

Company number: 4354366

Charity number: 1147471

Privacy International

(A Charity Company Limited by Guarantee, company number 4354366)

Audited Financial Statements

and

Trustees' Report

for the year ended 31 January 2019

Privacy International

(A Charity Company Limited by Guarantee, company number 4354366)

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Charitable company information

for the year ended 31 January 2019

Status:	Privacy International is a company limited by guarantee and a registered charity governed by its memorandum and articles of association. The directors of the charity are its trustees for the purposes of charity law and throughout this report are collectively referred to as the trustees.	
Charity name:	Privacy International	
Company registration number:	4354366 (England & Wales)	
Charity registration number:	1147471	
Registered office:	62 Britton Street London EC1M 5UY	
Operations address:	62 Britton Street London EC1M 5UY	
Trustees who held office during the year:	Heather Brooke	- Resigned 1 January 2019
	Barry Kernon	- Resigned 31 October 2010
	Eve Salomon	
	Peter Noorlander	
	Natalie Carsey	
	Benjamin Elihu Wizner	
	Helena Kaisa Inkeri Marttila-Bridge	- Resigned 9 January 2019
	Susan Gardner	
	David Victor Stephen Viney	
	Holly Marie Ruthrauff	- Appointed 1 January 2019
	Stephen Josef Tibbett	- Appointed 1 November 2018
	Antonio Michaelides	- Appointed 1 March 2019
Chairperson:	Eve Salomon	
Senior Statutory Auditor:	Anthony Armstrong FCA Armstrong & Co <i>Chartered Accountants & Statutory Auditor</i> 4a Printing House Yard Hackney Road London E2 7PR	
Solicitors:	Covington & Burling 265 Strand London WC2R 1BH	
Bankers:	Barclays Bank 1 Churchill Place London E14 5HP	

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Trustees' Report, incorporating the Directors' Report for the year ended 31 January 2019

1. INTRODUCTION

The Board of Trustees (who are also directors of the charity for the purposes of the Companies Act) submits their annual report and audited financial statement for the year ended 31 January 2019.

The Trustees confirm that the Annual Report and Financial Statements of the charity comply with current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (Charities SORP FRS102) "Accounting and Reporting by Charities" issued in 2014.

2. STRUCTURE, GOVERNANCE AND MANAGEMENT

Privacy International is a registered charity and a company limited by guarantee in England and Wales. The organisation is governed by its Articles of Association, incorporated on 16 January 2002. The Articles were updated in September 2014 to implement changes to reflect our charitable status (Charity Registration No: 1147471).

Privacy International's governing body is the Board of Trustees, which meets up to five times a year. The primary responsibility of the Board is to provide strategic leadership by formulating and reviewing Privacy International's strategic aims in consultation with staff, setting overall policy, regularly evaluating the charity's performance, and ensuring compliance with UK law.

At any one time the number of Trustees shall not be less than five, and no more than nine. New Trustees are recruited through an open application process. Appointments are made not only on the basis of individual merit, but also taking into consideration the existing expertise and experience of the Trustees.

New Trustees receive information on Privacy International's work, their duties as Trustees, and take part in induction meetings with the Executive Director and other members of the Privacy International staff.

Trustees

The Trustees of the charity who held office during the year are set out on page 3.

Financial controls

Privacy International continues to seek to strengthen our financial management systems, as the organisation grows and our responsibility to donors, partners and other key stakeholders increases.

All expenditure is carried out with reference to Privacy International's multi-year strategic plan and annual workplan, as approved by the Board prior to the start of each fiscal year. Financial procedures have been developed to monitor and evaluate the charity's finances. This includes quarterly management accounts, which are prepared for review by Trustees, prior to each meeting of the Board.

The Board is assisted in taking decisions relating to budgeting and forecasting by the Finance and Audit Committee, which consists of three Trustees including the Treasurer. The Committee is responsible for recommending finance management policy to the Board and ensuring that existing policies are implemented. The audit function of the Committee is to consider the adequacy of risk management, internal controls, and governance.

Risk management

Risk management is an essential part of the operations of Privacy International and a key responsibility of the Board. A Risk Management Policy and framework is in place for managing business risks. Trustees review the major risks to which the Trust is exposed, and the measures taken to mitigate them, at their meetings. The executive team reviews these risks regularly during the year and risks are identified and monitored for each area of operation as well as for major projects and significant new activities.

The risk register has been developed with reference to the UK Charity Commission and National Audit Office guidance and UK Charity Law and is regularly updated and reviewed by the Board.

Whistle-Blowing

Privacy International is committed to maintaining the highest standards of integrity, honesty and professionalism in the workplace and to complying with its legal obligations. Whilst Privacy International makes every effort to ensure that its business is conducted according to these standards, employees may be aware of, or suspect, certain failings or wrongdoings within the organisation and they are encouraged to alert the organisation to such concerns so that they can be remedied. Information from concerned third parties is a very important element in detection, especially of corruption where formal controls can be made ineffective by collusion.

The whistle-blowing policy was approved by the Board in 2017 and applies to all employees, volunteers and contractors, both in the UK and overseas.

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Remuneration Policy

The remuneration of staff is guided by the Competency Framework as set out in the organisational Staff Handbook, outlining roles and responsibilities, ensuring that each employee is rewarded in line with the level of their role and our overall remuneration structure. The remuneration of the Executive Director is decided by the Board of Directors.

3. OBJECTIVES AND ACTIVITIES

Privacy International's objects are to promote privacy as a human right (as set out in the Universal Declaration of Human Rights) throughout the world, specifically:

- a) To raise awareness of, to conduct research about, and to provide educational materials regarding threats to personal privacy;
- b) To monitor and report on surveillance methods and tactics employed against individuals and groups;
- c) To work at national and international levels towards the provision of strong and effective privacy protections;
- d) To monitor the nature, effectiveness and extent of measures to protect privacy, and to seek ways through information technology to protect personal information.

Mission

Privacy International is committed to fighting for the right to privacy for everyone, everywhere.

We challenge governments' powers by advocating and litigating for stronger protections for people and safeguards against abuse. We lead research and investigations into surveillance practices and systems in countries across the world to shine a light on powers and capabilities, and to instigate and inform debate. We advocate for good practices and strong laws worldwide to protect people and their rights. We equip civil society organisations across the world with the resources, knowledge, and expertise to increase public awareness about privacy. We investigate how our technologies betray us by generating data for exploitation by others. We explore the necessary legal and technological frameworks to protect against data exploitation. We raise awareness about technologies and laws that place privacy at risk, to ensure that the public is informed and engaged.

Vision

Privacy is a fundamental right, increasingly essential to freedom everywhere.

People and societies cannot thrive when subjected to the potential of scrutiny. A modern democratic society is one where people are secure from arbitrary and excessive interference with their lives. Privacy is essential to the protection of autonomy and human dignity, serving as a foundation upon which other rights are built. Individuals' capabilities to protect their privacy are core conditions for human development.

Legacy

Privacy International has been at the forefront of discourse and debate on privacy, technology and human rights since 1990. We entered this field when the internet was still in its infancy, and police surveillance meant stationing officers outside a suspect's home. Privacy was a poorly understood concept.

Our longevity means that we are uniquely placed to understand the complex and changing relationship between technology and human rights. Now the issues we are working on are growing more pressing and urgent. Privacy continues to rise on policy agendas across the world and we are prepared to engage.

We developed a framing of privacy as a essential to freedom, a protector of human dignity, an enabler of autonomy. Surveillance is a power generator and magnifier. We have identified modern surveillance systems -- increasingly secretive and non-consensual -- as key enablers of social, economic, and political control and sought reform. We've uncovered how powerful and often secretive institutions, in both the public and private sectors, are working to generate and collect intelligence on us all. Our work has been to promote and defend privacy as the necessary counter-balance to this enormous power.

4. PUBLIC BENEFIT

Direct beneficiaries of our work are i) the general public across the world through our advocacy and awareness raising, and ii) public interest civil society organisations across the world through our capacity-building and support.

Privacy International communicates with the public through our educational tools and media engagement that highlight the importance of privacy in a technology-laden democratic society. Our research and investigations help inform the public about the risks to privacy, often secret, and the power imbalances that arise. Our advocacy, whether in policy fora or before courts and administrative bodies, aims to strengthen the necessary legal and technological protections and create new safeguards for new challenges posed by changing policies and technologies. Through our campaigning strategies, we continue to seek new ways to engage with the public, to inform them of new developments and to involve the public in our work.

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We are building the global movement for privacy. We work extensively with public interest civil society organisations and human rights defenders across the world, particularly in the Global South, to strengthen their capabilities to communicate, educate, conduct research, and advocate for greater protections for people in their countries and regions. We also work to strengthen their risk mitigation capacities.

In setting our annual workplan, the Board of Trustees have regard to both the Charity Commission's general guidance on public benefit, and the promotion of human rights for the public benefit. The Trustees confirm that they have complied with section 17 of the Charities Act 2011 and are satisfied that the aims and objects of the charity, and the activities reported on to achieve those aims, meet these principles.

5. ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE IN 2018

In accordance with the strategic plan in place for the year, PI has worked to pursue work across three multi-year programme areas:

- (I) Contesting Surveillance Programme – uncover innovations in surveillance capabilities and powers, modernise legal safeguards, and promote protections globally;
- (II) Building a Global Privacy Movement Programme – lead national and international advocacy and investigations and build capacities within our international network of civil society organisations;
- (III) Data Exploitation Programme – identify the next generation of legal and technical safeguards necessary to protect privacy in the future, and curb excessive data generation and processing.

We have continued working to build a stronger and more resilient organisation, worked on improving our internal processes and controls to protect against potential risk areas and on matching Privacy International's technology infrastructure with our advocacy objectives. We shared these experiences and tools with other civil society organisations across the world.

5.1 Contesting Surveillance

Surveillance is a significant power generator for governments and is enabled in most countries through relationships with the private sector. Governments use powers in secret and are resistant to implementing protections.

Throughout 2018, we continued to work on assuring civil society organisations, journalists, and other key stakeholders across the world had access to the latest knowledge and deeper understanding of surveillance capabilities. We monitored surveillance practices and legal and policy developments, conducted research, developed analysis pieces, provided policy and advocacy briefings and produced public-engagement materials. We continued to lead global debates (e.g. on the role of rich governments in advancing surveillance globally, how intelligence agencies datasharing undermines oversight), pressured for stronger protections (e.g. litigation and advocacy on government hacking powers) and sought greater transparency (e.g. on the procurement and deployment of surveillance technologies).

Going forward we will focus our energies on limiting the transfer of technologies from rich countries to repressive regimes through 'following the money', through litigating against extensive powers with weak oversight and highlighting the use of surveillance in the most egregious forms of government abuse.

Increasing levels of evidence about surveillance

State sponsors of surveillance

We have been conducting open-source research to collect data on US, European and Chinese authorities transferring surveillance capabilities around the world. The initial research, released in July 2018, 'Teach 'em to Phish: State Sponsors of Surveillance', features new data and examples, and an overview of the main private companies involved. The report includes policy recommendations, supported by comic strips explaining the issue which were shared across PI's site and social media. The report received over 850 interactions on social media, and was featured in media including Netzpolitik, Al-Jazeera, and the New York Times. Following the report, we published an open source guide to researching transfers of surveillance capacities, containing links to sources including procurement databases, audit and budgetary reports, and export licensing data and explanatory materials. The guide has been widely shared with PI's network of partner NGOs, and with individual journalists seeking advice, for example, with PoliticsHome, which has since published articles on UK exports of surveillance technology to authoritarian states featuring comments from UK parliamentarians.

Government Hacking

Following the launch of our legal analysis (2017) describing necessary safeguards and international legal framework relating to government hacking, PI participated in an interactive dialogue with the UN Special Rapporteur on the right to privacy at the 37th Ordinary Session of the Human Rights Council in Geneva. We highlighted the growing trend of governments embracing hacking to facilitate their surveillance activities and recommended the development of a human rights analysis of government hacking for surveillance purposes, with the view to forming specific recommendations based on international human rights law.

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Emerging surveillance technologies

In early 2018, PI published 'Digital stop and search' report, examining the use of 'mobile phone extraction' tools by the UK police, which enables them to download all of the content and data from people's phones. The report, accompanied by video interviews with the public, relied on FOIA requests to 47 forces (of which 42 responded), and exposed a potentially unlawful regime operating with UK police forces using inconsistent legal basis, acting without clear safeguards for the public, and with no independent oversight to identify abuse and misuse of sensitive personal information. The report was covered, among others, by the BBC, the Telegraph, and the Daily Mail. Following the report, PI sent a briefing to the Information Commissioner's Office (ICO), issued a formal complaint, and called for a formal investigation into the issue. The police in Scotland were forced to answer questions and concerns to an oversight committee on the topic and have subsequently sought additional legal advice prior to rolling out the use of such devices across Scotland. In response to Privacy International's complaint, the ICO instituted an investigation into police use of mobile phone extraction. That investigation is ongoing.

Following this work, Privacy International launched a campaign "SpyPolice" and "Neighbourhood Watched" (May 2018), which focussed on a range of policing technologies, from facial recognition to devices called "IMSI-catchers" (network surveillance tools). In addition to our publications (and the media attention these generated), we've organised training workshops with police action groups, legal societies and law firms across the UK on mobile phone extraction, tech and data sharing, hacking, as well as the use of data on "Internet of Things" devices as forensic evidence. The materials serve as toolkits for activists, so that others can replicate our work.

In July 2018, PI published an analysis showing multiple law enforcement and security agencies seeking to purchase IMSI catchers and other advanced surveillance technology during the anti-corruption and student protests in Bangladesh. Bangladeshi authorities have publicly stated that they were using such tools to identify protestors and journalists in the run up to recent elections.

In August 2018, represented by Liberty, PI filed a complaint before the UK Information Tribunal challenging the UK government's refusal to disclose records related to its purchase and use of IMSI catchers. As part of the filing, we produced a number of materials to educate the public about IMSI catchers and the government's refusal to disclose information about this intrusive technology. Privacy International's work on this issue forced the UK government to include the National Police Chiefs' Council on the list of bodies subject to the UK Freedom of Information Act. The Tribunal has scheduled a substantive hearing on the complaint for late August 2019.

Secret surveillance networks

In April 2018 PI published the results of its research project on the human rights implications of intelligence agencies' sharing data beyond democratic oversight. The report is a follow-up to our outreach to oversight bodies done in September 2017 - in collaboration with over 30 human rights organisations, we sent a briefing and questionnaire to intelligence oversight agencies in over 40 countries. The 150-page report features legal analyses, policy recommendations, and an annex containing the responses from the oversight agencies, which found alarming weaknesses in the oversight arrangements that are supposed to govern the sharing of intelligence between state intelligence agencies. Following the publication of the report, PI produced separate policy briefings aimed at UK and international policy makers, wrote to UK authorities following the admission of the Prime Minister that intelligence sharing led to the torture of Abdel Hakim Belhaj and Fatima Boudchar, and published a joint briefing with the International Network of Civil Liberties Organisations (INCLIO). PI's concerns and recommendations were supported by the UN Special Rapporteur on the Right to Privacy, who stated that "I would here like to endorse Privacy International's recommendation to make intelligence-sharing agreements open to public debate and scrutiny, and establish a strong safeguard and oversight system in the Investigatory Powers Act to ensure that intelligence-sharing is subjected to the same standards of privacy-protection". In November 2018, oversight agencies from five countries published a joint statement discussing the risk of an oversight gap and ways to tackle this risk when overseeing international data exchanges by intelligence and security services. PI is looking to build upon this engagement with oversight agencies from around the world, including through participation in the UN Special Rapporteur's workshops on intelligence oversight.

In October 2018, Privacy International submitted to the public consultation on the "Consolidated Guidance to Intelligence Officers and Service Personnel on the Detention and Interviewing of Detainees Overseas, and on the Passing and Receipt of Intelligence Relating to Detainees" ("Consolidated Guidance") held by the Investigatory Powers Commissioner's Office. The consultation was held following the publication of a report in 2018 by the Intelligence and Security Committee of Parliament documenting hundreds of cases where UK officials shared or received information with foreign partners despite knowledge that those partners were committing or likely to commit torture or cruel, inhuman or degrading treatment. The submission provides background on the relationship between intelligence sharing and serious human rights abuses as well as the documented relationship between UK intelligence sharing and such abuses. It also explains why the Consolidated Guidance provides insufficient assistance to UK agencies when considering the human rights implications of intelligence sharing, including its relationship to torture or cruel, inhuman or degrading treatment, reviews why the "assurance process" as it pertains to intelligence sharing is inadequate and discusses the need for an establishment of a notification requirement.

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Surveillance industry complex

PI has continued to campaign for a new EU regulation which, it is hoped, will compel member states to be more transparent around which surveillance technology they export and to who, and require them to stop exports which risk human rights. Together with NGOs around the world, we published analyses and recommendations aimed at EU institutions and worked to apply pressure on member state governments who are opposed to such reforms.

As part of our campaign to reform export control laws globally to limit the export of surveillance equipment where there is a risk it will be used for human rights abuses, PI continued to highlight examples of such exports. In March 2018, PI obtained data through freedom of information laws showing that the Finnish authorities have authorised 85 licenses allowing the export of advanced telecommunication interception devices known as IMSI Catchers around the world, including to Mexico, the Philippines, and the UAE - countries in which authorities have targeted activists and journalists with commercial surveillance tools. Following a letter sent to Finnish authorities, we received a response saying that they have rejected the most licenses in the EU, are supportive of increased transparency measures within EU regulations - a key demand from PI and other civil society - but that the government was not in favour of tightening other rules. The data was featured across radio, TV and online by the Finnish public broadcasting outlet, and in English by Motherboard.

Following disclosures about the export of mass internet surveillance technology by Britain's largest arms company from Denmark, Danish Parliamentarians in November adopted a report requiring the government to "seek ways to tighten up the administrative procedure and practice" of controlling exports of surveillance technology and "ensure that Denmark is among the most restrictive countries in the EU". BAE Systems' General Counsel was pressed about the reports by the UK's parliamentary committee overseeing arms exports, who made a commitment to export all such tools from the UK rather than Denmark. PI briefed relevant parliamentarians on the issue before and gave written and oral evidence to the Committee in February 2019 concerning BAE and surveillance exports. PI's evidence highlighted that since 2015, nearly 300 licenses have been approved by UK authorities to export mass internet surveillance and phone interception tools around the world, only 21% of which are considered "Free" by Freedom House's 2018 global report on political rights and civil liberties.

