both domestic Chinese and international law.

Our work addressing the problem of torture and the ill treatment of persons deprived of their liberty in China has continued with a limited number of small scale activities over the past year. We have continued to advocate against the use of "residential surveillance in a designated location" and the extrajudicial detentions taking place in the Xinjiang Uyghur Autonomous Region. We have also supported the efforts of Chinese lawyers to raise awareness of the UN Convention Against Torture (CAT) and China's obligations as a state party. With the move to more online learning and meetings, we are developing new resources to share UN standards on the treatment of prisoners. Lawyers recognise that these international rules provide a good entry point for the critical examination of Chinese practice and the advocacy of better treatment for detainees. Despite high levels of repression, there continues to be limited space for small scale training activities among human rights lawyers.

After delays as a result of Covid, we completed our programme of cooperation with Chinese colleagues on the need to raise awareness of international law and the UN Minimum Safeguards for protecting the rights of persons facing the risk of execution. Lawyers in China have been able to hold some small scale training and discussion activities on specific aspects of death penalty practice including forensic assessments, but pandemic restrictions on travel have made international seminars and workshops impossible. In a challenging environment we have been encouraged by the success of local and small scale salons as forums for lawyers, journalists, writers, artists and academics to engage critically on the use of the death penalty through discussing its treatment in books, film and other arts.

Our strategic shift towards a broader Asia approach in our work is proving successful. We are engaged on an Asia-wide project addressing defence representation in death penalty cases. We have convened a number of virtual workshops with lawyers and civil society activists from seven Asian countries, including a new partner organisation in Malaysia. We have also been exploring the feasibility of establishing an online database to support case and law research by defence lawyers in retentionist countries.

We have continued to encourage local partners to monitor the gender balance of participants in all these projects and networks, as an integral component of our work to encourage participation and foster gender equity.

Financial review

The Rights Practice's total income for year ended 31 March 2022 was £800,863. This is an decrease of 54% in our income from the previous year's figure of £1,732,292. The decrease is largely due to the last year new EU-funded grant and recognition of income up front as required under the accounting standard of FRS102.

The majority of the charity's income is from restricted project grants. We continue to try and diversify our funding base and have attracted new resources to support some of our work on Hong Kong and the Uyghur crisis. We are very grateful for the support we receive from a wide range of institutional donors from four different countries as well as the European Union. Despite economic challenges many donors remain committed to supporting engagement on human rights in China.

THE RIGHTS PRACTICE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

We continue to increase awareness of our work through our website and newsletters encouraging interest from private foundations with potential new funding that can contribute to our unrestricted core costs.

Advance payments from our main donors continue to provide a healthy cash flow. The charity's finances are subject to foreign exchange rate fluctuations, which we continue to monitor.

In spite of Covid-19 related restrictions our expenditure on charitable activities decreased by below 1% to £861,750 over the previous financial year. Staff costs totalled £235,560 and represent 27% of total expenditure. The majority of the staff costs are associated with our programming work: supporting our local partners, providing research, delivering training, monitoring and the dissemination of lessons learned. We do not have any dedicated fundraising staff. The Executive Director spends approximately 5% of her time on fundraising from institutional donors. She is supported by other staff on programme design and budgeting. The Rights Practice does not undertake fundraising from the public; a small number of individuals donate via our website.

Balance Sheet

The Rights Practice had unrestricted reserves of £164,011 at 31st March 2022. The Rights Practice's closing restricted reserves of £1,228,003 represent funds recognised up front for grants under FRS102 which will be utilised in 2022-24. The budgeted income and expenditure for the year ahead give Trustees confidence that the charity will continue to operate successfully.

Reserves Policy

During 2021/22, the Rights Practice received grant income from five major institutional donors as well as three smaller donors. Historically the income raised has been largely restricted and dependent on successful grant applications. If there were to be a change to the funding policy of our major donors or we were to fail to secure sufficient new grants, The Rights Practice could face difficulties sustaining the current level of activity as well as delivering its strategy and meeting the needs of its beneficiaries. There would also be an impact on staffing levels.

To ensure that we can continue our work, The Rights Practice board has agreed the target of keeping a certain level of unrestricted reserves to ensure that core operations can continue for a period of three months in the event of any funding downturn. This is to ensure that staff can continue working, primarily to secure new funding and for our local partners to continue their work with other sources of support. The target also includes the total cost of winding up the organisation should the need arise following a precipitous decline in future grant income or other unexpected major setback. Our unrestricted funds at 31st March 2022 are sufficient to meet these targets.

We continue to work to secure new funding for The Rights Practice enabling it to sustain its operations at current levels.

This policy will be reviewed annually by the board and whenever there are significant changes to staffing levels or the external funding environment. The level of reserves is disclosed within the quarterly management accounts reviewed by the Trustees.

THE RIGHTS PRACTICE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

Looking Ahead

The international environment and geopolitical context in which we work are challenging. Although coronavirus restrictions have lifted in the UK, China is maintaining a zero-Covid policy with a variety of movement restrictions and strict quarantine requirements, including within the country. Online meetings and learning will continue to remain a feature of our work in the year ahead, particularly with our international partners. This will require continued investment in effective and secure digital working practices. We are also investing time to explore effective ways to deliver online learning, including self-paced study as a new way to deliver relevant training. The financial effects of Covid-19 and the war in Ukraine are likely to impact on funding for civil society as funders experience shrinking budgets and new priorities. At the same time, we are witnessing increased political and public attention to human rights violations in XUAR and Hong Kong, as well as concern over broader security and trade relations with China. It is not yet clear how this will impact on our work over the longer term and we will need to monitor the overall situation for funding. Our shift towards a broader engagement with civil society in Asia has already helped to mitigate the risks of focussing on China although some smaller donors do not treat other Asian countries as a priority region for human rights grant-making.

Recent years have seen the shrinking space for civil society around the world. There is also increased anxiety at backtracking on the rule of law and the rise of authoritarian governments. China exemplifies this trend with increased repression at home and growing assertiveness on the international stage. Resisting these developments requires renewed attention to the importance of defending human rights and celebrating the participation of civil society in public life. With China asserting increased influence within the United Nations it is important for organisations like The Rights Practice to ensure that international human rights mechanisms remain independent and accessible to civil society and we have deepened our UN engagement through a visit to Geneva. We remain committed to finding ways to support those working for human rights in China, and Asia more generally. We will continue to advocate for resources to support this area of work. Our programming priorities – support for civil society and combatting ill treatment – are expected to remain unchanged in the year ahead. Capacity building activities will continue to complement our substantive work challenging the use of ill treatment, torture and the death penalty. We expect to further broaden our work to engage with the Chinese and Hong Kong diaspora and NGOs operating across Asia. The human rights crisis in the XUAR and the crackdown on political activity in Hong Kong will remain issues of concern and we will be looking for additional resources to sustain this work.

