

Company registration number: 08480724

Charity registration number: 1154784

The Libertarian Research and Education Trust

known as

Statewatch

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2022

Field Sullivan Limited
9 Hare & Billet Road
Blackheath
SE3 0RB

The Libertarian Research and Education Trust

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Reference and Administrative Details

Trustees	Jonathan Bloch
	Victoria Canning
	Nadine Finch
	Lilana Keith
	Gabriel Almeida
	Marie-Laure Basilien-Gainche
	Laure Baudrihayé-Gérard
Secretary	Jonathan Bloch
Charity Registration Number	1154784
Company Registration Number	08480724
Registered Office	The charity is incorporated in England and Wales.
	88 Fleet Street
	London
	EC4Y 1DH
Independent Examiner	Field Sullivan Limited
	9 Hare & Billet Road
	Blackheath
	SE3.0RB

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Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 December 2022 which have been prepared in compliance with current statutory requirements, The Companies Act 1985, the Charities SORP (FRS 102) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland and the Charities Act 2011; and with the charity's governing document, its Memorandum and Articles of Association.

Statewatch is the working name of the Libertarian Research and Education Trust (LRET), which was established as a trust in 1981. On 3 December 2013 the charity was incorporated, again with the name The Libertarian Research and Education Trust. The company is registered as a charity with the Charity Commission as a successor to the Trust (company number: 08480724, charity number: 1154784). The assets and liabilities of the Trust have been transferred to this company, and from 3 December 2013 the company has taken over all of the activities of the trust. The Trust does not have a corporate opinion.

Public benefit

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

Appointment of Trustees

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

Policies and procedures adopted for the induction and training of trustees

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

Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

Trustees:	Jonathan Bloch
	Victoria Canning
	Nadine Finch
	Lilana Keith
	Gabriel Almeida (appointed 13 February 2023)
	Marie-Laure Basilien-Gainche (appointed 13 February 2023)
	Laure Baudrihay-Gérard (appointed 13 February 2023)
	Fiona Godfrey (resigned 12 February 2023)
Chair:	Ann Singleton (resigned 12 February 2023)
Secretary:	Jonathan Bloch

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Rights, freedom and democracy: the struggle is continuous

In a media and information environment dominated by clickbait, sensationalism, misinformation and outright propaganda, the work of Statewatch remains uniquely valuable for its commitment to cold, hard, facts; clear and critical analysis; and straightforward language.

In the midst of multiple ongoing crises that are, in various ways, being used to enhance state power and accelerate militarisation and 'securitisation' - wars, the mass displacement of people, racism, the growing normalisation of the far-right, huge increases in the cost of living, ecological devastation - we have continued to carry out our core task of providing critical research, policy analysis and investigative journalism that aims to contribute to the movements and struggles that seek to address them.

In 2022, we did so in the framework of the new strategic plan that we drew up over the course of 2021. This is the first time that Statewatch has adopted such a detailed, long-term plan. It does not introduce any fundamental changes in what we do or why, but has provided an invaluable framework and reference to guide our work, clarity over our objectives, and has already led to some important achievements.

Our first overarching objective is to strengthen civil society's access to information. In 2022, the primary means by which we pursued this objective was by providing direct access to official documentation that would otherwise not be public: we published more than 100 documents that allow people to see for themselves what is normally discussed behind closed doors, enabling interventions by civil society organisations into secretive legislative deliberations that should take place in public, democratic fora.

Our second overarching objective is to expose and challenge new means of surveillance, coercion and control. We have undertaken in-depth investigations into the externalisation of EU border controls, the new powers granted to EU police agency Europol, post-Brexit policing and security cooperation between the UK and EU, and published an in-depth guide to the EU's ballooning security budgets.

These issues may not always have immediate impact, nor obvious media appeal - but they represent broader structural changes in state activity that will have a substantial impact over the years to come. The fact that many of our investigations from previous years continue to be cited by other civil society organisations demonstrates the long-term value of this approach.

At the same time, we have also sought to address more 'immediate' issues. Our work on the EU's Artificial Intelligence Act has contributed to a vital civil society effort to seek human rights protections in a law that, if it does as its drafters intend, will shape the global regulatory environment for a key technology for many years to come, and which will have substantial effects on policing, security, immigration and criminal justice policy. Equally, our news service continued to provide a vital source of information to campaigners, advocacy organisations and journalists seeking up-to-date information: over the course of 2022, we published almost 160 news articles to draw attention to key developments in ongoing legislative and policy discussions.

The third overarching objective set out in our strategic plan is to build a more effective and sustainable organisation. This has required making more time for one-to-one discussions between the director and other staff, ensuring that questions of training, learning and staff development are regularly discussed, and that any problems or concerns can be frankly and openly discussed. It has also required an improvement in material conditions: despite our work largely being financed by grants for projects, it was possible to institute a pay increase for all staff. As always, the board has been invaluable in providing advice, guidance and support with these and other questions.

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These improvements should not disguise the fact that all our work was carried out on a limited budget and with extremely limited staff time - a total of just 14 working days per week. The size of the organisation is a constant surprise to people familiar with our work but unfamiliar with our internal administration, and the amount achieved in 2022, as every year, is a testament to the hard work and dedication of the staff, the board and Statewatch's network of contributors and volunteers.

As this report demonstrates well, 2022 was another productive year for Statewatch. Our reporting, analysis and publications continue to be widely-used by advocacy groups, campaigning organisations, lawyers and many others, and our work is regularly featured in the press across Europe and the wider world, influencing public and political debate. Our audience continues to grow steadily and our work is considered reliable, authoritative and timely. The question for 2023 and beyond is how to build upon these foundations so that we can more effectively contribute to the movements for rights, freedoms and democracy that are so desperately needed in Europe and beyond.

Objective 1: Strengthen civil society's access to information

Key developments and impact

●Pushing for transparency at EU agencies

In 2022 we continued to seek implementation of the new access to documents framework for EU justice and home affairs agencies that was set out by the European Ombudsman, in response to a complaint we filed in 2020.

●159 news articles and 8 in-depth analyses

In 2022 we published 159 news articles (an average of three per week) and eight in-depth analyses, providing a vital resource for activists, researchers, journalists, civil society organisations, and others.

●100+ official documents made public

Along with those articles we made more than 100 official documents (primarily from the Council of the EU) public, providing access to key primary sources on crucial policy-making and legislative discussions.

●39 citations in 19 media outlets

Our work received 39 citations in 19 media outlets operating across seven individual countries, as well as regionally and globally, including la Repubblica (Italy), South China Morning Post (Hong Kong/global), Público (Spain) and Wired (global).

●24 public citations by NGOs

Our work received citations in public reports by at least 24 civil society organisations including Algorithm Watch, Human Rights Watch, the Global Investigative Journalism Network, the Mixed Migration Centre and ProAsyl. Our work has also been used for advocacy by organisations including European Council on Refugees and Exiles, Platform for International Cooperation on Undocumented Migration, European Digital Rights and Amnesty International.

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- 8 citations in institutional publications

Our work was cited in seven reports produced for the European Parliament, as well as the Danish government's foreign policy and security strategy

Taking action against state secrecy

Objective: Ensure compliance with the law and improve access to information for all

- Seeking implementation of our successful 2021 transparency complaint
- Calling for an end to secret law-making in the EU

In 2022 we continued to follow up on the new access to documents framework for EU justice and home affairs agencies that was set out by the European Ombudsman, in response to a complaint we filed in 2020. Our complaint resulted in Frontex and Europol committing to establish and maintain public registers of documents - a crucial tool to facilitate scrutiny by elected representatives and civil society, and thus to ensure accountability.

Working with parliamentarians, we sought more information on the agencies' progress in implementing the action plans they set out in response to our complaint. Frontex launched a new register of documents, but in doing so removed a number of previously-available documents from its website - a problem that will require ongoing pressure on the agency to ensure meaningful levels of transparency.

Europol has been more thorough in following the Ombudsman's decision, but its work to comply with the decision demonstrates the shortcomings of that decision, which failed to take into account our call for specific requirements to include the Executive Director's decisions, internal working group agendas and minutes, evaluation and assessment reports, and more. The fight for greater transparency in the EU's increasingly powerful justice and home affairs agencies continues.