In June 2018, PI revealed that the media and data company Thomson Reuters has aggregated population-scale data and is selling access to the US Immigration and Customs Enforcement (ICE) agency, the authority responsible for implementing the US government's zero tolerance immigration policy, including the separation of families and indefinite detention. Our findings and exchange of letters with Thomson Reuters were featured by the Intercept. Subsequently, PI published a report documenting other companies working with ICE to provide data and surveillance technology, which was featured by Fast Company.

For eighteen years PI has been pushing back against government laws that require telecommunications service providers to retain logs on transactional data on locations, interactions, and websites, i.e. communications data retention. On 25 June 2018, Privacy International joined over 60 NGOs, community groups, and academics across the European Union to file complaints to the European Commission, calling for the EU governments to stop requiring companies to store all communications data for law enforcement purposes. Complaints have been filed in 11 EU Member States: Belgium, Czech Republic, France, Germany, Ireland, Italy, Poland, Portugal, Spain, Sweden and United Kingdom. As part of this continuing pressure, in November 2018, PI filed a submission at the European Court of Justice in the case of *La Quadrature du Net, and the Fédération FDN and others v France*, which challenges the retention of personal data under French law. The hearing in the case is scheduled in September 2019.

Surveillance and the Rule of Law: Strategic litigation and advocacy

It is of critical importance to ensure that the rule of law applies when governments deploy covert surveillance. Otherwise extensive abuses of democratic rights can arise. This is particularly risky as technologies change. PI continues to pursue a series of cases through courts and tribunals and continue to contribute to others through interventions.

Case: The Queen on the application of Privacy International v. Investigatory Powers Tribunal (Hacking judicial review)

In 2016 we filed a judicial review of the Tribunal's finding that GCHQ had authority to seek general warrants to hack domestically. Our claim is that this finding is contrary to English common law, which has long prohibited general warrants, and that general warrants violate Article 8 of the European Convention on Human Rights, which protects the right to privacy.

After the first court ruled it had no jurisdiction to hear the case, we lodged an appeal to the Court of Appeal, which upheld the High Court's decision that it had no jurisdiction to hear the judicial review. The permission to appeal to the Supreme Court was granted in March 2018, and the Supreme Court heard oral arguments in December 2018.

At issue before the Supreme Court was the UK Government's dangerous submission that decisions of the Tribunal are not reviewable by the ordinary UK courts. The case generated a large interest from legal community, as one challenging the lack of right to appeal a decision by the Tribunal - the ordinary courts exist to correct legal errors and to prevent specialist tribunals from operating without accountability. This principle is particularly critical in the surveillance context, which, because of its inherent secrecy, has long presented acute accountability challenges.

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In May 2019 The UK Supreme Court agreed with Privacy International that the Tribunal tasked with overseeing the UK intelligence services cannot escape the oversight of the English High Court. The Government's reliance on an 'ouster clause' to try to remove the Tribunal from judicial review failed. The judgment confirms hundreds of years of legal precedent condemning attempts to remove important decisions from the oversight of the ordinary courts.

Following the judgment of the Supreme Court, the High Court will examine the merits of our initial challenge on the UK Government's use of general warrants to hack inside and outside the UK.

Mass surveillance

In July 2018, The UK Investigatory Powers Tribunal ruled that, for a sustained period, successive Foreign Secretaries wrongly gave GCHQ unfettered discretion to collect vast quantities of personal customer information from telecommunications companies, meaning that in effect a decade's worth of secret data capture has been held to be unlawful. The unlawfulness would have remained a secret but for Privacy International's work: the Tribunal praised PI's legal team for its dedication and valuable inquisitiveness, whilst also noting the constant necessity of both PI and Counsel for the Tribunal to probe and consider the issues.

Subsequently, it was also revealed during proceedings that the UK's domestic intelligence agency MI5 had captured and read PI's private data as part of its Bulk Communications Data (BCD) and Bulk Personal Datasets (BPD) programmes, which grabs massive amounts of the public's data. In further legal disclosures, it was revealed that all three of the UK's primary intelligence agencies - GCHQ, MI5, and MI6 - had unlawfully gathered data about Privacy International or its staff. We highlighted the disclosures and need for reform in an op-ed in the New Scientist and a letter to the Home Secretary. The incident was widely covered in the media, including in Bloomberg, and led to parliamentary questions. We are currently awaiting more information to be provided by the Tribunal.

In September 2018, the European Court of Human Rights issued a landmark decision in our case challenging UK mass interception of internet traffic and access to the intelligence of foreign partners. While the judgement found the UK bulk interception regime to be unlawful under Articles 8 and 10, it sanctioned mass surveillance as being acceptable in principle. The judgment also approved of the current form of the UK-US intelligence sharing regime. Due to the mixed nature of the judgment, Privacy International and the other claimants asked the Court to reconsider its ruling before the Court's Grand Chamber. In January 2019, the Court accepted our request for referral to the Grand Chamber. Our written submissions and oral arguments are planned for mid-2019.

5.2 Building a Global Privacy Movement

Since 2009 PI has been building the capacity of civil society across the world to engage on privacy and surveillance issues. Today our partner organisations are global leaders on these issues and are considered key to the policy processes in their countries. Privacy is now regularly recognised as a fundamental human right, with greater legal safeguards, richer jurisprudence, and repeatedly articulated at international bodies. PI has developed processes around regranteeing, organisational strengthening, and education that have been subject to evaluations with positive results.

The focus of the programme in 2018 continued to be building the capacity and engaging with partner organisations in Argentina, Brazil, Chile, Colombia, India, Indonesia, Jordan, Kenya, Lebanon, Mexico, Pakistan, Paraguay, Philippines, Uganda and South Africa.

Going forward, we will work with our partners in a broader set of domains, as we learn from their own ground-breaking work on issues that PI is returning to, such as identity, targeting, and social exclusion.

Building evidence base

Throughout 2018 PI continued to support its partners by providing them with the resources, expertise and knowledge to produce research and analyses on privacy and related issues to inform and engage in policy discourses to explore and promote the governance of data.

Research

In 2018, we explored the question of identity and privacy from the angle of security and exclusion by undertaking original research how identity schemes can lead to a deepening, not lessening, of social exclusion, including case studies on identity systems in Chile and India. PI also undertook a scoping exercise on gender and privacy, "From Oppression to Liberation: Reclaiming the Right to Privacy". It presents how the right to privacy has been appropriated by patriarchal systems of oppression and has been used to harm women and gender queer people. Through exploring of various issues, including identity, online gender-based violence, sexual and reproductive rights, it also outlines the way surveillance is a key tool in the perpetuation of patriarchy and systems of oppression.

In 2018, with the support from Privacy International, our partners in India, Chile, Colombia, Argentina, Pakistan, Brazil, Paraguay and Lebanon undertook research on what data protection means in the Global South and what are the regulatory mechanisms that can be used in environments where there are weak laws and governments. Partners in India, Argentina, Kenya, and Pakistan researched identity systems and biometrics in the global context. Communications surveillance remained a key area of research for partners in Mexico, Chile and South Africa, but with some expanding the concept of 'surveillance' to other practices including

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the use of CCTV and the deployment of smart city infrastructure in South Africa, Argentina, Chile and Brazil. Partners in Lebanon and Chile explored the intersection of privacy and gender through research on online and offline privacy threats to women and LGBTIQ communities, and in Brazil conducted a feminist analysis of consent in current power structures. Partners also undertook research on health care records as part of government citizen folder programmes in Colombia, the compliance of the telecommunications industry with privacy in Uganda and Indonesia, and gender-sensitive research into 'safe' smart city projects in Pakistan.

Capacity building and Education

PI believes the most effective and sustainable way to achieve change in countries across the South is to support partner organisations who are already embedded, with their networks and reach. These organisations need to be strengthened and need assistance in understanding and acting upon issues of relevance to them, PI, and our domain generally.

In 2018, PI contributed to building partners' capacity by conducting trainings and information sessions in data protection, campaigning and advocacy, ID and biometrics, artificial intelligence, big data, machine learning, counterterrorism and cybersecurity, gender and privacy, risk management and threat modelling, results-based reporting and monitoring and evaluation.

In order to support the efforts of partners and other CSOs while advocating for strong privacy safeguards, where a key component is a data protection law, PI developed and published a guide for civil society on data protection frameworks titled "The Keys to Data Protection: A guide for policy engagement on data protection". The tool provides the basis to advocate for comprehensive, enforceable data protection laws to hold the public and private sector accountable and is intended to help organisations and individuals improve their understanding of data protection by providing a framework to analyse various provisions which are commonly presented in a data protection law. The guide was shared with leading advocates in the field including the UN Office of the High Commissioner for Human Rights who referenced it in their annual report published in September 2018 dedicated to the right to privacy in the digital age.

5.3 Data Exploitation

Though PI has been targeting industry since the 1990s, in 2015 we returned to the field by developing a new programme around data exploitation. Before our interventions, human rights organisations ignored the role of industry and consumer protection organisations focused on data that individuals knowingly shared with companies. Our development of the framing around 'exploitation' of data, involving data over which people have no control, that is taken without knowledge, processed often on scales previously unimaginable – though risky in 2015, has become a well-understood phenomenon today.