We anticipate that coronavirus related restrictions on international travel and repressive measures in China will continue to limit our ability to hold significant in person activities in the year ahead, especially in the run up to the 20th Party Congress in October 2022. We will be doing everything we can to support alternative ways of learning, meeting and sharing good practice. Time and resources saved by cancelling international meetings will need to be redeployed to ensure good quality digital engagement. We have been encouraged by the success of our increased small grants scheme and we have secured additional resources to allow us to continue supporting small scale and local engagement. Lockdown restrictions as a result of Covid-19 are exacerbating the mental health strains experienced by human rights defenders in China. We will be continuing to support initiatives that foster wellbeing and, where needed, allow for time away from the day to day anxieties of working in a climate of fear and repression.

Our advocacy strategy sets out our communications priorities in the year ahead: the use of the death penalty, the ill treatment of detainees, the situation of human rights defenders and independent civil society organisations, the treatment of Uyghur and other Turkic Muslims in the Xinjiang region and new threats to civil and political rights in Hong Kong. We will continue to draw on our knowledge and experience to share information about the human rights situation in China with decision makers in the UK, Europe, the United Nations and beyond.

Our work and that of our local partners requires financial support. Resisting the spread of authoritarianism requires fresh and urgent rethinking of the case for fostering human rights awareness and expectations in countries under autocratic governments. In light of Covid-19, we will continue to monitor the policy context in the UK, Europe and the USA, from where we receive most of our funding. Brexit has not had any impact to date on our ability to raise funds in the UK and within the European Union.

THE RIGHTS PRACTICE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

Structure, governance and management

The Rights Practice was incorporated as a company limited by guarantee on 2 February 2002 (registration 04365047). The organisation's application to register as a charity was approved by the Charity Commission on 20 January 2010. The governing documents of the charity are the Memorandum of Association (as amended on 16 December 2009) and the Articles of Association (2002).

The governing body of The Rights Practice is the Board of Trustees. The Board meets quarterly in the evenings. Due to the coronavirus pandemic, all Board meetings in 2021-22 took place online using a secure video conferencing platform. Trustees agree the organisational budget, approve the annual accounts, appoint the auditors and, in consultation with senior staff, set the strategic direction of The Rights Practice. TRP work over the past year is informed by the 2021-23 strategy which was approved by the Board in March 2021. At each Board meeting, Trustees review management accounts, receive and discuss the progress report and consider the risk register. Trustees have delegated the day to day operations of the charity and its activities to the Executive Director and the senior management team.

The Trustees who served in the year are listed in the administrative details above. Members of the Board have been recruited through targeted public calls for new Trustees as well as nominations by existing Trustees or senior staff. Trustees are mindful of the need to ensure that the Board has the range of skills, experience and diversity to oversee the charity's governance and strategic direction. Current Trustees bring knowledge and experience of law and human rights; Chinese politics, gender and social policy; corporate social responsibility; public participation and communications as well as accountancy and charity governance. In autumn 2021, Trustee Lorna Hawthorne resigned. In January 2022 we were pleased that Annette So agreed to join the board. Annette is a solicitor and works for a criminal justice charity. We continue to seek Trustees with specialist knowledge of fundraising as we try to further diversify our funding base. We are keeping recruitment open as we continue to search for Trustees who will bring relevant skills, interest and experience to the organisation.

New Board members are provided with relevant documents and information on the governance and work of the charity as well as guidance on the role of Trustees; the Executive Director and chair meet with new Trustees to brief them on the work of the charity. The Executive Director met regularly with the Chair to plan Board meetings and discuss any issues of concern. All Trustees give their time voluntarily and received no benefits from the charity. No expenses were reclaimed by Trustees in the past year.

The Rights Practice US Inc. was incorporated in the state of New York as a not for profit organisation on July 10, 2008. It has its own governing Board; the Executive Director of The Rights Practice serves on the US Board. The two organisations have the same objectives and cooperate in advancing their shared charitable purposes. A framework agreement, reviewed annually by the US Board of Directors, sets out the nature of the cooperation between the two entities. There is currently only one grant contract with the US office and it is managed by programme staff in London. The Rights Practice US Inc. had a turnover of \$324,213 in 2021 and a balance of unrestricted fund at 31st December 2021 of \$84,505".

The Rights Practice maintains and reviews a register of significant external and internal risks to the organisation which may impact on our ability to meet our charitable objectives and deliver public benefit. Trustees continue to be reasonably tolerant of risk given our strategic objectives and the challenging political environment in which we work. Staff continuously review and develop mitigating strategies, particularly in areas of medium to high risk. Strategic risks include growing repression within China and the "shrinking space" for civil society. With many foreign organisations unable, since 2017, to register local offices under the Law on the Management of Overseas Non-Governmental Organisations' Activities within Mainland China (ONGO Law) the resources available to Chinese civil society have declined. Covid-19 was added to our risk register at the beginning of the pandemic and it continues to have an impact on our engagement with China. We also continue to monitor the impact of the national security law (NSL) in Hong Kong and potential risks from an expansion in our small grant giving programme. Management have refreshed several internal policies to clarify roles and responsibilities with respect to grievances, digital security and handling information.

The risk register is regularly reviewed by senior staff and discussed by Trustees at each quarterly Board meeting. The Board is kept informed of any changes to the status of risk areas or major revisions to the risk management strategy. All project documents include specific risk assessments and mitigation strategies, particularly with respect to overseas activities, and these are reviewed as part of project monitoring.

THE RIGHTS PRACTICE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2022

Statement of Trustees' responsibilities

The Trustees, who are also the directors of The Rights Practice for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities 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 Charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity 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 Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report was approved by the Board of Trustees.

Harriet Evans

Professor Harriet Evans, Chair
Trustee

Dated 19/12/2022

THE RIGHTS PRACTICE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE RIGHTS PRACTICE

Opinion

We have audited the financial statements of The Rights Practice (the 'charitable company') for the year ended 31 March 2022 which comprise the statement of financial activities, the statement of financial position, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at [date], and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees annual report², other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report². Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

THE RIGHTS PRACTICE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF THE RIGHTS PRACTICE

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

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

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

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach was as follows:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity.

We communicated identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit. We examined and discussed with management any known or suspected instances of fraud or non-compliance with laws and regulations.

We assessed the risks of material misstatement in respect of fraud as follows:

The audit team discussed whether there were any areas that were susceptible to misstatement as part of their fraud discussion.

In addressing the risk of management override of controls, we tested the appropriateness of journal entries with a focus on large or unusual transactions based on criteria determined using our knowledge of the organisation and industry. We also challenged assumptions and judgements made.

THE RIGHTS PRACTICE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF THE RIGHTS PRACTICE

We incorporated an element of unpredictability in the selection of the nature, timing and extent of our audit procedures.