Our work to increase transparency at EU justice and home affairs agencies was presented by our researcher Jane Kilpatrick at the conference 'Access to Information - Achievements and Challenges', organised by Access Information Programme, Bulgaria, at the end of January.

Secrecy also continues to plague the law-making process in the EU, making a mockery of the requirements of the Lisbon Treaty: "Decisions shall be taken as openly and as closely as possible to the citizen." One of the key issues in this regard is the ongoing use of secret "trilogues" negotiations to agree on new legislation. In March, along with 40 other organisations, we signed an open letter calling for "transparent and easily-accessible" trilogue negotiations. The letter brought visibility to a long-standing problem and our objective is to continue work on these issues.

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Providing resources for rights

Objective: Work with national and international groups to support their campaigns and advocacy on EU justice and home affairs policies by making use of our unique level of access to official EU documents.

Throughout 2022 we continued to leverage our unique level of access to internal EU documents to publish news and analysis that provides a vital information resource for activists, researchers, civil society organisations and the mainstream media.

We published 159 news articles and eight in-depth analyses, covering vital issues such as:

- Our 'Tracking the Pact' series, on the EU's Pact on Migration and Asylum
- The implementation of the EU's ongoing interconnection of its policing and migration databases, through the "interoperability" architecture
- The growing powers of EU agencies, in particular Europol and Frontex
- The EU's proposed Artificial Intelligence Act, which has major implications for civil liberties and human rights
- European government plans to breach online privacy and security by undermining encryption

Many of those articles were based on or made use of internal Council of the EU documents that were published with the articles and would not otherwise have been publicly available. Over the course of the year, we published more than 100 such documents, providing access to vital primary source material for researchers, activists, advocates and journalists. The international dissemination and uptake of this work continues to be profound.

Our work is widely-used by mainstream media outlets across Europe and the wider world. In 2022, our news articles, analyses and publications were cited by at least 21 different media outlets.

Altreconomia (Italy, here and here)	Limburger Zeitung	South China Morning Post
Biometric Update	Mediapart (France)	Syre (Sweden)
EUobserver	Middle East Eye	The Dissenter
European Data Journalism	Netzpolitik (Germany, here and here)	The Local (France)
Heise (Germany)	Público (Spain)	The Local (Italy)
InfoMigrants (here and here)	Radio Student (Slovenia)	TVXS (Greece)
Libya Observer	Repubblica (Italy)	Wired

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We also continued to provide a vital resource for a wide variety of other civil society organisations, 24 of whom cited our work publicly.

Algorithm Watch	German Marshall Fund	Osservatorio Balcani e Caucaso Transeuropa
Article 19	Global Investigative Journalism Network	Osservatorio Nazionale sui Minori Stranieri non Accompagnati in Italia
Austrian Institute for International Affairs	Human Rights Watch	Platform for International Cooperation on Undocumented Migrants
Borderline Europe	Institute of Race Relations	Pro Asyl
Children's Health Defense	Journalists and Writers Foundation	Social Europe
Drone Wars UK	mEUterei	Stop Wapenhandel
European Council on Refugees and Exiles (also here, here, here)	Migration-Control	Transform! Europe
German Council on Foreign Relations	Mixed Migration Centre	Welcome! Initiative

Our work was also used for advocacy purposes by Access Now, Amnesty International, European Council on Refugees and Exiles (ECRE), European Digital Rights (EDRI) and Platform for International Cooperation on Undocumented Migrants (PICUM), as well as by their member organisations – ECRE, EDRI and PICUM are all European networks with a collective membership of hundreds of organisations.

Official institutions also made use of our work, with seven reports produced for the European Parliament citing our publications, as well as the Danish government's foreign policy and security strategy.

***“The material on the
Pact is very useful
for us as well as our
member
organisations”***

Head of advocacy at a European
network

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Counterterrorism policies, measures and tools in the EU: An assessment of the effectiveness of the EU counterterrorism policy	EU migration and asylum funds for third countries
EU migration and asylum funds for third countries	European Parliament scrutiny of Frontex
Impact of COVID-19 measures on democracy and fundamental rights: Best practices and lessons learned in the Member States and third countries	Strengthening Europol's mandate
Preventing Radicalisation in the European Union: How EU policy has evolved	Unaccompanied migrant children in Greece

Barriers to implementing our objectives

- Workshops: How to access information

Objective: Provide individuals and organisations with the skills and knowledge needed to investigate complex powers, policies, procedures and practices.

We aim to host workshops for civil society organisations, journalists, lawyers, students and others on how to access information on EU institutions, agencies and decision-making processes. We were able to start drafting a 'curriculum' for the workshops, and with increased resources would be able to finish that curriculum and put it into use.

- Learning from history: 'activating' the Statewatch Library & Archive

Objective: 'Activate' our extensive Library & Archive through targeted events and output related to key themes in our work, in order to inform the present by learning from the past.

The Library & Archive remained open to the public and received a small number of visitors throughout the year. With funding for a dedicated staff member, we would be able to properly manage, promote and make use of the collection, ensuring increased usage of this valuable resource.

Objective 2: Expose and challenge new means of surveillance, coercion and control

Key developments and impact

- 5 in-depth reports

We published five in-depth investigative reports in 2022, examining:

- post-Brexit EU-UK policing and security cooperation;
- the use of new biometric technologies by European police forces;
- the EU's ballooning security and migration budgets;
- the EU's proposed Artificial Intelligence Act and the need to include protections for migrants and refugees; and
- the expanded powers granted to EU policing agency Europol.

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●2 public events

We organised two online public events in 2022, with a total of 148 attendees in 32 different countries, primarily in Europe but also Canada, Kenya, Morocco, Senegal, Tunisia, Turkey and the United States of America:

- AI at the borders: Negotiations, regulations and fundamental rights
- Secrecy and the externalisation of EU migration control

●Dozens of news articles

Through our regular publication of news on key topics - the expansion and implementation of identity databases, the development of new security technologies, the expansion of police powers, the reinforcement of border controls, and the growing powers of EU agencies, we continued to provide a vital source of information for other civil society organisations, journalists, activists, researchers, lawyers and many others.

●2 evidence submissions

We coordinated a joint submission to the European Parliament's Frontex Scrutiny Working Group drafted by members of our Frontex researchers' network, and submitted a response to a European Commission's call for evidence for its evaluation of the 2019 Frontex Regulation.

●1 interactive map

We launched an interactive map to help people inform and educate themselves about the EU's vast biometric identity infrastructure for policing and migration. The map will serve as a long-term resource that can be expanded and edited as the EU's "interoperability" infrastructure is developed further.

●2 joint position papers

Working with other members of European Digital Rights (EDRI) and staff from the EDRI office in Brussels, we supported the drafting of two position on papers on important new EU legislation: the Artificial Intelligence Act and the Prüm network of police databases.

●2 parliamentary questions

Our research was used as the basis for two questions put forward in the European Parliament, on the issues of the surveillance, artificial intelligence and algorithms to be used against people travelling to the EU; and the extensive new powers given to EU police agency Europol. The questions were directed to Frontex and Europol officials and the chief executive of Europol, respectively. The information provided in response was neither particularly detailed nor useful, but the questions themselves demonstrate the value of our work to elected representatives.

●1 meeting with MEPs

Our Executive Director, Chris Jones, met with a delegation of MEPs from the European Parliament's LIBE committee, who were visiting London on a fact-finding mission about the UK's proposed data protection reforms and the potential impact upon EU-UK trade and law enforcement cooperation.