PI is now a well-recognised actor in this field with our unique approach allowing us to engage in debates as wide as around profiling and AI systems, Internet of Things, data-sharing on mass scales, and around security and control. The past year has been very dynamic for the Data Exploitation programme. Following the strategic revision of the programme, 2018 focused on GDPR, challenging corporate surveillance, emerging technologies of data exploitation, policing, next generation of data protection frameworks, and AI in China.

Going forward this framing is core to everything we do at PI.

Engaging with regulators

Year of GDPR

With the General Data Protection Regulation (GDPR) coming into effect in May 2018, Europe's data protection guidelines were undergoing their biggest change in decades, threatening huge fines for businesses that don't comply. However, the regulation will only lead to lasting changes if it is interpreted and enforced as strongly as possible. Since we are based in the UK, and the ways in which GDPR is implemented in the UK has implications for how we can use the law, we decided to advocate for a strong interpretation of GDPR in the UK.

PI made recommendations on how to strengthen the Data Protection Bill at all stages in the legislative process. We met with MPs and Peers in the House of Lords to explain our concerns and recommendations. The issues we raised contributed to two amendments in the Bill - first, the introduction of a transparency provision around National Security Certificates (exemption bodies from data protection provisions) - these will now be notified to the regulatory authority; and second, the introduction of a review clause around collective redress. Where the Bill included provision for a review of the introduction of Article 80(2) of GDPR in 30 months - this would allow qualified NGOs to take data protection cases without the mandate of data subjects. Whilst these do not go as far as we would have liked, they are steps in the right direction.

As a result of our public-facing campaign and policy work, PI was invited as a trusted expert voice to a number of European meetings, including High Level meeting re GDPR implementation, Privacy Shield and ePrivacy with Vice President Andrus Ansip and Commissioner Jourova and GDPR Multi-stakeholder Expert Group meeting convened by the European Commission (March 2018).

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Artificial Intelligence

AI has the potential to revolutionise societies in positive ways. However, as with any scientific or technological advancement, there is a real risk that the use of new tools by states or corporations will have a negative impact on human rights.

In April 2018 PI together with Article 19 published a publication on Privacy and Freedom of Expression in the Age of Artificial Intelligence. In this document we articulated our policy position on AI and privacy. In October, together with Article 19, the global free expression charity, we organised a side event during the UN General Assembly in New York. The event was attended by diplomats, UN officials and other civil society organisations and the US magazine The Outline, called our report a "30-page document that contains everything you need to know about AI".

In August 2018, the UN High Commissioner for Human Rights published its report on the right to privacy in the digital age, recognising the potential human rights risks of AI's applications. In September we participated in a side event at the UN Human Rights Council in Geneva, organised by the government of South Korea and the UN where we spoke about the privacy implications of AI. In December 2018, the UN Research Institute for Social Development published a blogpost articulating our concerns.

PI advocated for the UNGA to reflect on the privacy's implications of AI. We submitted written memos to Germany and Brazil (the main drafters of the UNGA resolution) and coordinated with other states and civil society. In November 2018, the 3rd Committee UNGA adopted by consensus a resolution on the right to privacy in the digital age. For the first time, the UNGA included specific human rights language on AI. The resolution reflects some of the key recommendations by PI. In particular the resolution expressed concerns that AI's applications can negatively affect the enjoyment of human rights. It also calls on companies to incorporate right to privacy "into the design, operation, evaluation and regulation of" AI and to provide effective remedies.

Challenging corporate surveillance

Cambridge Analytica/Facebook scandal

We used the breaking news story about the extent of data accessed from Facebook by the election data firm Cambridge Analytica to highlight the systemic nature of data exploitation beyond the wrong-doings of a single company. We engaged in global press coverage of the scandal (including BBC World News, FT, the Guardian, DeutscheWelle etc.), as well as live TV and radio interviews (BBC News, Al Jazeera, CNBC, Sky). PI gave live interviews and provided comments on data privacy and GDPR to high profile publications in Europe, Kenya, UK, and US. We also hosted a keynote on Cambridge Analytica and data exploitation in front of an audience of 2,000 people at re:publica in Berlin. CNBC aired our list of demands during a live interview.

Due to the scandal being widely public, our prior investigation into the role played by paid advertising on social media in political campaigning in highly contested 2017 Kenyan presidential elections, continued generating significant amount of attention, both from media and from communities of interest, like election experts, legislators and others, bringing additional context to the problem of practices of firms like Cambridge Analytica to light. This also raised the profile of our partner organisation in Kenya (CIPIT).

Data broker industry and ad-tech companies

Data brokers and ad tech companies are at the core of data exploitation. They operate behind a veil of secrecy - consumers don't even know that they exist. They profile individuals without their knowledge or consent. They form the core of a highly complex advertising industry that is built around corporate surveillance of everyday life.

Post-GDPR it has become more challenging for data brokers to comply with data protection laws.

We filed complaints against data brokers (including Acxiom and Oracle), ad-tech companies (Criteo, Quantcast, Tapad), and credit referencing agencies (Equifax, Experian) with data protection authorities in France, Ireland, and the UK, where we urged the data protection authorities to investigate these companies and to protect individuals from the mass exploitation of their data. The complaints were based on over 80 subject access requests in different European jurisdictions, a legal analysis of the profiling and automated decision-making provisions in GDPR, desk research on the data sources of data brokers as well as analyses of the privacy policies of the ad tech companies (Quantcast, Tapad and Criteo), as well as the data brokers (Acxiom, Experian, Equifax and Oracle).

The complaints were accompanied by a public campaign called "Uncovering the hidden data ecosystem." Phase one of this campaign was launched the day that the GDPR entered into force. In November, on the day we filed the complaints, we launched a campaign "Tell companies to stop exploiting your data!", in which we asked people to demand that companies delete their data – it included an advocacy briefing, a feature, videos, an explainer graphic, a quiz and a number of timelines of abuse, which highlight tech companies (Experian, Acxiom, Equifax, Apple, Google, Facebook and Uber) doing bad things. Our complaints have raised awareness about the ways in which these companies exploit people's data - through media coverage in the EU and in the US, for instance by the Financial Times, Fortune, The Times and WIRED. Our feature called "I asked an online tracking company for all of my data and here's what I found" was upvoted more than 11,000 times on Reddit and generated over 820 comments.

Third-party tracking on Android

In December 2018, we revealed how some of the most widely used apps in the Google Play Store automatically send personal data to Facebook the moment they are launched, even if you don't have a Facebook account or are logged out of the Facebook platform.

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This research was launched in front of an audience of 2,000 people during a keynote at conference Chaos Communication Congress (CCC) in Leipzig and was accompanied by a report with a comprehensive legal analysis and full documentation of the data that each of the app we have tested shared with Facebook.

Our research has resulted in global press coverage and was featured, among others, by the Financial Times, Le Monde, Süddeutsche Zeitung, FOX News, the Boston Globe and the Hindustan Times. Most notably, we also reached a more technical audience: our talk at CCC has been viewed more than 43,000 times, we were covered by threatpost, a leading news source on IT security, and a story on LifeHacker received over 250,000 views and we have received numerous requests from civil society organisations from around the world to replicate our work. A recent example is the NGO MedConfidential used our tool to analyse medical apps that are recommended by the NHS in the UK.

More than two thirds of the apps we tested have released updates after we alerted them about our report. In March 2019, we found that two-thirds of all apps we retested, including the travel app Skyscanner (10,000,000+ installs in the Google PlayStore), Spotify (100,000,000+ installs), MyFitness Pal (50,000,000+ installs) and KAYAK (10,000,000+ installs), have updated their apps so that they no longer contact Facebook when you open the app. This will positively affect the privacy of hundreds of millions of Android users globally.

Engaged communities of interest, including media

We need to work with other NGOs outside the digital rights context as they are increasingly faced with problems that are at the core of our work on data exploitation.

Data broker industry – collaboration with other organisations

An important part of our campaign on data broker industry was coordination and joint action with other civil society actors. We coordinated with Polish NGO Panoptikon to write a joint letter to the Polish DPA copying the complaints and raising this issue in Poland. To foster further collaboration in this space, we held a workshop on investigating the data ecosystem at the Digital Freedom Fund's litigation retreat in Montenegro in July.

GDPR – sharing the expertise with others

In the weeks leading up to GDPR's launch day on May 25, 2018, we initiated and launched two campaigns with Trans-Atlantic Consumer Dialogue (TACD), asking for US-companies to comply with GDPR globally. We sent letters to some of the world's largest companies – including Facebook, Google and Amazon, as well as digital advertisers like Nestle, Walmart and JPMorgan Chase – to use Europe's impending General Data Protection Regulation (GDPR) regime as a baseline standard worldwide for all of their services, including in the U.S. We also led and coordinated a 'GDPR taskforce' within TACD's InfoSec Group, to coordinate GDPR action amongst consumer and digital rights organisations across EU and US. One of the main purposes of the group was to educate others on GDPR and to advocate for strong global implementation of GDPR by companies.