Based on the results of our risk assessment we designed our audit procedures to identify and to address material misstatements in relation to fraud, including bribery and non compliance

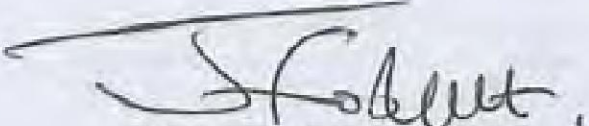
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Use of our report

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


James Foscett
(Senior Statutory Auditor)
For and on behalf of Cansdales Audit LLP

Chartered Accountants
Statutory Auditor

20 December 2022

St Mary's Court
The Broadway
Old Amersham
Bucks HP7 0UT

THE RIGHTS PRACTICE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Income from:					
Donations and legacies	2	507	-	507	780
Charitable activities	3	47,232	753,080	800,312	1,731,183
Investments	4	44	-	44	329
Total income		47,783	753,080	800,863	1,732,292
Expenditure on:					
Charitable activities	5	45,412	816,338	861,750	866,211
Net income/(expenditure) for the year/ Net movement in funds		2,371	(63,258)	(60,887)	866,081
Fund balances at 1 April 2021					
As originally reported		162,828	1,291,261	1,453,495	587,414
Prior year adjustment		(594)	-	(594)	-
As restated		162,234	1,291,261	1,452,901	587,414
Fund balances at 31 March 2022		164,011	1,228,003	1,392,014	1,453,495

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE RIGHTS PRACTICE

BALANCE SHEET AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	8		-		228
Current assets					
Debtors	9	1,004,810		932,096	
Cash at bank and in hand		586,702		643,956	
		<u>1,591,512</u>		<u>1,576,052</u>	
Creditors: amounts falling due within one year	10	<u>(199,498)</u>		<u>(122,785)</u>	
Net current assets			<u>1,392,014</u>		<u>1,453,267</u>
Total assets less current liabilities			<u>1,392,014</u>		<u>1,453,495</u>
Income funds					
Restricted funds	12	1,228,003		1,291,261	
Unrestricted funds		164,011		162,234	
		<u>1,392,014</u>		<u>1,453,495</u>	

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

The financial statements were approved by the Trustees on 22/09/2022

Harriet Evans

Professor Harriet Evans, Chair
Trustee

Company Registration No. 04365047

THE RIGHTS PRACTICE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash absorbed by operations	16		(57,300)		(76,519)
Investing activities					
Interest received		46		329	
Net cash generated from investing activities			46		329
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(57,254)		(76,190)
Cash and cash equivalents at beginning of year			643,956		720,146
Cash and cash equivalents at end of year			<u>586,702</u>		<u>643,956</u>

THE RIGHTS PRACTICE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

The Rights Practice is a charitable company limited by guarantee incorporated in England and Wales. The address of the registered office is given on the legal and administrative information page.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's memorandum and articles of association, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees' continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and its ultimate receipt is more likely than not. Any income received that relates exclusively to future periods, as determined by the conditions, is deferred on the Balance Sheet.

1.5 Expenditure

Expenditure including VAT, which is not recoverable, is recognised in the Statement of Financial Activities when a liability is incurred.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Equipment over £1,000 is capitalised.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	25% straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

THE RIGHTS PRACTICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies (Continued)

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Retirement benefits

The pension costs charged in the financial statements represent the contributions payable to the defined contribution pension scheme set up by the Charitable Company. The assets of the scheme are administered by the Trustees of that scheme and are held separately from the assets of the Charitable Company.

1.9 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/expenditure for the period.

2 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Donations and gifts	507	780
	<u>507</u>	<u>780</u>
Donations and gifts		
Individual	507	780
	<u>507</u>	<u>780</u>
	<u>507</u>	<u>780</u>

THE RIGHTS PRACTICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

3 Charitable activities

	2022 £	2021 £
Grants	798,912	1,667,061
Other income	1,400	64,122
	<u>800,312</u>	<u>1,731,183</u>
Analysis by fund		
Unrestricted funds	47,232	38,055
Restricted funds	753,080	1,693,128
	<u>800,312</u>	<u>1,731,183</u>

4 Investments

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
Interest receivable	44	329
	<u>44</u>	<u>329</u>

5 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Staff costs	5,320	230,240	235,560	228,945
Depreciation and impairment	226	-	226	228
Direct costs (including grants)	4,344	566,662	571,006	579,498
Support costs	35,522	19,436	54,958	57,540
	<u>45,412</u>	<u>816,338</u>	<u>861,750</u>	<u>866,211</u>

Included within unrestricted charitable activities are amounts paid to auditors of £5,400 (2021: £4,813) relating to the audit and £2,916 (2021: £2,700) relating to other financial services.

There were no Foreign exchange Gain or Loss during the year (2021: Loss of £133).

Included within support costs are amounts paid for rent in the UK & China of £29,164 (2021: £30,084).

THE RIGHTS PRACTICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

6 Trustees

No Trustee received any remuneration during the year (2021: none) and no Trustee was reimbursed for any expenses in the year (2021: none).

7 Employees

	2022 £	2021 £
Wages and salaries	206,626	207,643
Social security costs	16,855	12,011
Other pension costs	12,078	9,291
	<u>235,560</u>	<u>228,945</u>

No employee was paid at a rate in excess of £60,000 per annum (2021: none). The average number of full time equivalent staff during the year was Seven (2021: six).

The Trustees and the Executive Director are considered key management of the charitable company. Total remuneration paid to key management in the year amounted to £57,747 (2021: £56,949).

8 Tangible fixed assets

	Fixtures, fittings & equipment £
Cost	
At 1 April 2021	4,728
At 31 March 2022	<u>4,728</u>
Depreciation and impairment	
At 1 April 2021	4,500
Depreciation charged in the year	228
At 31 March 2022	<u>4,728</u>
Carrying amount	
At 31 March 2022	<u>-</u>
At 31 March 2021	<u>228</u>

THE RIGHTS PRACTICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

9 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	988,564	929,224
Other debtors	15,005	2,872
Prepayments and accrued income	1,241	-
	<u>1,004,810</u>	<u>932,096</u>

10 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	104,007	77,561
Other creditors	249	152
Accruals and deferred income	95,242	45,072
	<u>199,498</u>	<u>122,785</u>

11 Retirement benefit schemes

Defined contribution schemes

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The charge to profit or loss in respect of defined contribution schemes was £12,305 (2021: £9,291).

12 Movement in funds

The income funds of the charity comprise of the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Balance at 31 March 2022
	Balance at 1 April 2021	Income	Expenditure	
	£	£	£	£
Improving Access to Justice	880,991	753,080	(493,924)	1,140,147
Human Rights and Criminal Justice	410,270	-	(322,414)	87,856
Total restricted funds	<u>1,291,261</u>	<u>753,080</u>	<u>(816,338)</u>	<u>1,228,003</u>
Unrestricted general funds	162,234	47,783	(45,412)	164,011
Total funds	<u>1,453,495</u>	<u>800,863</u>	<u>(861,750)</u>	<u>1,392,014</u>

THE RIGHTS PRACTICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

12 Movement in funds

(Continued)

Improving Access to Justice

To improve access to justice for the poor and victims of human rights violations through the provision of legal aid and increasing the numbers of, and delivering training to, lawyers and other human rights defenders.

Human Rights and Criminal Justice

To improve respect for the dignity of the person through projects combating torture, championing reduced use of the death penalty and advocating for improved human rights protection for all detained persons.