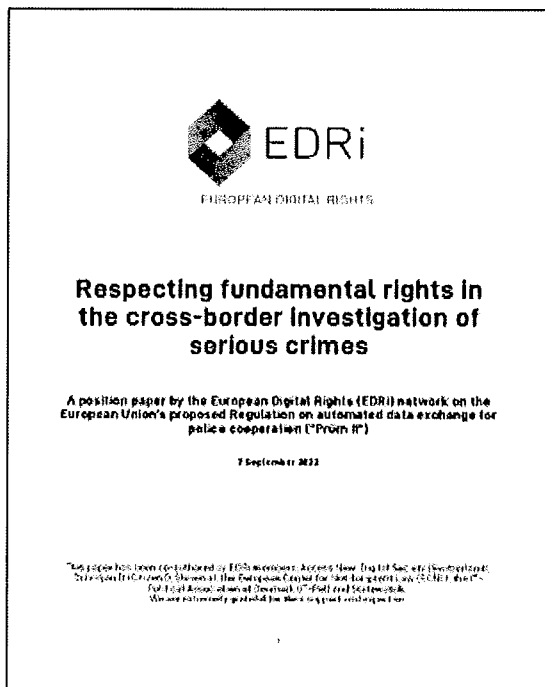
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Challenging international police data-sharing

Objective: Challenge the development of a network of police facial recognition databases linking EU and UK authorities.



In December 2021, the European Commission quietly published a proposal for a law that would vastly expand a network of police databases known as 'Prüm', which interconnects EU member states' DNA, fingerprint and vehicle registration systems. The UK remains part of the system due to the post-Brexit Trade and Cooperation Agreement, and can be invited to join an expanded network once the EU has approved new legislation.

The Prüm II proposals would add facial recognition and driving licence databases to the network, making vast new pools of data available for cross-border searches by police and laying the technical foundations for infrastructures of biometric mass surveillance.

Working with other members and staff of European Digital Rights, we produced a detailed briefing paper highlighting this and other problems with the proposal, and proposing specific amendments that were put forward to MEPs. The majority of those amendments were put forward for votes planned for spring 2023.

Throughout the year we also monitored discussions in the Council, obtaining and publishing internal documents whenever possible. We revealed that the Council wants to add driving licence databases to the network; that the French Presidency sought the automated exchange of facial images between police forces; and that the European Commission has spent years funding a system intended to act as the foundation for Prüm II, despite the law being a long way from approval.

Press coverage

WIRED

BIOMETRIC
UPDATE.COM

Gli Stati europei vogliono mettere tutti i volti di chi ha una patente in un maxi-sistema di riconoscimento facciale

EDRi, Statewatch call for ban of EU-wide police facial recognition system

Driving license biometrics could form pan European 'perpetual police line-up': Statewatch

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Limiting travel surveillance and passenger profiling

Objective: Prevent schemes for the automated police surveillance of travel and profiling of passengers being extended from air to rail and sea transport

Through the introduction of Passenger Name Record (PNR) and Advance Passenger Information (API) schemes, states and international organisations are implementing an integrated, networked global system for the surveillance of travel and the police profiling of passengers. These schemes are currently largely reserved to air travel, but there have been longstanding plans to extend them to rail, boat and coach journeys. There is a clear need to ensure, at the very least, strict controls and limitations on the introduction of such systems.

Although we did not take on this issue as a priority in 2022, we nevertheless continued to monitor developments and published three news articles through the year on key events: an EU advocate-general's opinion on the 2016 Passenger Name Record Directive; EU member states' responses to the judgement that followed that opinion; and the approval by the EU of UK derogations from safeguards in the EU-UK Passenger Name Record agreement.

Press coverage

euobserver EU states want to keep hoarding passenger data, despite ECJ ruling

Exposing and opposing the externalisation of borders

Objective: Establish an evidence base on the EU's "operational partnerships" with third countries for the externalisation of border controls

•Secrecy and externalisation

In spring we began a project investigating how state secrecy is used to advance the externalisation of the EU's border controls. Funded by the Heinrich Böll Stiftung, the project involved the submission of almost two dozen freedom of information and access to documents requests in the EU, Bosnia and Herzegovina, Morocco and Niger. We were supported in that work by three external researchers, whom we contacted through our wider network.

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In November we held an online event to discuss the findings of the research, with a panel made up of Tineke Strik (MEP, Greens/EFA group), Luisa Izuzquiza (transparency activist at Brussels lead for *FragDenStaat*), Giacomo Zandonini (Investigative journalist) and Nidžara Ahmetašević (journalist and researcher).

The event was attended by 81 people from 24 countries. Feedback indicated that people found the event very useful (average score of 4.4/5) and felt the information was very clearly-presented (4.5/5). The report based on the research was published in early 2023, and is intended to provide the basis for parliamentary questions and further research into the issue of secrecy and externalisation.



***“Thank you for all the work
you do”***

*Attendee at the event on secrecy and
externalisation*

● Frontex and externalisation

An in-depth research project looking at the role of EU border agency Frontex in the externalisation of the EU's borders also continued throughout the year, with findings from the research presented:

- to the Migration-Control.info West Africa research group;
- at the RiVolti ai Balcani conference in Udine, Italy;
- at the 'Investigating Fortress Europe' event hosted by the Evens Foundation, Brussels; and
- at an international conference on border externalisation at the School of Oriental and African Studies, London.

● Statements, articles and events

We joined multiple civil society statements for more humane migration policies, including a call for “bridges between people, not walls,” directed at European Union and African Union heads of state; an appeal to the Italian government, UN High Commissioner for Refugees and the International Organization for Migration to withdraw the Italy-Libya memorandum on immigration control (covered in *Libya Observer*); and we gave our support to the *vidas sin rastro* (lives without a trace) campaign, for the rights of dead and missing migrants at Spain's southern border.

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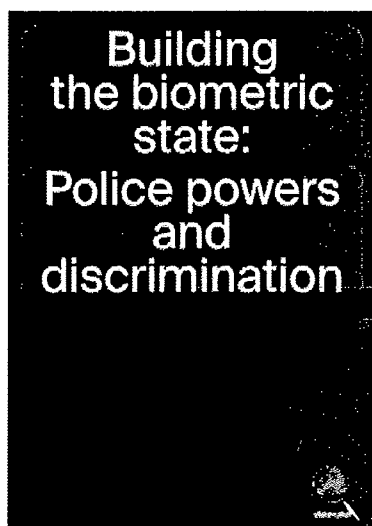
Trustees' Report

Our researcher Yasha Maccanico was invited to publish articles by two other outlets: Arrested Lawyers Initiative and EU Law Analysis. He spoke at a panel at the European Consortium for Political Research annual conference in August; and at two sessions at the Transborder Summer Camp in Nantes in July, alongside members of Migreurop and AlarmPhone. Alongside Chris Jones and Jane Kilpatrick (director and researcher, respectively), he also spoke at an online screening by University College London of the documentary 'Libya; no escape from hell' in January.

A watchdog for EU justice and home affairs policies

Objective: Monitor the activities of EU justice and home affairs institutions and agencies in order to identify projects or plans that go beyond legal remits, or threaten to undermine rights, liberties and democratic standards

- Vast databanks, more powerful agencies



Over the past eight years we have worked hard to decipher, analyse, explain and challenge the EU's "interoperability" project, which Interconnects vast quantities of biometric and biographic data from six different large-scale policing and migration databases. That work continued in 2022, and began with the publication of the report *Building the biometric state: Police powers and discrimination*, based on research conducted in 2021 and funded by Privacy International.

The report examines the development and deployment of biometric identification technologies by police and border forces in Europe, and how they are intended to be used in conjunction with the interoperability architecture to increase identity checks. It warns that the increasing use of the technology is likely to exacerbate existing problems with racist policing and ethnic profiling. As we revealed in May, there continue to be high-level political demands for increased biometric identity checks.

The findings of the report have been presented at events organised by the Algorithmic Fairness for Asylum Seekers and Refugees project; the Oxford Migration Studies Seminar (Oxford University), This Is What Police Tech Looks Like; the annual conference of the European Group for the Study of Deviance and Control in Turin, Italy; and at a learning session for members of the Privacy International network.