We were heavily-relied upon as an expert resource for journalists in the EU and the US on the international application of data protection. On May 25 alone, we were quoted by the BBC, the FT, The Sun, the Washington Post and appeared on Al Jazeera and BBC News. We also helped several journalists to access their own data and write stories around this. On 25 May we published two explainers on the global reach of GDPR: one for companies and one for people.

A crucial part of our GDPR work was to support interventions and GDPR actions by other NGOs. Off the back of an analysis conducted by the Norwegian Consumer Council's (NCC) and their report entitled 'Deceived by Design' (to which PI provided legal input), in June 2018 PI joined NCC and several other consumer and privacy groups to ask European data protection authorities to investigate whether the companies are acting in accordance with GDPR.

New audiences and communities

PI partnered with the University College London (UCL) Internet of Things Research Hub to look at how IoT devices can affect victims of domestic & sexual violence and abuse. We took part in a series of workshops organised by UCL to build relationships and learn from organisations that work on the frontlines of domestic violence. Insights from this workshop continue to inform our work on gender more generally. The findings of the workshops have also resulted in a guide titled "How internet-connected devices can affect victims of gender-based domestic and sexual violence and abuse" which builds a picture of how smart devices may make life worse for people facing intimate harassment, surveillance and abuse. The UCL team submitted their findings to the consultation of the first draft of the coming Domestic Abuse Bill in the hope of ensuring adequate awareness of and provision for tech-related abuse and particularly abuse via the internet of things. The UCL team also joined us for our partner workshop on gender, and PI will be presenting at a security training for organisations that work on domestic & sexual violence and abuse.

5.4 International Advocacy and Human Rights Mechanisms

Shaping international human rights law and ensuring that privacy appears on the agenda of various bodies creates new forms of pressure on governments to adhere to standards of protection. Building on from previous years, PI is pleased with the sustained success that within international human rights bodies and mechanisms privacy, and the threats this fundamental right faces, are at the core of their priorities.

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UN Office of the High Commissioner for Human Rights

In 2018, the UN The Office of the High Commissioner for Human Rights (OHCHR) dedicated its annual report to privacy in the digital age. PI presented a submission as part of the consultation process highlighting key areas of concern emerging from its work and the work with the PI Network. We observed that several of these issues were integrated into the report of the OHCHR including data protection and biometrics and other ID related issues, government hacking, mass surveillance and export controls of intrusive technologies and PI's Data Protection Guide – amongst other PI materials - was directly referenced in the report.

UN Special Procedure Mandates

In 2018 Privacy International had the opportunity to engage for the first time with the UN Special Rapporteur for the Right of Association and Peaceful Assembly. We participated in consultation meetings with this UNSR who is preparing a report about the application of those rights in the digital environment and the event was also attended by other organisations of the Privacy International Network.

Universal Periodic Review

In order to raise concerns about the protection and promotion of the right to privacy, for the 30th Session of the Universal Periodic Review, PI, Dejusticia, and Fundación Karisma submitted a joint stakeholder report on Colombia. Sustaining this engagement with such bodies and the UN Permanent Missions in Geneva is crucial to keep the issues of privacy on the agenda. For the 31st Session of the Universal Periodic Review, PI submitted joint stakeholder reports with the Paradigm Initiative on Nigeria, on Jordan with the Jordan Open Source Association (JOSA), and with Red en Defensa de los Derechos Digitales (R3D) on Mexico, and on Chile for the 32nd Session of the UPR which took place in January 2019.

UN Human Rights Council

During the 37th session of the Council, PI and the Association for Progressive Communications, with the support of the Privacy in the Digital Age Core Group (Austria, Brazil, Germany, Liechtenstein, and Mexico), PI held a side event to discuss data intensive systems and their implications for the right to privacy. PI supported the participation of two partners, the Foundational for Media Alternatives (Philippines) and Fundación Karisma (Colombia), to share the state of privacy in their respective countries. During the 39th Session of the Human Rights Council (Sept 2018), PI and INCLO (a network of civil liberties organisations) held a side event to discuss confidentiality of communications and privacy of data in the digital age. PI supported the participation of partners - ADC (Argentina) to give their views on biometrics.

Other international fora

In 2018, Privacy International continued to explore issues on trade and privacy which brought opportunities to present our work to new audiences. In October 2018, Privacy International co-organised a panel at the World Trade Organisation Annual Public Forum, entitled "Privacy and Consumer Protection in the Age of Artificial Intelligence", inviting technology and law scholars, alongside trade negotiators and civil society advocates to discuss the regulation of Artificial Intelligence from the perspective of Free Trade Agreements.

We were able to engage for the first time with the African Commission for Human and People's Rights (ACHPR) at its 62nd Ordinary Session. On behalf of the Privacy International and INCLO, Legal Resource Centre (South Africa) delivered a statement on the right to privacy to the NGO Forum as well as to the African Commission during the main programme of the 62nd Session of the ACHPR. On the margins of the Session, PI in collaboration with the LRC and CIPIT (Kenya) to organise a side event, "Electoral Processes and Commercial Activities: In Pursuit of the Right To Privacy and Personal Information Protection."

5.5 Organisational Developments

Since 1990, PI has been trying to build a unique personality that targets both governments and companies, protects people using consumer protection, data protection, constitutional, and human rights instruments. Since becoming a charity in 2012 we have been working to build a good and strategic organisation.

Public engagement and expert advice

In 2018 we finalized our research with the International Committee of the Red Cross on humanitarian metadata. The report was launched jointly with the ICRC on the occasion of ICRC's Symposium on Digital Risks in Situations of Armed Conflict, which took place 11-12 December 2018 in London, together with various accompanying pieces on the risks faced by humanitarian organisations and recipients of aid, on the responsibility of companies who provide services to humanitarian actors, as well as how to protect the digital beneficiary. The findings of the study are being integrated into the revised version of the ICRC's data protection handbook (due to be finalised in 2019).

Beyond supporting our engagement with the humanitarian sector, the research process provided us with an important opportunity to develop expertise and present insights into how messaging apps, and social media platforms operate. It feeds and is integrated directly into our work with partners on threat modelling and risk management - in order to best mitigate risks, we must understand better how the platforms and services we use operate and how they may be exposing us to certain risks. Furthermore, this learning process has permitted us to customise our threat modelling and risk management training to humanitarian organisations which was first presented to conference of the International Red Cross and the Red Crescent Movement which took place in Zagreb in March 2018.

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These interventions have contributed to maintaining Privacy International as a leading expert in the field as demonstrated by the requests for our expertise from DFID on data protection, the World Economic Forum's Working Group on 'Group Data and Human Rights', as well as Medecins Sans Frontieres (MSF) and Oxfam on data, digital identity and security. We were also asked to speak at the International Conference of Data Protection and Privacy Commissioners (ICDPPC) where we also moderated a side event on 'Data Protection in Humanitarian Action', hosted by the Belgian Ministry of Foreign Affairs.

6. **MOVING FORWARD – NEW STRATEGY**

2018 saw PI Board, management and staff developing a new strategy for the next 4 years. After years of creating, opening up and being a strong voice in debates, PI needed to change.

The first phase was an inclusive process of consultations with staff, funders, partners, PI's Board, allies and multitude of stakeholders and some sections of the public. The second phase involved a collaborative process between staff and trustees about the kind of organisation we wanted to be.

In the final phase, we developed a strategic plan that identified the interventions we would undertake in four strategic areas: **responding to new threats to democratic systems, seeking new safeguards for people who are vulnerable and at risk by the deployment of new systems, exposing and limiting corporate exploitation, and challenging government exploitation of systems and data.** We decided to become a **more public-facing organisation that fights where issues around the exploitation of data are most pressing, rather than focusing only on covering privacy and surveillance developments globally.**

Our interventions will seek change in sharper ways: PI will target our adversaries specifically, rather than participating in the larger discourse around them; rally around our solutions, rather than merely articulate the problems; motivate others to advocate against the adversaries, using their powers of influence to complement our own; and make clear and specific demands to pressure for change.

In preparation for the strategic change, PI developed new processes around staff and building organisational capacity. Staff were trained in project management and planning in spring 2018. In a consultative process between our board and our staff, PI developed robust policies clarifying procedures for complaints and investigations around harassment and other threats to our staff and work environment. We introduced a wellbeing and resilience policy at PI in January 2019. Finally, we spent a year developing new risk procedures, including a global framework covering risks to partners, travel risks, wellbeing, and information security.

We continue to systematize monitoring and evaluation across our work, to further develop our technical systems, learn new ways to engage with the public, and improve our communications and campaigning systems and practices. These will be essential steps to deepening our focus on enhancing the rights and capabilities of our beneficiaries.

Organisational redesign

For the new strategy, we decided to continue with the matrix organisational structure, but reorganised our teams to be focused around four tactics:

1. **Research & Reveal:** PI will uncover, compile, identify, and expose the work of our adversaries and their technical capacities, as well as identify methods to limit the risks they pose to freedom.
3. **Advocate & Demand:** PI will establish positions and specific changes we want to see in the world, and develop skills to creatively motivate key stakeholders, decision-makers, and others.
4. **Campaign & Public Action:** PI will re-build our initiatives to engage the public, bring them into our advocacy to increase pressure on our target adversaries, and to build a stronger supporter base for our actions and fundraising.