13 Analysis of net assets between funds

	Unrestricted £	Restricted £	Total £
Fund balances at 31 March 2022 are represented by:			
Current assets/(liabilities)	164,011	1,228,003	1,392,014
	<u>164,011</u>	<u>1,228,003</u>	<u>1,392,014</u>

14 Operating lease commitments

At the reporting end date the Charity had outstanding commitments for future minimum lease payments under operating leases, which may be terminated by giving three months' notice. These fall due as follows:

	2022 Land & building £	2022 Other £	2022 Total £	2021 Land & building £	2021 Other £	2021 Total £
Within one year	20,198	4,022	24,220	20,198	4,022	24,220
Between two and five years	40,394	8,044	48,438	53,859	10,725	64,584
	<u>60,592</u>	<u>12,066</u>	<u>72,658</u>	<u>74,057</u>	<u>14,747</u>	<u>88,804</u>

The operating lease relates to The Foundry, which is the charity's principal address. The amount recognised as an expense in the year is £24,241 (2021: £23,419).

15 Related party transactions

No trustee or other person related to the charity had any personal interest in any contract or transactions entered into during the year (2021: none).

THE RIGHTS PRACTICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

16 Cash generated from operations	2022	2021
	£	£
(Deficit)/surplus for the year	(60,887)	866,081
Adjustments for:		
Investment income recognised in statement of financial activities	(44)	(329)
Depreciation and impairment of tangible fixed assets	226	228
Movements in working capital:		
(Increase) in debtors	(72,714)	(624,606)
Increase in creditors	76,713	52,371
(Decrease) in deferred income	-	(370,264)
Cash absorbed by operations	<u>(56,706)</u>	<u>(76,519)</u>

THE RIGHTS PRACTICE

England & Wales - Charity number 1133616

Accounts

Charity Registration No. 1133616

Company Registration No. 04365047 (England and Wales)

THE RIGHTS PRACTICE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

THE RIGHTS PRACTICE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees, who are also directors under company law, who served during the year up to the date of this report were as follows:

Trustees

Professor Harriet Evans, Chair
Ebony Riddell Bamber, Vice Chair (Resigned on 14 January 2021)
Andrew Tappin, Treasurer
Daniel Alberman
Kate Larsen
David McNeill (Resigned on 20 November 2019)
Dr Tim Pringle
Lorna Hawthorne (Appointed on 26 May 2020)
Aqsa Hussain (Appointed on 14 January 2021)

Executive Director

Nicola Macbean

Charity number

1133616

Company number

04365047

Principal address

The Foundry
17 Oval Way
London
SE11 5RR

Auditor

Cansdales Audit LLP
Bourbon Court
Nightingales Corner
Little Chalfont
Bucks
HP7 9QS

Bankers

HSBC
Knightsbridge
102 Brompton Road
London
SW3 1JJ

THE RIGHTS PRACTICE

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THE RIGHTS PRACTICE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019).

Charitable Objects

The objects for which The Rights Practice is established, as set out in the memorandum of association, are to promote human rights (as set out in the Universal Declaration of Human Rights and subsequent United Nations conventions and declarations) throughout the world by all or any of the following means: monitoring abuses of human rights; obtaining redress for the victims of human rights abuse; relieving need among the victims of human rights abuse; research into human rights issues; providing technical advice to government and others on human rights matters; contributing to the sound administration of human rights law; raising awareness of human rights issues; promoting public support for human rights; promoting respect for human rights among individuals and corporations; international advocacy of human rights; eliminating infringements of human rights; and to relieve poverty worldwide by providing people with legal services which they could not otherwise obtain or which it would not be reasonably practicable or appropriate to obtain elsewhere.

Our Aims and Approach

Trustees have considered the Charity Commission's general guidance on public benefit when discussing and approving our aims and objectives. Our current strategy to advance human rights is set out below.

The Rights Practice recognises the complex social, political and material circumstances in which individuals, civil society organisations and governments strive to promote, protect and defend human rights. Full enjoyment of human rights requires governments to respect their human rights obligations under international law. The Rights Practice believes that a vibrant and effective civil society is necessary to hold governments accountable and ensure people know their human rights and are able to defend them.

Our aim is to help build the capacity of a global civil society that can promote public understanding of human rights, advocate for justice and the rule of law, and speak out in defence of human rights. Our work focuses on China, supporting the lawyers, scholars and NGOs that are working to advance human rights through promoting access to justice, dignity of the person, and public participation in decision making. We continue to refresh our strategy against a background of increased repression of civil society and growing difficulties accessing resources. Over the past year we have been developing relationships of cooperation with organisations in the Asia region, including Malaysia, Indonesia, Taiwan, India and Pakistan.

We are currently focused on responding effectively to the needs of Chinese civil society to survive and grow in this more challenging operating and funding environment. We recognise the need for greater resilience on the part of human rights defenders, increased local capacity to train and inspire their peers as well as new skills to develop sustainable organisations. Over the past year we have facilitated new connections between Chinese civil society and colleagues in Asia working on similar issues of concern. These relationships are opportunities to share experience and insights and build relationships for future collaboration.

The treatment of people in detention in China and the obstacles to a fair trial remain two of the country's biggest human rights challenges impacting on ordinary citizens, foreign nationals and human rights defenders (HRD). These issues will continue to be a core concern of our programming and have also informed our advocacy work, particularly on the pressing issue of the largescale detention of Uyghurs in Xinjiang Uyghur Autonomous Region.

We will continue to respond to this multi-faceted challenge through a combination of developing in-country capacity to address issues with overseas advocacy to ensure concerns remain prominent. Our objectives for 2018 to 2020 were to:

THE RIGHTS PRACTICE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2021

1. Sustain the work of Chinese civil society organisations and human rights defenders and support new ways of working.
2. Enhance the expertise and effectiveness of Chinese civil society organisations and human rights defenders.
3. Integrate Chinese civil society organisations and human rights defenders into networks and platforms in Asia and beyond.
4. Inform and advocate on human rights concerns relating to China.

Our programme work continues to focus on two areas: human rights and criminal justice, and public participation and the role of civil society. Our human rights and criminal justice programme works to promote the right to a fair trial, protect the rights of detainees, combat the use of torture, reduce and challenge the use of the death penalty. Our public participation and civil society programme is focussed on building capacity within civil society to engage on human rights issues. A priority is to develop training skills as well as deepen knowledge of international law and practice. We are also working to improve gender equality as a cross-cutting issue across all our projects. Trustees support extending our work in the Asian region, in particular to develop collaborative relationships between Chinese and other Asian civil society organisations.

Our activities continue to facilitate the sharing of knowledge, ideas and experience in promoting and defending human rights. We provide assistance with training and international exchange; our local partners implement a range of activities from awareness raising to research, conferences, legal aid, pilot projects and policy advocacy. As our local partners explore new ways of working in response to the ONGO Law and restrictions on civil society in China, The Rights Practice is piloting new ways to provide effective support to those working on the ground. Covid-19 has highlighted the opportunities for greater online learning and collaboration. The medium also poses new challenges: ensuring participatory learning, stable and open access to the Internet and secure connections. The new strategy for 2021-24, developed by staff and Trustees, continues to place the work of human rights defenders, lawyers and civil society organisations at the heart of what we support. We will prioritise the promotion of equality rights, and the defence of justice and personal integrity rights. In response to China's greater global influence we will also increase efforts to raise awareness of human rights in China and further the participation of Chinese civil society at the international level.