Press coverage



Überwachung: EU-Rat drängt auf biometrische Identitätskontrollen "vor Ort"

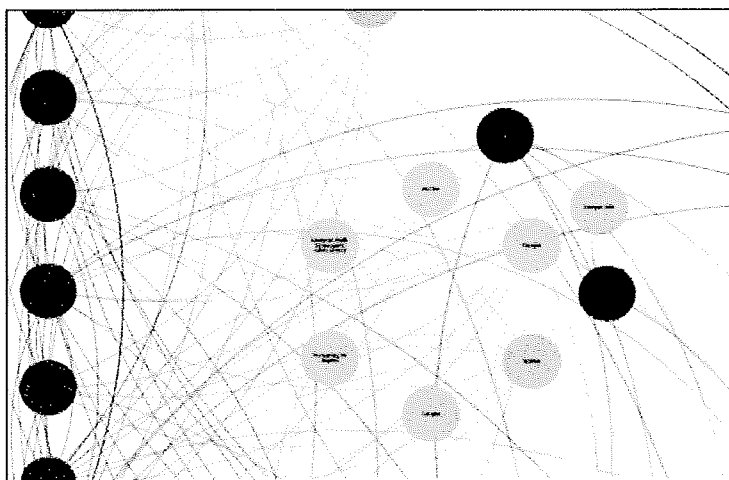
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Throughout the year we also reported on developments in the interoperability scheme, ranging from delays in the construction and entry into use of new systems; plans to increase the surveillance and profiling of travellers, including through the potential use of “artificial intelligence”; and how the interoperability architecture will be used for the “screening” of people seeking protection at the EU’s borders. Our publication of an internal report by a secretive Europol-Frontex “Future Group on Travel Intelligence” provoked questions from the Dutch Green MEP, Tineke Strik, to Frontex and Europol officials.

In November we launched an online map of the EU’s interoperable policing and migration databases, as part of a project – on EU agencies and interoperability – following on from the previous one funded by Privacy International. The map aims to facilitate understanding and further investigation into that architecture. The map is the first of its kind and seeks to highlight the relationship between EU justice and home affairs agencies and the interoperability architecture – in particular, Europol and Frontex.



Press coverage



[Digital Fortress Europe #2: Trapped in a digital surveillance system](#)



[Europol will mit Israel biometrische Daten austauschen](#)

[EU-Gesetze zu „elektronischen Beweismitteln“ angeblich auf der Zielgeraden](#)



[REVEALED: Countries fear non-EU travellers face delays under new EES border checks](#)

[France to use iPads to check biometric data of travellers from UK](#)



[The West will soon be sharing their citizens' biometric data](#)

South China Morning Post

Throughout the year we continued our longstanding work on EU border agency Frontex, including a joint submission to the European Parliament’s Frontex Scrutiny Working Group drafted by members of our Frontex researchers’ network; and submitted a response to a European Commission call for evidence for its forthcoming evaluation of the 2019 Frontex Regulation. Our researcher Jane Kilpatrick provided the keynote speech at the Freedom Not Fear conference in Brussels in September, on the topic of border technologies, and in June ATTAC Italia published an article by our researcher Yasha Maccanico, ‘Il problema Frontex riguarda il suo ruolo strutturale’.

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Press coverage

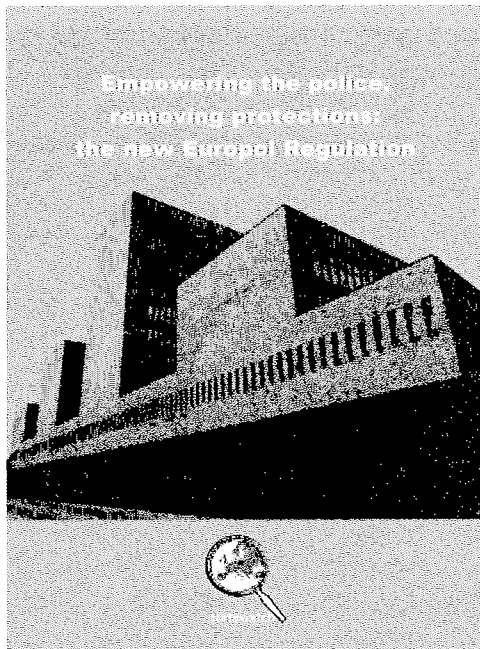


Frontex arme de plus en plus ses agents pour les années à venir

Frontex planning operations in Senegal and Mauritania, claims NGO

•New European police powers

In 2022 we continued working with others in civil society to try to ensure safeguards and limits in the new Europol Regulation. Despite our efforts, the Regulation came into force in June and legalised previously illegal practices regarding the collection and processing of huge quantities of personal data - something that we were the first to make public, as part of our ongoing monitoring of the legislative process. We later revealed that the agency's Management Board was in breach of the rules governing the agency as soon as they came into force.



As we explained in a detailed report published in November, the new powers granted to Europol are not accompanied by equivalent rights protections. Indeed, those protections have largely been reduced or removed. The agency has also been granted access to the majority of the EU's interoperable databases, providing a further source for its extensive data harvesting.

The report was cited by EUobserver and covered in depth by Repubblica and Altreconomia; the findings were also presented at the conference 'Welfare After Digitalization' at the IT University of Copenhagen in November. Questions based on the research were also raised in a European Parliament hearing with Europol's executive director, Catherine de Bolle. We will continue to disseminate the research throughout 2023, as we work with other groups and individuals to challenge the agency's new powers.

Press coverage

Altreconomia

Sorvegliare in nome della sicurezza: le Agenzie Ue vogliono carta bianca

euobserver

Europol given 'blank cheque' to do what it wants, say critics

**BIOMETRIC
UPDATE.COM**

Europol's new rules enable sourcing of 'third country' biometric data

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●Following the money

Over the past 20 years the size of the EU's budgets for policing and migration has ballooned, providing an ample source of funding for implementing new surveillance technologies, brutal border control policies, and extended police powers. Yet how the budgets work remains a mystery to many - they are shrouded in jargon and labyrinthine bureaucratic procedures.

◦Explanation and analysis

To shed some light on the size, aims and functioning of those budgets, we worked with the Transnational Institute to produce a guide for civil society on how EU budgets work. The guide shows the vast expansion of security budgets for the 2021-27 period in comparison to the previous 2014-20 period, provides a series of thematic analyses and gives a detailed summary of six different budgets.

◦Informing advocacy

As well as informing ongoing campaigns, advocacy, research and journalism, the guide aims to provide a basis for advocacy on the next round of EU budgets. By highlighting shortcomings and failings in existing EU funding instruments, we aim to help shape civil society demands when the next round of proposals is published, likely to be sometime in 2025.

◦Spreading the word

The guide has been presented at meetings and events organised by the This Is What Police Tech Looks Like network, the Algorithmic Fairness for Asylum Seekers project (hosted by Oxford University), the Oxford Migration Studies Seminar, and at the relaunch of the Open Security Data Europe platform. Multiple journalists have made further inquiries about the content of the report to inform their work and we expect this to continue in 2023 and beyond.

At the beginning of 2022 we also published an analysis looking at spending by EU agencies Frontex and eu-Lisa on border and migration control, illustrated by a set of infographics that make clear the scale and scope of that spending.