7. **FINANCIAL REVIEW**

Results for the year

The results of the period and financial position of the charity are shown in the annexed financial statements.

Expenditure for the year decreased to £1,76m (2018: £1,82m) largely due to the decrease in the costs of projects done in collaboration with PI's partners in the programme: Building the Global Movement, including funds channelled to project partners.

The incoming resources for the year were £1,87m (2018: £1,65m); the increase in income is due to income on unrestricted multi-year grants, which PI was successful in securing, being recognised and accrued for in 2018; this resulted in a net gain of £115k for the financial year 2018.

The total funds of the charity at the end of the year were £1,834k. This included £444k in restricted project reserves and £1,390k in general funds, which include £959k we are obliged by the donor to spend by late 2019 and late 2020. The remaining general funds of £431k are available to provide operational working capital to address the financial risks surrounding projected income and expenditure.

Tangible fixed assets for use by the charity.

Fixed assets are set out in Note 8 to the accounts.

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Reserves Policy

Taking into account the risks, funding sources, and complexity of Privacy International, the Board of Trustees has set a reserves policy for Privacy International aiming for 6 months' running costs – resulting in a target of £545k (currently: £431k).

The Executive Director and Head of Operations and Development continue to work with the Board of Trustees to maintain a policy of increasing unrestricted reserves until they are built to a level that ensures approximately six months' worth of core activity could continue during a period of unforeseen financial difficulty.

Grants and donations

The staff and Board of Trustees of Privacy International are extremely grateful to the following organisations for their support over the past year:

- Adessium Foundation
- Ford Foundation
- International Development Research Centre
- Luminate
- Oak Foundation
- Open Society Foundations
- Swedish International Development Cooperation Agency

and Mozilla Open Web Fellowship Programme for providing Privacy International with the opportunity to serve as host organisation for the Fellows.

Volunteers and pro bono support

We would like to extend our thanks to the many individual volunteers who have contributed their time to Privacy International over the past year. Privacy International recruits and hosts volunteers throughout the year who work across our projects.

The Trustees also wish to record their appreciation to the many eminent lawyers who have contributed their expertise to our legal work. We hugely appreciate the support received from Bhatt Murphy, Deighton Glynn Pierce, Leigh Day, Liberty, Blackstone Chambers, Matrix Chambers, Doughty Street Chambers, Monckton Chambers, independent counsel, and various law clinics and legal experts at Humboldt University - Berlin, the London School of Economics, the University of Buffalo Law School, Yale Law School and Harvard Law School.

We also remain extremely grateful to Covington & Burling LLP for their continued support for Privacy International's organisational development, including pro bono support for the further professionalization of our systems and processes for staffing and governance.

Senior Statutory Auditor

The statutory auditor, A D Armstrong FCA of Armstrong & Co, has indicated his willingness to be proposed for re-appointment in accordance with Section 485 of the Companies Act 2006.

Although not required, the trustees have determined that the charitable company be audited under the Companies Act 2006 for the year ended 31 January 2019. The charitable company would be required to be audited under charities legislation for the year ended 31 January 2019.

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

The trustees acknowledge and confirm their responsibilities for preparing the financial statements and providing appropriate information to the auditors as detailed in the Statement of Trustees' Responsibilities set out on page 16.

The financial statements were approved by the Board of Trustees on 23 September 2019 and signed on its behalf by:



Eve Salomon, Trustee

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Statement of Trustees' Responsibilities for the year ended 31 January 2019

The trustees (who are the directors of Privacy International for the purpose of company law) are responsible for preparing the Trustees Annual 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 charitable company and of its incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- a) Select suitable accounting policies and apply them consistently;
- b) Observe the methods and principles in the Charities SORP;
- c) Make judgements and estimates that are reasonable and prudent;
- d) Follow applicable accounting standards and statements of recommended practice, subject to any material departures disclosed and explained in the accounts;
- e) Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records which 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 and charity legislation. 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.

Statement as to disclosure of information to auditors

So far as the trustees are aware, there is no relevant audit information of which the charitable company's auditor is unaware, and the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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Independent Auditor's Report to the Members of Privacy International

We have audited the financial statements of Privacy International for the year ended 31 January 2019 which comprise the Statement of Financial Activities, Statement of Financial Position, Statement of Cash Flows and the Notes to the Accounts 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).

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

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in Note 2 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The other information comprises the information in the annual report, but does not include the financial statements and our report of the auditors thereon. The trustees are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter 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, 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.

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Independent Auditor's Report to the Members of Privacy International

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 directors' report included within the trustees' report.

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

- adequate and proper 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.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out on page 16, 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 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.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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.

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 auditor's report.



Anthony Armstrong FCA (Senior statutory auditor)
for and on behalf of Armstrong & Co, Statutory Auditor
Chartered Accountants & Statutory Auditor
Dated: 23 September 2019

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Hackney Road
London E2 7PR

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Statement of Financial Activities

incorporating the income and expenditure account
for the year ended 31 January 2019

				2019	2018
		Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	Notes	£	£	£	£
Income from:					
Donations and legacies	3	11,843	-	11,843	18,876
Charitable activities	4	573,142	1,287,980	1,861,122	1,633,720
Investments	5	135	-	135	105
Total income		585,120	1,287,980	1,873,100	1,652,701
Expenditure on:					
Charitable activities	6	526,260	1,231,958	1,758,218	1,815,734
Total expenditure		526,260	1,231,958	1,758,218	1,815,734
Net income/(expenditure) and movement in funds		58,860	56,022	114,882	(163,033)
Transfers between funds	18	(5,259)	5,259	-	
Reconciliation of funds:					
Total funds brought forward	12	1,335,914	383,071	1,718,985	1,882,018
Total funds carried forward	12	1,389,515	444,352	1,833,867	1,718,985

All incoming resources and resources expended are derived from continuing activities.

The statement of financial activities incorporates an income and expenditure account.

The accompanying accounting policies and notes form an integral part of these financial statements.

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Statement of Financial Position

as at 31 January 2019

		31 January 2019		31 January 2018	
	Notes	£	£	£	£
Fixed assets:					
Tangible assets	8		109,427		10,599
Total fixed assets			<u>109,427</u>		<u>10,599</u>
Current assets:					
Debtors	9	201,577		339,494	
Cash at bank and In hand	10	<u>1,636,646</u>		<u>1,408,615</u>	
Total current assets		<u>1,838,223</u>		<u>1,748,109</u>	
Creditors: amounts falling due within one year	11	<u>113,783</u>		<u>39,723</u>	
Net current assets/(liabilities)			1,724,440		1,708,386
Total net assets			<u>1,833,867</u>		<u>1,718,985</u>
The funds of the charity:					
Restricted income funds	16		444,352		383,071
Unrestricted funds	14		<u>1,389,515</u>		<u>1,335,914</u>
Total charity funds	19		<u>1,833,867</u>		<u>1,718,985</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard 102.

The financial statements were approved by the Board of Trustees on 23 September 2019 and signed on its behalf by:



Eve Salomon
Trustee

The notes on pages 22 to 30 form part of these accounts.

Privacy International

(A Charity Company Limited by Guarantee, company number 4354366)

Statement of Cash Flows for the year ended 31 January 2019

	Notes	2019 £	2018 £
Cash flows from operating activities:			
Net cash provided by/(used in) operating activities	1	338,021	(137,259)
Cash flows from investing activities:			
Dividends, interest and rents from investments		135	105
Purchase of property, plant and equipment		(110,125)	(4,911)
Net cash provided by/(used in) investing activities		(109,990)	(4,806)
Change in cash and cash equivalents in the reporting period		228,031	(142,065)
Cash and cash equivalents at the beginning of the reporting period	2	1,408,615	1,550,680
Cash and cash equivalents at the end of the reporting period	2	1,636,646	1,408,615

Notes to the Cash Flow Statement

	2019 £	2018 £
1) Reconciliation of net income/(expenditure) to net cash flow from operating activities		
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	114,882	(163,033)
Adjustments for:		
Depreciation charges	11,297	9,121
Dividends, interest and rents from investments	(135)	(105)
(Increase)/decrease in debtors	137,917	133,927
Increase/(decrease) in creditors	74,060	(117,170)
Net cash provided by/(used in) operating activities	338,021	(137,259)
	2019 £	2018 £
2) Analysis of cash and cash equivalents		
Cash in hand	1,636,646	1,408,615
Total cash and cash equivalents	1,636,646	1,408,615

Privacy International

(A Charity Company Limited by Guarantee, company number 4354366)

Accounting Policies for the year ended 31 January 2019

Basis of preparation

The financial statements have been prepared in accordance with:

- a) Applicable UK accounting standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)'
- b) Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP FRS 102);
- c) the Companies Act 2006.
- d) the Charities Act 2011.

Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

Going concern

The charity's income is mainly derived from non self-generated sources, such as grants, service level agreements and other governmental or NGO sources. The trustees consider that there are no material uncertainties about the likelihood that this support will continue, and accordingly, the accounts have been prepared on a going concern basis.

Income recognition

Income is recognised when the charity has a contractual or other right to its receipt, it is probable that the income will be received and that the amount can be measured reliably. Income with conditions attached to its receipt is recognised when those conditions have been fulfilled.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Expenditure recognition

Expenditure is accrued as soon as a liability is considered probable, and the amount of obligation can be measured reliably. The charity is not registered for VAT and accordingly expenditure includes VAT where appropriate.