The Rights Practice has a small professional staff in London responsible for overall programme management, fundraising and finance. Over the past year we have taken steps to implement a review of HR procedures concerning staff employment and office management. A new finance manager was recruited in April 2021 following the resignation of his predecessor. Staff are supported to develop their professional and language skills and work is appraised regularly. An external consultant was employed to review remuneration rates in order to ensure that, despite the funding challenges, we can retain high quality staff through competitive salaries.

We have appreciated the help of interns in London this year, assisting with research and translation. We cooperate with other London-based human rights organisations and the academic community. Over the past year all meetings moved online allowing for increased international participation.

THE RIGHTS PRACTICE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance

Our work over the past year has taken place against the backdrop of continued repression in China and increased assertiveness by China overseas, as well as ongoing Covid-19 restrictions. We have continued to monitor the Chinese government's treatment of civil society. The space to defend human rights remains very limited and the authorities use a range of tools to inhibit, restrict and sanction citizens, lawyers and civil society organisations (CSOs) that attempt to speak out, organise or hold to account. CSOs have been subject to surveillance and greater scrutiny of their work. Lawyers face the risk of disbarment by taking politically sensitive cases and speaking publicly. Restrictions on academics continue with Chinese legal scholars finding it very difficult to hold meetings, conduct research, provide critical comment and to collaborate effectively with foreign scholars.

Following the introduction of the Overseas NGO Management Law in 2017 The Rights Practice scaled back activities in China. We remain open to the possibility of registration, but have observed that no organisation working in the field of legal reform and human rights has had a representative office in China approved by the police. Many of the overseas NGOs that have been authorised to operate in China report close scrutiny by the authorities putting at risk their operational autonomy and potentially undermining their charitable or public interest objectives.

We have observed the departure of many international NGOs and funders from working in China. There are complex moral and operational dilemmas to continued engagement. For The Rights Practice two questions guide our thinking. Can our support help those on the ground make a difference? And, can we be confident that we will do no harm? We recognise the challenges in assessing the impact of projects where repression limits the opportunities for change and implementation may be undermined by police interference. However, we also observe the continued resilience of Chinese human rights defenders and civil society organisations and their extraordinary ability to identify new spaces and strategies for the promotion and defence of human rights. We see the difficult political and operating environment in countries such as China as a challenge to international NGOs and donors to rethink our ways of working and supporting human rights defenders in the most authoritarian contexts.

The past year has been dominated by the precipitous decline in freedoms of speech, association and public participation in Hong Kong following the introduction of the National Security Law in July 2020. The human rights crisis in the Xinjiang Uyghur Autonomous Region (XUAR) has continued to attract international attention and condemnation from international civil society, parliamentarians and governments. The Rights Practice has responded with briefings and participation in a range of public and private online events to raise awareness and develop policy responses.

Advocacy

Developments in Xinjiang, and now Hong Kong, have underscored the need for The Rights Practice to continue to contribute to public understanding of the human rights situation in China. We published a preliminary analysis of the potential impact of the National Security Law on Hong Kong civil society. We also published a report on sexual and gender-based violence in the Uyghur region and a Working Paper with detailed research into the concerning (ab)use of criminal proceedings in the XUAR. Although there are specific features to the repression in different regions and towards different groups in China, common elements include reversals in the rule of law, the silencing of civil society and, even mildly, critical voices, and the deployment of a range of repressive tools in which the threat and use of detention underpins everything. Businesses, organisations and countries need to develop a long term strategy to shape their relationship with China. Strategies should support human rights and the role of human rights advocates in China, including a clear understanding of how policies to expand trade or other relationships may also undermine the role of civil society and respect for human rights.

THE RIGHTS PRACTICE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2021

The Rights Practice has continued to research and engage on the use of the death penalty. We published a revised briefing paper on the use of the death penalty in China and compliance with international standards in time for the World Day Against the Death Penalty in October 2020. With a new EU-funded project to support research and advocacy on the use of the death penalty in Asia we have encouraged the development of a network of research groups and NGOs in seven Asian countries. Over the past year we have maintained our presence on Twitter with a growing following. We also continue to publish an e-newsletter to share news of our work and the human rights issues on which we are engaged.

Public Participation and the Role of Civil Society

The goal of our work to support public participation and the role of civil society is to build the capacity of civil society actors to advance human rights and encourage greater public participation in public affairs through targeted assistance to support their work and develop new knowledge and skills. The last couple of years have seen a retreat from any meaningful attempts to provide space for civil society engagement in public affairs through consultations, but there continue to be limited opportunities for evidence-based advocacy on topics of concern to the authorities. The Chinese government acknowledges that it must solve a range of social and economic problems facing ordinary, often angry, citizens.

We have continued to support a Chinese civil society organisation (CSO) to work on the right to education for the children of migrant workers and other issues of discrimination against women and children in the household registration and family planning systems. The CSO developed an advocacy network of community social service providers to migrant worker families; providing training on advocacy and public participation strategies; supporting local advocacy initiatives and doing detailed research to support advocacy. Until the summer of 2016, the CSO held a number of salons and larger network meetings to share experience and plan advocacy actions, including supporting legislative proposals for the *lianghui* (the annual “two sessions” of the National People's Congress and the Chinese People's Political Consultative Conference) which were reported widely in mainstream media. They have produced research reports on barriers to education for migrant children using their own online platform to publicise their findings. In July 2019, the CSO had to suspend operations for security reasons and Covid-19 restrictions in 2020 have made in-person activities impossible. However, the network has continued to operate with online meetings and the CSO was able to restart some in person activities in late 2020. The CSO has also been researching the impact of Covid-19 on the migrant worker population.

In September 2018, The Rights Practice started a new three-year project focussing on building psychological resilience of Chinese civil society actors and increasing the capacity of legal professionals to assist survivors of torture and ill treatment. This year, with Covid-19 preventing most in person meetings and workshops, we focussed on online training inside China and providing support through online reading groups. Some in person workshops were possible later in the year. We have also provided small grants for peer support initiatives in several regions of China.

In May 2016, The Rights Practice began administering a fellowship programme for Chinese human rights defenders and activists in need of a break from an increasingly difficult working environment in China or for individuals who had already left China and were delaying their return home due to fear of repression. To date, the fellowship program has supported 23 fellows in programmes ranging from three to 18 months. The focus of fellowships has ranged widely, including human rights law, civil society empowerment, mental health, women's rights, labour rights, disability rights, citizen journalism, English language, organic farming, and NGO management.

THE RIGHTS PRACTICE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2021

Human Rights and Criminal Justice

Our criminal justice and human rights programme aims to improve respect for human integrity rights, notably a reduction in the use of torture, ill treatment in detention and the death penalty, as well as improved access to justice. We have continued to focus on three areas of concern: torture, the application of the death penalty and the treatment of people in detention. We also pay particular attention to the difference that gender makes in all these areas. The Rights Practice works with Chinese lawyers, legal scholars and civil society organisations to address these issues through supporting initiatives to conduct research and raise awareness, and building their capacity to draw on international law in their legal work. Our advocacy seeks to make the international community, including the United Nations and parliamentarians, aware of the situation in China and to highlight violations of both domestic Chinese and international law.