**Funding the EU's security,
defence, and border policies,
2021-2027**



The Libertarian Research and Education Trust

known as Statewatch

Trustees' Report

Press coverage

Altrøconomia

L'investimento senza precedenti dell'Ue su difesa e frontiere: a uguaglianza e diritti le briciole

L'Espresso

Miliardi sulla pelle dei migranti: la sorveglianza delle frontiere fa ricca l'industria delle armi

Público

El presupuesto europeo destinado a seguridad y defensa aumenta un 123%

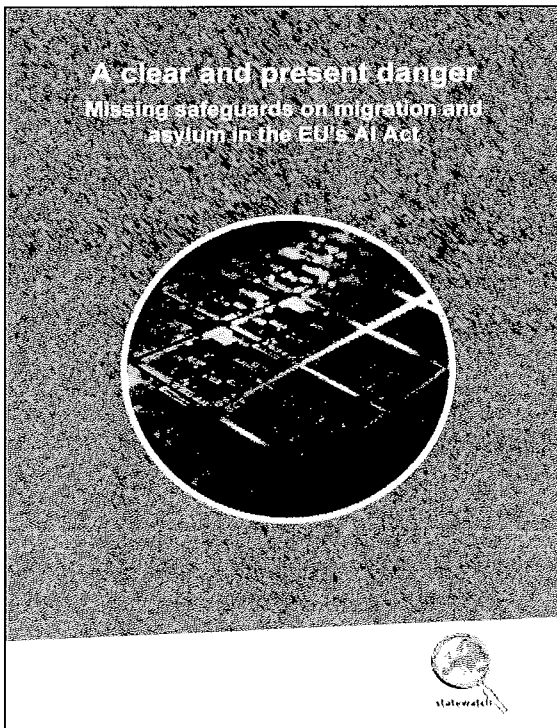
tvxs.gr

Τεχνητή νοημοσύνη και επιτήρηση: Εφαρμογή πρώτα σε πρόσφυγες και μετά σε όλους τους πολίτες

**BIOMETRIC
UPDATE.COM**

'Datafication' of EU borders and ballooning private-sector spending prompted by migrant crisis

•Calling for protections in the EU's Artificial Intelligence Act



The EU's proposed Artificial Intelligence Act will have a major impact on the production, distribution and use of artificial intelligence technologies in the EU and beyond. When the proposal for an Artificial Intelligence Act was published in April 2021, we began working with other European Digital Rights (EDRI) members to analyse the text, a process that made clear serious shortcomings and loopholes regarding the use of advanced technologies for policing and migration purposes.

•Working with others

As part of the EDRI working group on the AI Act and migration, we helped to develop amendments to the Act that were subsequently submitted to MEPs. All were adopted and put forward for votes to be held in 2023 to determine the Parliament's position for negotiations with the Council. We also produced a briefing to support the proposed amendments and draw attention to the fact that many border technologies already generously-funded by the EU would be insufficiently regulated by the Act. The findings of the briefing were disseminated via a well-attended online event, with 67 people from 21 countries present, and were featured in EUobserver and InfoMigrants.

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◦Exposing secret government discussions

Over the course of the year we also sought to obtain and publish internal discussion documents from the Council of the EU so that civil society and the broader public could see what EU member state governments were discussing. We drew attention to the Council's attempts to loosen controls and increase secrecy over police use of AI technologies, published multiple Council compromise texts, revealed an internal dispute over the choice of legal basis for the proposal, and published a series of internal presentations and comments from member states

***"...civil society groups like
AlgorithmWatch and
Statewatch are doing
important work in making sure
marginalised voices are being
heard in the debate [on AI]"***

Professor Sandra Wachter, [Oxford Internet
Institute](#)

◦Calling for change

We helped to draft and put our name to multiple joint statements and open letters throughout the year, calling on MEPs to prohibit predictive profiling and AI systems in law enforcement and criminal justice, ban biometric mass surveillance and ensure that the AI Act contains meaningful protections regarding immigration, asylum and borders. We also added our voice to statements calling for an end to the use of AI technology to try to predict migration flows, an initiative that will inevitably lead to human rights abuses; and for the Spanish government's new artificial intelligence agency - the first in Europe - to put human rights and social justice at the centre of its work.

Press coverage



[L'UE a dépensé plus de 340 millions d'I.A. pour le contrôle des frontières](#)



[Statewatch says EU has spent over €340 million on border AI technologies](#)



[Study: EU spent €341m on AI border technology](#)

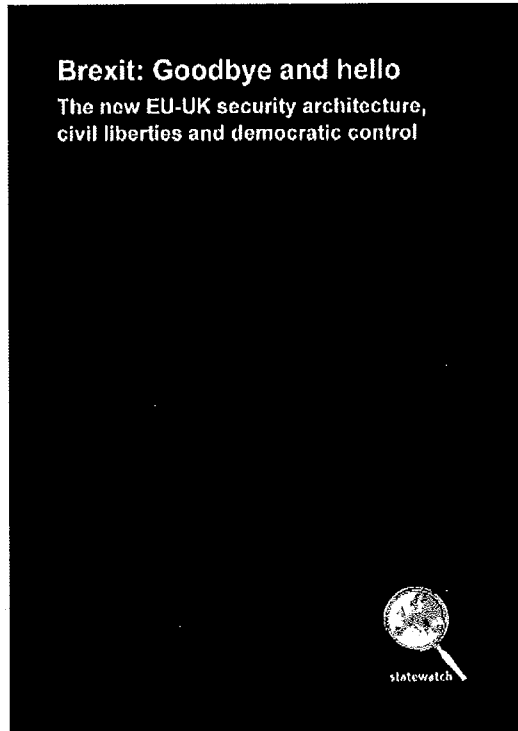
•'Global Britain' and civil liberties

Objective: Monitor the activities of the new law enforcement and security institutions set up by the UK-EU Trade and Cooperation Agreement to identify projects or plans that go beyond legal remits, or threaten to undermine rights, liberties and democratic standards

The Libertarian Research and Education Trust

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While the UK has left the EU, close policing and security links remain in place. The UK is able to opt-in to a number of intrusive surveillance measures with no explicit need for domestic parliamentary scrutiny or debate, and the new relationship is governed by institutions that are subject to extremely limited transparency and accountability requirements.

These issues were explored in an in-depth report we published in January, providing a detailed critical analysis of the Trade and Cooperation Agreement (TCA) signed between the UK and EU at the close of 2020.

The implementation of that agreement, any possible changes to it, and any bilateral agreements that the UK may reach with EU member states and other states around the world, have substantial implications for rights and freedoms, and require close scrutiny.

Despite extremely limited resources, we sought to exercise that scrutiny throughout 2022, with the publication of news articles on the transmission of DNA and fingerprint data from EU police forces to the UK; the EU's approval of UK derogations from safeguards on travel surveillance powers; a UK government representative's misinterpretation of the policing and data protection requirements in the TCA.

We also published documents obtained through an FOI request on bilateral cooperation between Greece and the UK on countering migrant smuggling; drew attention to the coming into force of the UK-USA Data Access Agreement, easing transatlantic data flows for law enforcement authorities.

Our work with the EDRI network on the expansion of the EU's Prüm system (see above) also contributed to this objective - the UK remains part of the Prüm system and, as our January report showed, could join an expanded system without any meaningful parliamentary scrutiny or debate.

We also continued to work with other groups in the UK seeking to address some of the disastrous legislation being taken through parliament. This included signing and circulating a letter to government and to MPs on the plans to drastically undermine the Human Rights Act; a briefing for parliamentarians on the Police, Crime, Sentencing and Courts Bill coordinated by Liberty; signing a letter drafted by Netpol to the Metropolitan Police on the policing of Extinction Rebellion protests; and a letter drafted by Big Brother Watch to the Metropolitan Police on the use of live facial recognition technology.

Our expertise was also sought by the press and by officials on a number of topics. In November our director, Chris Jones, was invited to meet with a delegation of MEPs from the European Parliament's civil liberties committee to discuss proposed changes to the Data Protection Act that would undermine existing standards.

The Libertarian Research and Education Trust

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Trustees' Report

Press coverage

thedissenter

UK Official Secrets Act Proposals Take Cues From US Espionage Act Cases

RADIO
STUDENT
FM89.3

Off to Ruanda

BIOMETRIC
UPDATE.COM

UK can join EU biometric surveillance without Parliamentary scrutiny: Statewatch

Barriers to implementing our objectives

- Identify and challenge the 'collateral damage' caused by attacks on immigration and asylum

Objective: Contribute to efforts to halt the ongoing criminalization of human rights defenders, obstruction of journalists and undermining of the rule of law as a consequence of immigration control measure

We did not plan any specific work on this topic in 2022, but continued sharing information in our networks and monitoring the situation with a view to undertaking dedicated work in 2023.

Objective 3: Build a more sustainable and more effective organisation

Key developments and impact

- Income from donations increased by 55%

Our income from individual donations increased from £6,905 to £11,003.

- Recruitment of 3 new trustees

At the end of the year we recruited three new trustees - Gabriel Almeida, Marie-Laure Basilien-Gainche and Laure Baudrihaye-Gérard - who bring a wealth of knowledge and experience to the board.