Expenditure included in Raising Funds includes amounts incurred in obtaining grants and other donations.

Charitable expenditure includes those costs expended in fulfilling the charity's principal objects, as outlined in the Report of the Trustees. These include grants payable, governance costs and an apportionment of support costs.

- Grants payable are payments made to third parties in furtherance of the charity's objects. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the charity.
- Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to the independent examination and legal fees.
- Rentals under operating leases are charged as incurred over the term of the lease.

Costs are allocated directly to projects where they can be identified as relating solely to that project. Other costs are allocated between the funds based on staff time spent on the fund activities or other appropriate criteria.

Restricted Funds

Restricted funds are to be used for specified purposes as laid down by the funder. Direct and support expenditure which meets these criteria are identified to the fund together with a fair allocation of other costs.

Unrestricted Funds

Unrestricted funds are funds received which have no restrictions placed on their use and are available as general funds.

Designated Funds

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Privacy International

(A Charity Company Limited by Guarantee, company number 4354366)

Accounting Policies

for the year ended 31 January 2019

Pensions

The charity operates defined contribution schemes which are administered by outside independent pensions providers. Contributions payable for the year are charged to the Statement of Financial Activities.

Tangible Fixed Assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Software	- 33% on cost
Computer equipment	- 50% on cost
Furniture & fixtures	- 25% on cost

Privacy International

(A Charity Company Limited by Guarantee, company number 4354366)

Notes to the Accounts for the year ended 31 January 2019

1 Incoming resources

The incoming resources and surplus are attributable to the principal activities of the charity.

2 Net incoming resources

Net incoming resources are stated after charging:

Statutory audit fees: Armstrong & Co – statutory audit services
Other audit fees: HW Fisher: project audit services
Depreciation - owned assets

2019	2018
£	£
3,600	3,600
9,120	8,700
<u>11,297</u>	<u>9,121</u>

Trustees' emoluments

-	-
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Emoluments include salaries, fees, bonuses, expense allowances and estimated non-cash benefits receivable. All trustees serve in a voluntary capacity and do not receive payment for their services.

APB Ethical Standard - Provisions available for small entities

In common with many other charities of our size and nature we use our auditors to assist with the preparation of the financial statements and to provide advice relating to statutory and regulatory compliance.

3 Income from donations and legacies	Unrestricted	Restricted	2019	2018
	£	£	Total	Total
Donations	11,843	-	11,843	18,876
	<u>11,843</u>	<u>-</u>	<u>11,843</u>	<u>18,876</u>

4 Income from charitable activities	Unrestricted	Restricted	2019	2018
	£	£	Total	Total
Grants	571,909	1,287,980	1,859,889	1,633,464
Other income	1,233	-	1,233	256
	<u>573,142</u>	<u>1,287,980</u>	<u>1,861,122</u>	<u>1,633,720</u>

5 Income from investments	Unrestricted	Restricted	2019	2018
	£	£	Total	Total
Interest received	135	-	135	105
	<u>135</u>	<u>-</u>	<u>135</u>	<u>105</u>

Privacy International

(A Charity Company Limited by Guarantee, company number 4354366)

Notes to the Accounts

for the year ended 31 January 2019

6 Expenditure on charitable activities	Unrestricted	Restricted	2019	2018
	£	£	Total £	Total £
Staff salaries	278,223	594,980	873,203	847,806
Staff social security	28,588	64,915	93,503	90,698
Pension costs	15,793	34,078	49,871	47,136
Other staff costs	4,787	-	4,787	9,495
Staff training	10,125	10,305	20,430	19,124
Recruitment	908	1,760	2,668	3,779
Project expenses	51,579	314,139	365,718	461,369
Translation costs	1,947	10,766	12,713	13,035
Travel & accommodation	17,183	58,135	75,318	75,751
Office expenses	55,087	32,601	87,688	56,888
Fundraising costs	1,697	-	1,697	1,198
Rent	20,945	51,822	72,767	63,401
Depreciation	11,297	-	11,297	9,121
(Gains)/losses on foreign exchange	(28,783)	-	(28,783)	26,631
Legal & professional fees	23,925	-	23,925	8,289
Consultancy	25,359	47,521	72,880	53,700
Bank & paypal charges	924	1,816	2,740	3,250
Governance - Board costs	13	-	13	7,213
Trustee expenses	2,517	-	2,517	5,034
Audit fees	3,600	9,120	12,720	12,300
Accountancy costs	546	-	546	516
	<u>526,260</u>	<u>1,231,958</u>	<u>1,758,218</u>	<u>1,815,734</u>

7 Staff costs	2019	2018
	£	£
Staff salaries	873,203	847,806
Staff social security	93,503	90,698
Staff pensions	49,871	47,136
	<u>1,016,577</u>	<u>985,639</u>

Average number of employees during the year was:

21 21

Employees paid in excess of £60,000 during the current year and previous year:

1 1

The number of employees whose total employee benefits (excluding employer pension costs) fell within each band of £10,000 from £60,000 upwards were as follows:

Band	No of employees	
	2019	2018
£60,000 to £69,999	-	-
£70,000 to £79,999	1	1

The charity considers its key management personnel to be the trustees and the executive director. The total employment benefits (including employer pension contributions) of the key management personnel were £79,500 (2018: £79,500).

No remuneration was paid to any trustee or their associates for services as a trustee during the year ended 31 January 2019 nor to 31 January 2018.

Privacy International

(A Charity Company Limited by Guarantee, company number 4354366)

Notes to the Accounts

for the year ended 31 January 2019

8 Tangible fixed assets	Leasehold	Software	Computer	Furniture &	Total
	improvements		equipment	fixtures	
	£	£	£	£	£
Cost					
As at 1 February 2018	-	3,645	28,900	17,572	50,117
Additions	99,545	-	7,334	3,246	110,125
Disposals			-	(5,017)	(5,017)
As at 31 January 2019	<u>99,545</u>	<u>3,645</u>	<u>36,234</u>	<u>15,801</u>	<u>155,225</u>
Depreciation					
As at 1 February 2018	-	3,645	23,517	12,356	39,518
Charge for the year	3,327	-	5,528	2,442	11,297
Disposals			-	(5,017)	(5,017)
As at 31 January 2019	<u>3,327</u>	<u>3,645</u>	<u>29,045</u>	<u>9,781</u>	<u>45,798</u>
Net book value					
As at 31 January 2019	<u>96,218</u>	<u>-</u>	<u>7,189</u>	<u>6,020</u>	<u>109,427</u>
As at 31 January 2018	<u>-</u>	<u>-</u>	<u>5,383</u>	<u>5,216</u>	<u>10,599</u>
9 Debtors: amounts falling due within one year				2019	2018
				£	£
Other debtors				863	-
Rent deposit				15,478	15,478
Prepayments				13,917	18,629
Accrued income				171,319	305,387
				<u>201,577</u>	<u>339,494</u>
10 Bank and cash in hand				2019	2018
				£	£
Barclays current bank account				1,630,838	1,404,247
Barclays current bank account 2				2,997	181
Paypal account				1,108	3,649
Travel currency cards				1,703	538
				<u>1,636,646</u>	<u>1,408,615</u>
11 Creditors: amounts falling due within one year				2019	2018
				£	£
Trade creditors				25,449	563
Credit cards				2,127	1,217
Payroll taxes				23,092	17,962
Pensions				6,012	-
Accruals				57,103	19,981
				<u>113,783</u>	<u>39,723</u>

Privacy International

(A Charity Company Limited by Guarantee, company number 4354366)

Notes to the Accounts

for the year ended 31 January 2019

12 The funds of the charity: current year	Opening balance £	Resources arising £	Resources utilised £	Other movements £	Closing balance £
<i>Restricted funds</i>					
Restricted income funds	383,071	1,287,980	(1,231,958)	5,259	444,352
<i>Unrestricted funds</i>					
Designated funds	10,599	110,125	(11,297)	-	109,427
General funds	1,325,315	474,995	(514,963)	(5,259)	1,280,088
<i>Total unrestricted funds</i>	1,335,914	585,120	(526,260)	(5,259)	1,389,515
	1,718,985	1,873,100	(1,758,218)	-	1,833,867

13 The funds of the charity: prior year	Opening balance £	Resources arising £	Resources utilised £	Other movements £	Closing balance £
<i>Restricted funds</i>					
Restricted income funds	574,388	1,101,833	(1,293,150)	-	383,071
<i>Unrestricted funds</i>					
Designated funds	14,809	4,911	(9,121)	-	10,599
General funds	1,292,821	545,957	(513,463)	-	1,325,315
<i>Total unrestricted funds</i>	1,307,630	550,868	(522,584)	-	1,335,914
	1,882,018	1,652,701	(1,815,734)	-	1,718,985

14 Designated funds: current year	Opening balance £	Resources arising £	Resources utilised £	Transfers & adjustments £	Closing balance £
Fixed assets fund	10,599	110,125	11,297	-	109,427
	10,599	110,125	11,297	-	109,427

15 Designated funds: prior year	Opening balance £	Resources arising £	Resources utilised £	Transfers & adjustments £	Closing balance £
Fixed assets fund	14,809	4,911	9,121	-	10,599
	14,809	4,911	9,121	-	10,599

Fixed assets fund

This fund represents the amount of charity funds locked up in fixed assets which are needed for operational purposes. The funds are carried at the net book value of the fixed assets at the balance sheet date, after deducting any outstanding loans, endowment funds or restricted funds used to finance their acquisition.