Our work addressing the problem of torture and the ill treatment of persons deprived of their liberty in China has continued with a limited number of small scale activities over the past year. We have continued to advocate against the use of “residential surveillance in a designated location” and the extrajudicial detentions taking place in the Xinjiang Uyghur Autonomous Region. We have also supported the efforts of Chinese lawyers to raise awareness of the UN Convention Against Torture (CAT) and China’s obligations as a state party. With the move to more online learning and meetings, we are developing new resources to share UN standards on the treatment of prisoners. Lawyers recognise that these international rules provide a good entry point for the critical examination of Chinese practice and the advocacy of better treatment for detainees. Despite high levels of repression, there continues to be limited space for small scale training activities among human rights lawyers.

Our programme of cooperation with Chinese colleagues on the use of the death penalty has continued to address the need to raise awareness of international law and the UN Minimum Safeguards for protecting the rights of persons facing the risk of execution. We published a report on practice in China and compliance with international law in October 2020. Lawyers in China have been able to hold some small scale training and discussion activities on specific aspects of death penalty practice including forensic assessments, but pandemic restrictions on travel have made international seminars and workshops impossible. In a challenging environment we have been encouraged by the success of local and small scale salons as forums for lawyers, journalists, writers, artists and academics to engage critically on the use of the death penalty through discussing its treatment in books, film and other arts.

Our strategic shift towards a broader Asia approach in our work is proving successful. We have now begun an Asia-wide project addressing defence representation in death penalty cases. We have convened a number of virtual workshops with lawyers and civil society activists from seven Asian countries, including a new partner organisation in Malaysia.

We have continued to encourage local partners to monitor the gender balance of participants in all these projects and networks, as an integral component of our work to encourage participation and foster gender equity.

THE RIGHTS PRACTICE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2021

Financial review

The Rights Practice's total income for year ended 31 March 2021 was £1,732,292. This is an increase of 232% in our income from the previous year's figure of £521,138. The increase is largely due to the start of a new EU-funded grant and recognition of income up front as required under the accounting standard of FRS102.

The majority of the charity's income is from restricted project grants. We continue to try and diversify our funding base and have attracted new resources to support some of our work on Hong Kong and the Uyghur crisis. We are very grateful for the support we receive from a wide range of institutional donors from four different countries as well as the European Union. Despite economic challenges many donors remain committed to supporting engagement on human rights in China.

We continue to increase awareness of our work through our website and newsletters encouraging interest from private foundations with potential new funding that can contribute to our unrestricted core costs.

Advance payments from our main donors continue to provide a healthy cash flow. The charity's finances are subject to foreign exchange rate fluctuations, which we continue to monitor.

In spite of Covid-19 related restrictions our expenditure on charitable activities increased by about 25% to £866,211 over the previous financial year. Staff costs totalled £228,945 and represent 26% of total expenditure. The majority of the staff costs are associated with our programming work: supporting our local partners, providing research, delivering training, monitoring and the dissemination of lessons learned. We do not have any dedicated fundraising staff. The Executive Director spends approximately 5% of her time on fundraising. She is supported by other staff on programme design and budgeting. The Rights Practice does not undertake fundraising from the public; a small number of individuals donate via our website.

Balance Sheet

The Rights Practice had unrestricted reserves of £162,234 at 31st March 2021. The Rights Practice's closing restricted reserves of £1,291,261 represent funds recognised up front for grants under FRS102 which will be utilised in 2021-23. The budgeted income and expenditure for the year ahead give Trustees confidence that the charity will continue to operate successfully.

Reserves Policy

During 2020/21, the Rights Practice received grant income from four major institutional donors as well as three smaller donors. Historically the income raised has been largely restricted and dependent on successful grant applications. If there were to be a change to the funding policy of our major donors or we were to fail to secure sufficient new grants, The Rights Practice could face difficulties sustaining the current level of activity as well as delivering its strategy and meeting the needs of its beneficiaries. There would also be an impact on staffing levels.

To ensure that we can continue our work, The Rights Practice board has agreed the target of keeping a certain level of unrestricted reserves to ensure that core operations can continue for a period of three months in the event of any funding downturn. This is to ensure that staff can continue working, primarily to secure new funding and for our local partners to continue their work with other sources of support. The target also includes the total cost of winding up the organisation should the need arise following a precipitous decline in future grant income or other unexpected major setback. Our unrestricted funds at 31st March 2021 are sufficient to meet these targets.

We continue to work to secure new funding for The Rights Practice enabling it to sustain its operations at current levels.

This policy will be reviewed annually by the board and whenever there are significant changes to staffing levels or the external funding environment. The level of reserves is disclosed within the quarterly management accounts reviewed by the Trustees.

THE RIGHTS PRACTICE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2021

Looking Ahead

The international environment and geopolitical context in which we work are challenging. With the coronavirus continuing to pose a risk, working from home and online meeting and learning will continue to remain a feature of our work in the year ahead, particularly with our international partners. This will require continued investment in effective and secure digital working practices. The financial effects of Covid-19 are likely to be severe and may impact on funding for civil society as funders experience shrinking budgets and new priorities. At the same time, we are witnessing increased political and public attention to human rights violations in XUAR and Hong Kong, as well as concern over broader security and trade relations with China. It is not yet clear how this will impact on our work over the longer term and we will need to monitor the overall situation for funding. Our shift towards a broader engagement with civil society in Asia has already helped to mitigate the risks of focussing on China.

Recent years have seen the shrinking space for civil society around the world. There is also increased anxiety at backtracking on the rule of law and the rise of authoritarian governments. China exemplifies this trend with increased repression at home and growing assertiveness on the international stage. Resisting these developments requires renewed attention to the importance of defending human rights and celebrating the participation of civil society in public life. With China asserting increased influence within the United Nations it is important for organisations like The Rights Practice to ensure that international human rights mechanisms remain independent and accessible to civil society and we expect to deepen our UN engagement. We remain committed to finding ways to support those working for human rights in China, and Asia more generally. We will continue to advocate for resources to support this area of work. Our programming priorities – support for civil society and combatting ill treatment – are expected to remain unchanged in the year ahead. Capacity building activities will continue to complement our substantive work challenging the use of ill treatment, torture and the death penalty. We expect to further broaden our work to engage with the Chinese and Hong Kong diaspora and NGOs operating across Asia. The human rights crisis in the XUAR and the crackdown on political activity in Hong Kong will remain issues of concern and we will be looking for additional resources to sustain this work.

We anticipate that coronavirus related restrictions on international travel and repressive measures in Mainland China will continue to limit our ability to hold significant in person activities in the year ahead. We will be doing everything we can to support alternative ways of learning, meeting and sharing good practice. Time and resources saved by cancelling international meetings will need to be redeployed to ensure good quality digital engagement. We have been encouraged by the success of our increased small grants scheme and we have secured additional resources to allow us to continue supporting small scale and local engagement. Lockdown restrictions as a result of Covid-19 are exacerbating the mental health strains experienced by human rights defenders in China. We will be continuing to support initiatives that foster wellbeing and, where needed, allow for time away from the day to day anxieties of working in a climate of fear and repression.