- Ongoing focus on staff development

Staff attended a total of seven training courses throughout the year, and the issue of learning and development is discussed in both weekly staff meetings and monthly one-to-one meetings.

- 1 meeting of the contributors group

In October 16 members of the Statewatch contributors group, from 10 different countries, met for the first time since 2020 to share information and ideas on key issues.

The Libertarian Research and Education Trust

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Trustees' Report

● Increase in followers, web users and subscribers

We gained a total of 882 new Twitter followers and around 400 new Facebook followers over the course of the year, the annual number of visits to our website increased to 153,000, and by the end of 2022 our mailing had nearly 11,000 subscribers.

A more sustainable organisation

Objective: Obtain an increased amount of core funding over the next four years, seeking a diverse range of funding sources for different elements of our strategy

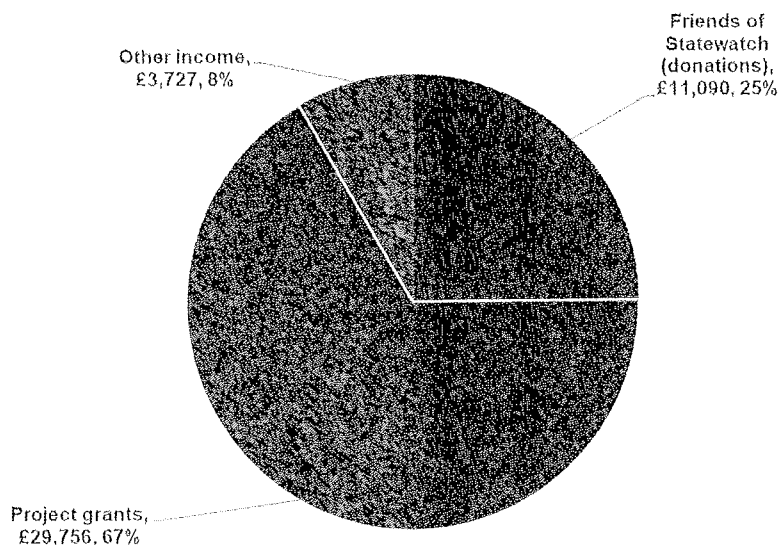
● Funding

Our total income in 2022 was £44,280 and our total expenditure was £112,451.

Although our income in 2022 was low (£44,280), we were able to sustain the organisation through a tie-off grant received from Open Society Initiative for Europe in 2021, and by the end of 2022 had secured the majority of the income needed to maintain the organisation in 2023. We are grateful for the continued support of Privacy International, as well as that of the Heinrich Böll Stiftung, with whom we had not worked before, in 2022.

In April a 10% pay increase for all staff was introduced, following on from a 10% increase in 2021. Trustees committed to considering a further increase in 2023, dependent on income. The two increases instituted in 2021 and 2022 go some way to bringing wages closer to those in comparable organisations in the sector, and to ensure the sustainability of the organisation with regard to any future recruitment.

● Income

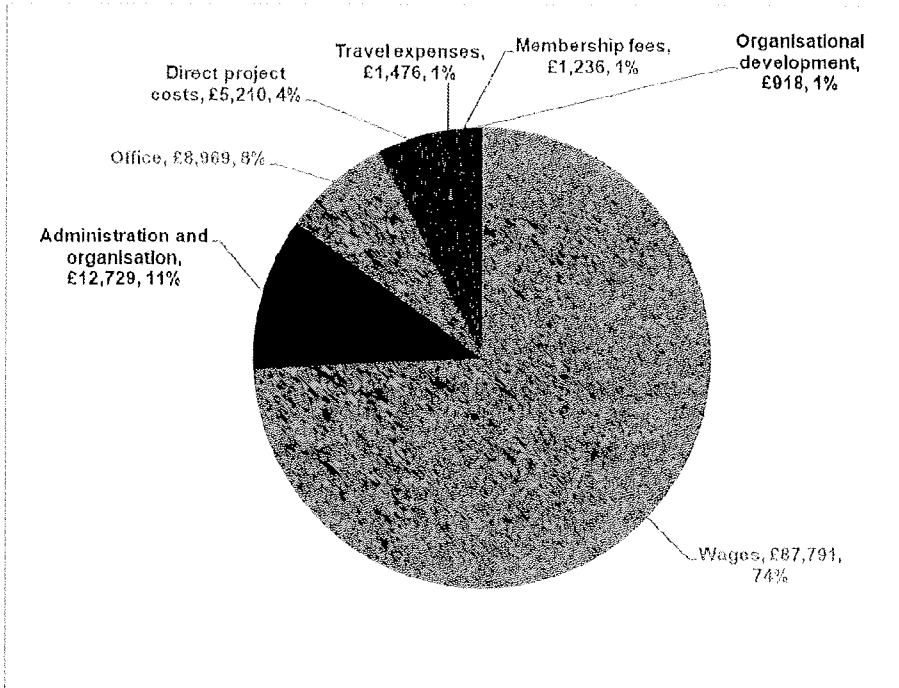


The Libertarian Research and Education Trust

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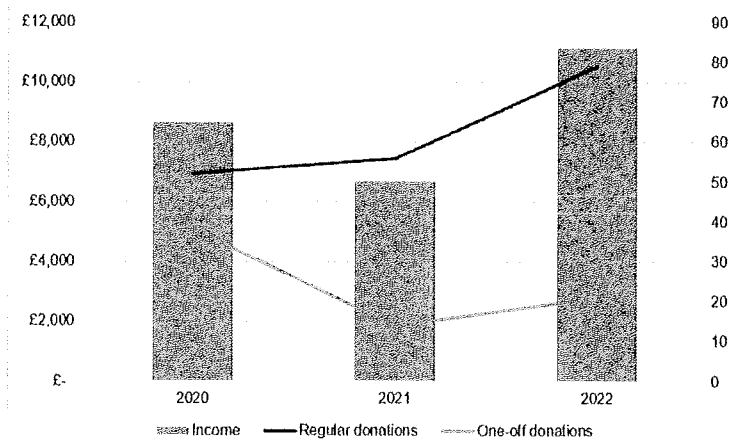
●Expenditure



●Friends of Statewatch

The amount of income received from one-off and regular donations increased by 59% in 2022, growing from £6,905 to £11,003. This is also 52% lower than the amount received in 2020 (£22,993). The number of regular donors also increased substantially compared to 2021 (from 56 to 79, a 41% increase), as did the number of one-off donations (14 to 21, a 50% increase).

This is a welcome reflection of the work done in 2022, and of our efforts to ensure that regular calls for donations are included in our output, in particular on social media. However, it remains unclear what methods are most effective in encouraging individual donations. In 2023 we will conduct an assessment of our methods for fundraising from individuals in order to try to further increase the amount of income generated in this way.



The Libertarian Research and Education Trust

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Trustees' Report

●Statewatch in the EU

Objective: Establish a formal presence in EU jurisdiction to mitigate possible risks for our work caused by Brexit

Since the Brexit vote we have explored options for establishing a formal Statewatch presence within EU jurisdiction and now have a clear overview of what those options are and how to pursue them if deemed necessary. So far, the effects of Brexit have only caused minor procedural obstacles to our work, for example the ability to make requests for access to documents as a UK-based organisation. The option to establish a presence in EU jurisdiction remains open to us, if and when deemed necessary.

A more effective organisation

Objective: Ensure that Statewatch has the people, knowledge, skills and contacts needed to achieve its objectives

●Learning and development

Our strategic plan commits us to adopting a staff learning and development programme and individual learning and development plans for each member of staff. In practice, these goals have been met by keeping the question of learning and development as a standing item on our weekly staff meetings and in monthly one-to-one meetings between each member of staff and the director.

In 2022, Statewatch staff attended training courses on:

- engaging with the media;
- engagement with and influencing the UK parliament;
- outcome and impact measurement;
- project management in the voluntary sector;
- advocacy at the United Nations;
- the 'supportive approach' to fundraising; and
- online investigations.

Materials and resources provided during training courses are made available to all staff and volunteers for reference.