16 Restricted funds: current period	Opening balance £	Incoming resources £	Resources expended £	Transfers & gains/(losses) £	Closing balance £
Adessium Foundation	95,846	131,264	161,781	-	65,329
Ford Foundation	47,067	111,809	93,008	-	65,868
Foundation to Promote Open Society	63,606	157,822	82,279	-	139,149
International Committee of the Red Cross	2,546	-	2,436	(110)	-
IDRC	600	203,184	209,153	5,368	-
Mozilla Foundation – Open Web Fellow Programme	-	16,586	16,586	-	-
OAK Foundation	6,804	99,969	101,722	-	5,051
Reading University	-	3,060	3,060	-	-
The Swedish International Development Cooperation Agency	166,601	564,285	561,933	-	168,953
	383,071	1,287,980	1,231,958	5,259	444,352

Privacy International

(A Charity Company Limited by Guarantee, company number 4354366)

Notes to the Accounts

for the year ended 31 January 2019

	Opening balance	Incoming resources	Resources expended	Transfers & gains/(losses)	Closing balance
	£	£	£	£	£
17 Restricted funds: prior period					
Adessium Foundation	79,175	156,352	139,681	-	95,846
Ford Foundation	62,825	112,827	128,584	-	47,067
Foundation to Promote Open Society	62,270	61,767	60,431	-	63,606
International Committee of the Red Cross	-	15,000	12,454	-	2,546
IDRC Asia Project	90,792	277,168	367,360	-	600
Mozilla Foundation – Open Web Fellow Programme	-	15,181	15,181	-	-
OAK Foundation	-	98,462	91,658	-	6,804
The Swedish International Development Cooperation Agency	279,326	348,470	461,195	-	166,601
Yale Law School – Robert L. Bernstein International	-	16,606	16,606	-	-
	<u>574,388</u>	<u>1,101,833</u>	<u>1,293,150</u>	<u>-</u>	<u>383,071</u>

Restricted funds (continued)

Projects financed by restricted funds are supported by unrestricted funding where necessary. This occurs where the funding is in arrears or the incidence of expenditure on the project occurs disproportionately at the beginning of the project compared to the income flows. Where restricted projects end the year with a deficit, this is met by after year-end restricted income or transfers from unrestricted funds.

Adessium Foundation	The Adessium Foundation supports various programmes to promote social justice and cohesion and provides a 3-year core grant to help build the organisation's infrastructure and development and support our work under the Data Exploitation Programme.
Ford Foundation	The Ford Foundation is a New York-headquartered, globally oriented private foundation with the mission of advancing human welfare. In 2018 Privacy International received a 1-year grant to support the work with organisations in the Global South.
Foundation to Promote Open Society	The Open Society Foundations work to build vibrant and tolerant democracies whose governments are accountable to their citizens. The Foundations seek to shape public policies that assure greater fairness in political, legal, and economic systems and safeguard fundamental rights. In 2018 Privacy International received a new 2-year grant to work with other civil society actors to challenge the drivers of digital identity systems and advocate for protection of rights.
International Committee of the Red Cross	The ICRC provides humanitarian assistance to victims of conflict and armed violence around the world and spreads knowledge of the rules that protect war victims. In 2017 and in 2018 PI cooperated with the ICRC to conduct a study of metadata generated by instant messaging applications and humanitarian programmes involving financial institutions and/or mobile phone operators, bulk SMS communications and regular phone usage.
IDRC	The International Development Research Centre (IDRC) is a Canadian Crown corporation helping developing countries find solutions to social, economic and environment problems. Received in 2015, the 2.5 year grant from the IDRC is supporting a project to explore innovations in policy and technology in the Global South and the effects of the above on citizens' rights.
Mozilla Foundation – Open Web Fellow Programme	The Mozilla Foundation is a non-profit organisation that promotes openness, innovation and participation on the Internet. In 2017 Privacy International was one of the hosts organisations for the Open Web Fellow Program, funded by the Foundation - it is an international program designed to engage developers, engineers, technologists, programmers, and other selected candidates to be hosted by civil society organisations around the world.
OAK Foundation	Oak Foundation has a long-standing interest in protecting the fundamental rights of the individual, supporting those who champion that struggle, and ensuring that perpetrators of gross abuses are held to account. The Foundation supported PI's Surveillance Programme, to conduct a global investigation into the trade of surveillance technologies used against human rights defenders and other activists.
Reading University	The Reading Internship Scheme facilitates internships with SMEs for students and graduates of the University of Reading, where the host organisation acts as the employer while the internship is taking place. In 2018 Privacy International was a host to one Reading University student through the internship programme.
The Swedish International Development Cooperation Agency	The Swedish International Development Agency is supporting PI in our collaboration with civil society actors in countries across east Africa, south and south-east Asia and South America. The 4-year project, which started in 2017 aims to strengthen civil society's capacity to protect the right to privacy, while confronting data-driven transformations in power.

Privacy International

(A Charity Company Limited by Guarantee, company number 4354366)

Notes to the Accounts

for the year ended 31 January 2019

	General funds	Designated funds	Restricted funds	Endowment funds	Total
18 Transfers between funds					
General to restricted	(5,369)		5,369		-
General to designated	(98,828)	98,828			-
Restricted to general	110		(110)		-
	<u>(104,087)</u>	<u>98,828</u>	<u>5,259</u>	<u>-</u>	<u>-</u>

	General funds	Designated funds	Restricted funds	Endowment funds	Total
		£	£	£	£
19 Net assets attributable to funds: current period					
Tangible fixed assets	-	109,427	-	-	109,427
Current assets	1,393,871	-	444,352	-	1,838,223
Current liabilities	(113,783)	-	-	-	(113,783)
Net assets represented by funds	<u>1,280,088</u>	<u>109,427</u>	<u>444,352</u>	<u>-</u>	<u>1,833,867</u>

	General funds	Designated funds	Restricted funds	Endowment funds	Total
		£	£	£	£
20 Net assets attributable to funds: prior period					
Tangible fixed assets	-	10,599	-	-	10,599
Current assets	1,365,038	-	383,071	-	1,748,109
Current liabilities	(39,723)	-	-	-	(39,723)
Net assets represented by funds	<u>1,325,315</u>	<u>10,599</u>	<u>383,071</u>	<u>-</u>	<u>1,718,985</u>

21 Taxation

The company is a registered charity. Accordingly, it is exempt from taxation in respect of income and capital gains to the extent that these are applied to its charitable objects.

22 Post balance sheet events

There were no significant post balance sheet events.

23 Pension commitments

The charitable company contributes to employee defined contribution (DC) stakeholder pension schemes. The assets of the schemes are held separately from those of the charitable company in independently administered funds.

	2019	2018
	£	£
The unpaid contributions outstanding at the year end were:	<u>-</u>	<u>5,606</u>

24 Other financial commitments

Total operating lease commitments

At 31 January 2019, the charity had total commitments under non-cancellable operating leases as detailed below:

	2019	2018
	£	£
Office premises	<u>403,583</u>	<u>46,436</u>
	<u>403,583</u>	<u>46,436</u>

25 Contingent liabilities

The charitable company had no material contingent liabilities at 31 January 2019 nor at 31 January 2018.

Privacy International

(A Charity Company Limited by Guarantee, company number 4354366)

Notes to the Accounts

for the year ended 31 January 2019

26 Related parties

During the year professional and audit fees of £9,120 (2018: £8,700) were paid to HW Fisher & Company in respect of consultancy and project audit services provided to the charity. Barry Kernon is a trustee of the charity and a consultant in HW Fisher & Company. The fees have been agreed on normal commercial terms and Mr Kernon took no part in the decision to use HW Fisher & Company nor in the fee negotiations.

The charity has engaged the services of Stackhouse Fisher which are associates of HW Fisher & Company as the charity's insurance brokers. Barry Kernon is a trustee of the charity and a consultant in HW Fisher & Company. The insurance premiums have been agreed on normal commercial terms and Mr Kernon took no part in the decision to use Stackhouse Fisher nor in the fee negotiations. The amount of insurance premium paid during the year amounted to £6,401 (2018: £6,394).

27 Transactions with trustees

During the year the charity paid travel expenses of Anna Fielder, (a trustee) totalling £Nil (2018: £1,201).

During the year the charity paid travel expenses of Barry Steinhardt, (a trustee) totalling £Nil (2018: £1,973).

During the year the charity paid travel expenses of Susan Gardner, (a trustee) totalling £1,307 (2018: £1,202).

During the year the charity paid travel expenses of Benjamin Wizner, (a trustee) totalling £1,175 (2018: £632).

During the year the charity paid travel expenses of Natalie Carsey, (a trustee) totalling £38 (2018: £Nil).

28 Gifts in kind and volunteers

During the year the charitable company benefited from unpaid work performed by volunteers.

29 Company status

The company is limited by guarantee and has no share capital. The guarantors liability in the event the company is wound up is restricted to a maximum of £1 each.