Our advocacy strategy sets out our communications priorities in the year ahead: the use of the death penalty, the ill treatment of detainees, the situation of human rights defenders and independent civil society organisations, the treatment of Uyghur and other Turkic Muslims in the Xinjiang region and new threats to civil and political rights in Hong Kong. We will continue to draw on our knowledge and experience to share information about the human rights situation in China with decision makers in the UK, Europe, the United Nations and beyond.

Our work and that of our local partners requires financial support. Resisting the spread of authoritarianism requires fresh and urgent rethinking of the case for fostering human rights awareness and expectations in countries under autocratic governments. In light of Covid-19, we will continue to monitor the policy context in the UK, Europe and the USA, from where we receive most of our funding. Brexit has not had any impact to date on our ability to raise funds in the UK and within the European Union.

THE RIGHTS PRACTICE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2021

Structure, governance and management

The Rights Practice was incorporated as a company limited by guarantee on 2 February 2002 (registration 04365047). The organisation's application to register as a charity was approved by the Charity Commission on 20 January 2010. The governing documents of the charity are the Memorandum of Association (as amended on 16 December 2009) and the Articles of Association (2002).

The governing body of The Rights Practice is the Board of Trustees. The Board meets quarterly in the evenings. Due to the coronavirus pandemic, all Board meetings in 2020-21 took place online using a secure video conferencing platform. Trustees agree the organisational budget, approve the annual accounts, appoint the auditors and, in consultation with senior staff, set the strategic direction of The Rights Practice. In December 2020, the Executive Director initiated a series of staff and Trustee discussions resulting in a revised strategy for 2021-24 which was approved by the Board in March. At each Board meeting, Trustees review management accounts, receive and discuss the progress report and consider the risk register. Trustees have delegated the day to day operations of the charity and its activities to the Executive Director and the senior management team.

The Trustees who served in the year are listed in the administrative details above. Members of the Board have been recruited through targeted public calls for new Trustees as well as nominations by existing Trustees or senior staff. Trustees are mindful of the need to ensure that the Board has the range of skills, experience and diversity to oversee the charity's governance and strategic direction. Current Trustees bring knowledge and experience of law and human rights; Chinese politics, gender and social policy; corporate social responsibility; public participation and communications as well as accountancy and charity governance. Long-serving Trustee Ebony Riddell Bamber resigned from the Board at the end of 2020. In the autumn we advertised publicly for new Trustees and, following interviews, we appointed Aqsa Hussain, a young criminal barrister who is also founder of Human Rights Pulse, an online platform. We continue to seek Trustees with specialist knowledge of fundraising as we try to further diversify our funding base. We are keeping recruitment open as we continue to search for Trustees who will bring relevant skills, interest and experience to the organisation.

New Board members are provided with relevant documents and information on the governance and work of the charity as well as guidance on the role of Trustees; the Executive Director and chair meet with new Trustees to brief them on the work of the charity. The Executive Director met regularly with the Chair to plan Board meetings and discuss any issues of concern. All Trustees give their time voluntarily and received no benefits from the charity. No expenses were reclaimed by Trustees in the past year.

The Rights Practice US Inc. was incorporated in the state of New York as a not for profit organisation on July 10, 2008. It has its own governing Board; the Executive Director of The Rights Practice serves on the US Board. The two organisations have the same objectives and cooperate in advancing their shared charitable purposes. A framework agreement, reviewed annually by the US Board of Directors, sets out the nature of the cooperation between the two entities. Grant contracts with the US office are now managed by programme staff in London. The Rights Practice US Inc. had a turnover of \$329,283 in 2020 and a balance of unrestricted funds at 31st December 2020 of \$78,153.

The Rights Practice maintains and reviews a register of significant external and internal risks to the organisation which may impact on our ability to meet our charitable objectives and deliver public benefit. Trustees continue to be reasonably tolerant of risk given our strategic objectives and the challenging political environment in which we work. Staff continuously review and develop mitigating strategies, particularly in areas of medium to high risk. Strategic risks include growing repression within China and the "shrinking space" for civil society. With many foreign organisations unable, since 2017, to register local offices under the Law on the Management of Overseas Non-Governmental Organisations' Activities within Mainland China (ONGO Law) the resources available to Chinese civil society have declined. Recent additions to the risk register include the impact of Covid-19, the introduction of the national security law in Hong Kong and potential risks from an expansion in our small grant giving programme.

The risk register is regularly reviewed by senior staff and discussed by Trustees at each quarterly Board meeting. The Board is kept informed of any changes to the status of risk areas or major revisions to the risk management strategy. All project documents include specific risk assessments and mitigation strategies, particularly with respect to overseas activities, and these are reviewed as part of project monitoring.

THE RIGHTS PRACTICE

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2021

Statement of Trustees' responsibilities

The Trustees, who are also the directors of The Rights Practice for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities 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 Charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity 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 Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report was approved by the Board of Trustees.

**Professor Harriet Evans, Chair
Trustee**

Dated: 16 December 2021

THE RIGHTS PRACTICE

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE RIGHTS PRACTICE

Opinion

We have audited the financial statements of The Rights Practice (the 'Charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

THE RIGHTS PRACTICE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF THE RIGHTS PRACTICE

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

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

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

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the Charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

THE RIGHTS PRACTICE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE RIGHTS PRACTICE

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Use of our report

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

James Foskett

(Senior Statutory Auditor)

For and on behalf of Cansdales Audit LLP

20 December 2021

Chartered Accountants

Statutory Auditor

Bourbon Court
Nightingales Corner
Little Chalfont
Bucks
HP7 9QS

THE RIGHTS PRACTICE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
<u>Income from:</u>					
Donations and legacies	2	780	-	780	194
Charitable activities	3	38,055	1,693,128	1,731,183	520,104
Investments	4	329	-	329	840
Total income		<u>39,164</u>	<u>1,693,128</u>	<u>1,732,292</u>	<u>521,138</u>
<u>Expenditure on:</u>					
Charitable activities	5	85,411	780,800	866,211	694,478
Net income/(expenditure) before transfers		<u>(46,247)</u>	<u>912,328</u>	<u>866,081</u>	<u>(173,340)</u>
Gross transfers between funds		39,278	(39,278)	-	-
Net (expenditure)/income for the year/ Net movement in funds		<u>(6,969)</u>	<u>873,050</u>	<u>866,081</u>	<u>(173,340)</u>
Fund balances at 1 April 2020		169,203	418,211	587,414	760,754
Fund balances at 31 March 2021		<u><u>162,234</u></u>	<u><u>1,291,261</u></u>	<u><u>1,453,495</u></u>	<u><u>587,414</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE RIGHTS PRACTICE

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	8		228		456
Current assets					
Debtors	9	932,096		307,490	
Cash at bank and in hand		643,956		720,146	
		<u>1,576,052</u>		<u>1,027,636</u>	
Creditors: amounts falling due within one year	10	<u>(122,785)</u>		<u>(440,678)</u>	
Net current assets			1,453,267		586,958
Total assets less current liabilities			<u>1,453,495</u>		<u>587,414</u>
Income funds					
Restricted funds	12	1,291,261		418,211	
Unrestricted funds		162,234		169,203	
		<u>1,453,495</u>		<u>587,414</u>	

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

The financial statements were approved by the Trustees on 10 December 2021

Professor Harriet Evans, Chair
Trustee

Company Registration No. 04365047

THE RIGHTS PRACTICE

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	16		(76,519)		297,260
Investing activities					
Interest received		329		840	
Net cash generated from investing activities			329		840
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(76,190)		298,100
Cash and cash equivalents at beginning of year			720,146		422,046
Cash and cash equivalents at end of year			643,956		720,146

THE RIGHTS PRACTICE

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Charity information

The Rights Practice is a charitable company limited by guarantee incorporated in England and Wales. The address of the registered office is given on the legal and administrative information page.