●Monitoring and evaluation

We monitor and evaluate our work regularly, on an overall basis and for individual projects, generally by measuring whether we have achieved intended outcomes. That information is provided to the Board of Trustees and is also included in the bi-annual newsletter sent to Friends of Statewatch.

In 2022 we also set up a collective "learning log" that we can use to record problems encountered and mistakes made in our work, in order to learn from them and improve in the future.

The Libertarian Research and Education Trust

known as Statewatch

Trustees' Report

- **Maintain and develop the Statewatch contributors group**

At the end of 2022 there were 49 people subscribed to the Statewatch contributors group. Excluding staff, trustees and the Director Emeritus, there are 38 'external' contributors in the group.

In October, 16 contributors from 10 states attended an online meeting, the first since 2020. This provided a valuable opportunity to reconnect with one another face-to-face (albeit virtual) and to share information and updates from across Europe and beyond.

Throughout the year, three analyses and one news article were authored by contributors. We also published an important collection of documents in collaboration with investigative journalists, on EU border agency Frontex's collection of personal data via "debriefing" interviews conducted at borders.

- **A more active and effective role in our networks**

In 2022 we continued to play an active role in the networks of which we are a member, European Digital Rights (EDRi) and Migreurop.

We worked with other EDRi members to analyse and formulate proposals in relation to the EU's Artificial Intelligence Act and the proposed expansion of the Prüm network of police databases, and also took part in the surveillance working group and the Resist Europol network that is hosted by EDRi.

Our longstanding membership also led to Chris Jones being invited to participate in the Decolonising Digital Rights (DDR) project in 2021, in which he continued as a core member throughout 2022, attending a plenary meeting in Italy in June, a working group meeting in November and the final plenary meeting in Morocco in November.

DDR will develop a programme of work aimed at challenging the structural causes of oppression and their manifestations within the digital rights field, to work towards a digital rights field in which all groups in society have their voices heard and which works to protect the digital rights of all. Participating in the process has provided an important way for us to reflect on our own work and practices and we expect the programme of work to provide a further means to do so. We will continue to engage with this work in the years to come.

We continued to hold the role of co-president of the Migreurop administrative council (CA, conseil administratif) throughout the year, participating in regular meetings of the CA and of other working groups. We contributed to the organisation of webinars, the drafting and editing of briefings, and make regular use of the network to share and obtain information. Yasha Maccanico attended the Sabir Festival in Italy in May, which provided a valuable opportunity to see other members of the network in person.

We continued to maintain close contacts with the German journal CILIP (Civil Liberties & Policing, or Bürgerrechte und Polizei). Yasha Maccanico and Chris Jones co-authored an article that was published in the March 2022 edition of the journal, 'Grenzüberschreitender Sicherheitstaat: die Europäische Union und ihre Krisen'.

The Libertarian Research and Education Trust

known as Statewatch

Trustees' Report

The relevance and importance of our work also saw us invited to speak at or attend multiple other events, meetings and conferences throughout the year. As well as those mentioned elsewhere in this report, these include:

- Colour of Surveillance, Amsterdam, September (conference)
- MIGRANTS HUMAN RIGHTS DEMOCRACY, 27 June - 3 July 2022, University of Palermo (summer school)
- Heinrich Böll Stiftung, London, November (roundtable)
- Distance & Convergence: re:constituting Democracy and the Rule of Law in Europe, Berlin, September (conference)
- Immigrazione e propaganda elettorale a venti anni della legge Bossi Fini, Associazione Diritti e Frontiere, online, September (meeting)
- Intersos, "States' sea rescue duties", online, November (training course)
- Lecture on Statewatch's work, migration and the Mediterranean for the Brown University anthropology and migration course, online, November
- Computers, Privacy and Data Protection, Brussels, 23-25 May (conference)
- Migreurop study day, La criminalisation des personnes migrantes solidaires, 9 December 2022
- Digital Freedom Fund: Access to justice in data protection cases 8 to the 9 of december 2022

We also developed contacts with Refugee Project Egypt and in October signed a joint statement that they coordinated, calling for an end to the arbitrary detention and forcible deportation of Eritrean asylum seekers in Egypt.

●Improving our communication

The question of communication was a regular topic of discussion amongst staff throughout 2022, but a lack of longer-term core funding means it remained impossible to recruit a member of staff to deal with the communication aspect of our work. However, we sought to use knowledge gained from training courses attended in 2021 to improve our use of social media, which remains a key tool for circulating our work and reaching new people.

The ability to recruit a member of staff to deal with communications would allow us to create more varied, attractive and appealing output (for example, through the use of graphics or video), would provide the organisation with the knowledge and expertise of someone specialised in communications (for example, in terms of how to address different audience), and would free up a substantial amount of staff time. Currently, the management of our social media accounts is undertaken by our researchers and the publication of material on our website is a responsibility shared between the researchers and the director.

The Libertarian Research and Education Trust

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Trustees' Report

Nevertheless, our audience continues to grow. Throughout the year the number of followers we had on social media grew substantially (particularly on Twitter), and the number of users of our website increased by 2% across the year, with more than 153,000 visits compared to just under 150,000 in 2021.

We believe that this growth can be explained by the quality, relevance and importance of our work, but in the longer-term it is evident that increasing our audience requires structured planning and relevant expertise amongst the staff.

Policy on reserves

At year end our reserves stood at £9,530. Reserves are held to meet any unexpected shortfall in income and to meet any necessary expenditure to protect or expand the trust's work. Trustees will endeavour to increase the reserves if income permits. Increasing staff wages is also a priority, subject to meeting our other legal commitments.

Risk analysis

1. Staff development and retention

Statewatch employees are employed part time and are highly skilled in our specialist field of work. Our priority is to retain and develop current staff. In 2021 we implemented an across-the-board pay increase of 10% and committed to introduce a further 10% increase in 2022, funding permitting. This was an important first step in bringing our salaries up to an adequate level for the sector.

2. Review and monitor action to reduce our projected pension deficit

We have an action plan in place with the Pensions' Trust, our pension provider, to reduce our deficit by paying additional annual contributions over ten years 2013 - 2023. The estimate from the Pensions Trust of employer liability on withdrawal is £6,069 (as at September 2022) and was £11,201 (as at September 2021).

Statement of trustees' responsibilities

The trustees (who are also the directors of The Libertarian Research and Education Trust for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Libertarian Research and Education Trust


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Trustees' Report

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

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

The financial statements on pages 30 to 41 were approved by the trustees, and authorised for issue on 5 September 2023 and signed on their behalf by:


.....
Jonathan Bloch
Company secretary and trustee

The Libertarian Research and Education Trust

known as Statewatch

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

I report to the charity trustees (who are also Directors for the purpose of company law) on my examination of the accounts of the The Libertarian Research and Education Trust ('the charitable company') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet and related notes on pages 30 to 41.

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

Responsibilities and basis of report

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

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

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the financial statements. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently I express no opinion as to whether the financial statements present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

Independent examiner's statement

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

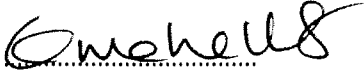
1. accounting records were not kept in respect of The Libertarian Research and Education Trust as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any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

The Libertarian Research and Education Trust

known as Statewatch

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

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



Kirsty Nicholls FCCA
Field Sullivan Limited
9 Hare & Billet Road
Blackheath
SE3 0RB

5 September 2023

The Libertarian Research and Education Trust

known as Statewatch

Statement of Financial Activities for the Year Ended 31 December 2022
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2022 £	Unrestricted £	Restricted £	Total 2021 £
Income and Endowments from:							
Donations and legacies	3	12,257	17,216	29,473	109,485	27,547	137,032
Charitable activities	4	14,807	-	14,807	2,747	-	2,747
Total income		27,064	17,216	44,280	112,232	27,547	139,779
Expenditure on:							
Charitable activities	5	(97,387)	(15,064)	(112,451)	(43,523)	(28,583)	(72,106)
Total expenditure		(97,387)	(15,064)	(112,451)	(43,523)	(28,583)	(72,106)
Gains/losses on investment assets		-	-	-	(46)	-	(46)
Net (expenditure)/income		(70,323)	2,152	(68,171)	68,663	(1,036)	67,627
Transfers between funds		-	-	-	(10)	10	-
Net movement in funds		(70,323)	2,152	(68,171)	68,653	(1,026)	67,627
Reconciliation of funds							
Total funds brought forward		77,701	-	77,701	9,048	1,026	10,074
Total funds carried forward	16	7,378	2,152	9,530	77,701	-	77,701

The notes on pages 33 to 41 form an integral part of these financial statements.

The Libertarian Research and Education Trust

known as Statewatch

**Statement of Financial Activities for the Year Ended 31 December 2022
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)**

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2021 is shown in note 16.

The notes on pages 33 to 41 form an integral part of these financial statements.

The Libertarian Research and Education Trust

known as Statewatch

**(Registration number: 08480724)
Balance Sheet as at 31 December 2022**

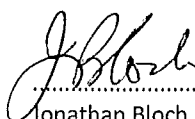
	Note	2022 £	2021 £
Current assets			
Debtors	10	2,875	2,353
Investments	11	-	1,076
Cash at bank and in hand	12	<u>16,577</u>	<u>88,233</u>
		19,452	91,662
Creditors: Amounts falling due within one year	13	<u>(3,852)</u>	<u>(2,760)</u>
Total assets less current liabilities		15,600	88,902
Provisions	14	<u>(6,070)</u>	<u>(11,201)</u>
Net assets		<u>9,530</u>	<u>77,701</u>
Funds of the charity:			
Restricted income funds			
Restricted funds		2,152	-
Unrestricted income funds			
Unrestricted funds		<u>7,378</u>	<u>77,701</u>
Total funds	16	<u>9,530</u>	<u>77,701</u>

For the financial year ending 31 December 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

The financial statements on pages 30 to 41 were approved by the trustees, and authorised for issue on 5 September 2023 and signed on their behalf by:



Jonathan Bloch
Company secretary and trustee

The notes on pages 33 to 41 form an integral part of these financial statements.

The Libertarian Research and Education Trust

known as Statewatch

Notes to the Financial Statements for the Year Ended 31 December 2022

1 Charity status

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

The address of its registered office is:

88 Fleet Street

London

EC4Y 1DH

These financial statements were authorised for issue by the trustees on 5 September 2023.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102) - Second edition October 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

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

Going concern

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

Exemption from preparing a cash flow statement

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

The Libertarian Research and Education Trust

known as Statewatch

Notes to the Financial Statements for the Year Ended 31 December 2022

Judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, the directors are 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 periods in which the estimate is revised where revisions affects only that period, or in the period of the revision and future periods where the revisions affects both current and future periods.

Income and endowments

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

Donations and legacies

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

Grants receivable

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

Expenditure

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

Charitable activities

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

Support costs

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

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Taxation

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

Current asset investments

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

Trade debtors

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

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

Cash and cash equivalents

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

Borrowings

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

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

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

Provisions

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

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Fund structure

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

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

3 Income from donations and legacies

	Unrestricted		Total 2022	Total 2021
	General £	Restricted £	£	£
Donations and legacies;				
Committed giving	11,003	-	11,003	6,905
Gift aid reclaimed	1,254	-	1,254	971
Grants, including capital grants;				
Network for Social Change	-	-	-	14,195
Transnational Institute	-	-	-	8,071
European Digital Rights	-	-	-	11,076
Garden Court	-	-	-	4,000
Privacy International	-	17,216	17,216	19,476
OSIFE	-	-	-	72,338
	<u>12,257</u>	<u>17,216</u>	<u>29,473</u>	<u>137,032</u>

4 Income from charitable activities

	Unrestricted	Total 2022	Total 2021
	General £	£	£
Service level agreement	12,540	12,540	-
Fees and supplies	540	540	937
Other income	<u>1,727</u>	<u>1,727</u>	<u>1,810</u>
	<u>14,807</u>	<u>14,807</u>	<u>2,747</u>

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Notes to the Financial Statements for the Year Ended 31 December 2022

5 Expenditure on charitable activities

	Note	Total 2022 £	Total 2021 £
Staff costs	8	69,497	55,894
Computer software and maintenance		5,856	2,805
Printing, postage and stationery		216	262
Trade subscriptions		1,173	1,169
Sundries		195	100
Project costs		5,795	-
Travel and subsistence		929	318
Support costs	6	28,790	11,558
		<u>112,451</u>	<u>72,106</u>

6 Analysis of support costs

Support costs

	Total 2022 £	Total 2021 £
Rent	7,765	5,937
Insurance	663	663
Accountancy	300	-
Independent examination	2,340	2,670
Consultancy	14,575	-
Legal and professional	2,832	2,041
Bank charges	184	247
(Gain)/loss on programme related investments	131	-
	<u>28,790</u>	<u>11,558</u>

7 Trustees remuneration and expenses

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

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

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Notes to the Financial Statements for the Year Ended 31 December 2022

8 Staff costs

The aggregate payroll costs were as follows:

	2022 £	2021 £
Staff costs during the year were:		
Wages and salaries	69,448	56,640
Social security costs	293	-
Pension costs	(577)	(1,316)
Other staff costs	333	570
	<u>69,497</u>	<u>55,894</u>

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

	2022 No	2021 No
Charitable activities	<u>4</u>	<u>4</u>

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

9 Taxation

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

10 Debtors

	2022 £	2021 £
Prepayments	1,621	1,203
Other debtors	1,254	1,150
	<u>2,875</u>	<u>2,353</u>

11 Current asset investments

	2022 £	2021 £
Unlisted other shares	<u>-</u>	<u>1,076</u>

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Notes to the Financial Statements for the Year Ended 31 December 2022

12 Cash and cash equivalents

	2022	2021
	£	£
Cash at bank	<u>16,577</u>	<u>88,233</u>

13 Creditors: amounts falling due within one year

	2022	2021
	£	£
Accruals	<u>3,852</u>	<u>2,760</u>

14 Provisions

	Pension contributions provision	Total
	£	£
At 1 January 2022	(11,201)	(11,201)
Credited to the statement of recognised gains and losses	<u>5,132</u>	<u>5,132</u>
At 31 December 2022	<u>(6,069)</u>	<u>(6,069)</u>

15 Related party transactions

There were no related party transactions in the year.

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Notes to the Financial Statements for the Year Ended 31 December 2022

16 Funds

	Balance at 1 January 2022 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2022 £
Unrestricted						
<i>General</i>						
General Funds	77,701	27,064	(97,387)	-	-	7,378
Restricted						
PI Project	-	17,216	(15,064)	-	-	2,152
Total funds	<u>77,701</u>	<u>44,280</u>	<u>(112,451)</u>	<u>-</u>	<u>-</u>	<u>9,530</u>

	Balance at 1 January 2021 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2021 £
Unrestricted						
<i>General</i>						
General Funds	9,048	112,232	(43,523)	(10)	(46)	77,701
Restricted						
OSIFE	736	-	(736)	-	-	-
PI Project	290	19,476	(19,776)	10	-	-
Transnational Institute	-	8,071	(8,071)	-	-	-
	<u>1,026</u>	<u>27,547</u>	<u>(28,583)</u>	<u>10</u>	<u>-</u>	<u>-</u>
Total funds	<u>10,074</u>	<u>139,779</u>	<u>(72,106)</u>	<u>-</u>	<u>(46)</u>	<u>77,701</u>

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

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

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

Transnational Institute - funding the production of a publication on the EU's new security budgets for the period 2021-2027.

17 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2022 £
Current assets	17,300	2,152	19,452
Current liabilities	(3,852)	-	(3,852)
Provisions	(6,070)	-	(6,070)
Total net assets	<u>7,378</u>	<u>2,152</u>	<u>9,530</u>

	Unrestricted funds General £	Total funds at 31 December 2021 £
Current assets	91,662	91,662
Current liabilities	(2,760)	(2,760)
Provisions	(11,201)	(11,201)
Total net assets	<u>77,701</u>	<u>77,701</u>