1.1 Accounting convention

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) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2019. The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees' continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and its ultimate receipt is more likely than not. Any income received that relates exclusively to future periods, as determined by the conditions, is deferred on the Balance Sheet.

1.5 Expenditure

Expenditure including VAT, which is not recoverable, is recognised in the Statement of Financial Activities when a liability is incurred.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Equipment over £1,000 is capitalised.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	25% straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

THE RIGHTS PRACTICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Retirement benefits

The pension costs charged in the financial statements represent the contributions payable to the defined contribution pension scheme set up by the Charitable Company. The assets of the scheme are administered by the Trustees of that scheme and are held separately from the assets of the Charitable Company.

1.9 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/expenditure for the period.

2 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Donations and gifts	780	194
	<u> </u>	<u> </u>
Donations and gifts		
Individual	780	194
	<u> </u>	<u> </u>
	<u> </u>	<u> </u>

THE RIGHTS PRACTICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

3 Charitable activities

	2021 £	2020 £
Grants	1,667,061	495,929
Other income	64,122	24,175
	<u>1,731,183</u>	<u>520,104</u>
	<u><u>1,731,183</u></u>	<u><u>520,104</u></u>
Analysis by fund		
Unrestricted funds	38,055	33,668
Restricted funds	1,693,128	486,436
	<u>1,731,183</u>	<u>520,104</u>
	<u><u>1,731,183</u></u>	<u><u>520,104</u></u>

4 Investments

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Interest receivable	329	840
	<u>329</u>	<u>840</u>
	<u><u>329</u></u>	<u><u>840</u></u>

THE RIGHTS PRACTICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

5 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Staff costs	37,774	191,171	228,945	217,133
Depreciation and impairment	228	-	228	227
Direct costs (including grants)	5,119	574,379	579,498	417,043
Support costs	42,290	15,250	57,540	60,075
	<u>85,411</u>	<u>780,800</u>	<u>866,211</u>	<u>694,478</u>

Included within unrestricted charitable activities are amounts paid to auditors of £4,813 (2020: £5,358) relating to the audit and £2,700 (2020: £2,712) relating to other financial services.

Included within direct costs are £133 of Loss on foreign currency exchange rate (2020: gains of £3,697).

Included within support costs are amounts paid for rent in the UK & China of £30,084 (2020: £27,660).

6 Trustees

No Trustee received any remuneration during the year (2020: none) and no Trustee was reimbursed for any expenses in the year (2020: none).

7 Employees

	2021 £	2020 £
Wages and salaries	207,643	192,769
Social security costs	12,011	14,238
Other pension costs	9,291	10,126
	<u>228,945</u>	<u>217,133</u>

No employee was paid at a rate in excess of £60,000 per annum (2020: none). The average number of full time equivalent staff during the year was six (2020: six).

The Trustees and the Executive Director are considered key management of the charitable company. Total remuneration paid to key management in the year amounted to £56,949 (2020: £55,452).

THE RIGHTS PRACTICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

8 Tangible fixed assets

Fixtures, fittings & equipment

£

Cost

At 1 April 2020

4,728

At 31 March 2021

4,728

Depreciation and impairment

At 1 April 2020

4,272

Depreciation charged in the year

228

At 31 March 2021

4,500

Carrying amount

At 31 March 2021

228

At 31 March 2020

456

9 Debtors

2021

2020

Amounts falling due within one year:

£

£

Trade debtors

929,224

299,264

Other debtors

2,872

8,226

932,096

307,490

10 Creditors: amounts falling due within one year

2021

2020

Notes

£

£

Other taxation and social security

-

4,349

Deferred income

-

370,264

Trade creditors

77,561

45,633

Other creditors

152

608

Accruals and deferred income

45,072

19,824

122,785

440,678

THE RIGHTS PRACTICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

11 Retirement benefit schemes

Defined contribution schemes

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The charge to profit or loss in respect of defined contribution schemes was £9,291 (2020: £10,126).

12 Movement in funds

The income funds of the charity comprise of the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2020	Movement in funds			Balance at 31 March 2021
		Income	Expenditure	Transfers	
	£	£	£	£	£
Improving Access to Justice	322	1,242,850	(342,251)	(19,930)	880,991
Human Rights and Criminal Justice	417,889	450,278	(438,549)	(19,348)	410,270
Total restricted funds	418,211	1,693,128	(780,800)	(39,278)	1,291,261
Unrestricted general funds	169,203	39,164	(85,411)	39,278	162,234
Total funds	587,414	1,732,292	(866,211)	-	1,453,495

Improving Access to Justice

To improve access to justice for the poor and victims of human rights violations through the provision of legal aid and increasing the numbers of, and delivering training to, lawyers and other human rights defenders.

Human Rights and Criminal Justice

To improve respect for the dignity of the person through projects combating torture, championing reduced use of the death penalty and advocating for improved human rights protection for all detained persons.

13 Analysis of net assets between funds

	Unrestricted	Restricted	Total
	£	£	£
Fund balances at 31 March 2021 are represented by:			
Tangible assets	228	-	228
Current assets/(liabilities)	162,006	1,291,261	1,453,267
	162,234	1,291,261	1,453,495

14 Operating lease commitments

At the reporting end date the Charity had outstanding commitments for future minimum lease payments under operating leases, which may be terminated by giving three months' notice. These fall due as follows:

THE RIGHTS PRACTICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

14 Operating lease commitments	(Continued)	
	2021	2020
	£	£
Within one year	24,220	24,220

The operating lease relates to The Foundry, which is the charity's principal address. The amount recognised as an expense in the year is £23,419 (2020: £17,986).

15 Related party transactions

No trustee or other person related to the charity had any personal interest in any contract or transactions entered into during the year (2020: none).

16 Cash generated from operations	2021	2020
	£	£
Surplus/(deficit) for the year	866,081	(173,340)
Adjustments for:		
Investment income recognised in statement of financial activities	(329)	(840)
Depreciation and impairment of tangible fixed assets	228	227
Movements in working capital:		
(Increase)/decrease in debtors	(624,606)	95,395
Increase in creditors	52,371	5,554
(Decrease)/increase in deferred income	(370,264)	370,264
Cash (absorbed by)/generated from operations	(76,519)	297,260

17 Analysis of changes in net funds

The Charity had no debt during the year.