

**STAKEHOLDER DEMOCRACY NETWORK**  
(Limited by guarantee)

**DIRECTORS' AND  
TRUSTEES' REPORT AND ACCOUNTS**

**FOR THE YEAR ENDED 30 APRIL 2017**

**Company No: 05101121**  
**Charity No: 1148143**

**STAKEHOLDER DEMOCRACY NETWORK**  
**(Limited by guarantee)**

**REPORT AND ACCOUNTS**

**C O N T E N T S**

**STATUTORY INFORMATION**

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# STAKEHOLDER DEMOCRACY NETWORK

## DIRECTORS' AND TRUSTEES' REPORT

### FOR THE YEAR ENDED 30 APRIL 2017

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ended 30<sup>th</sup> April 2017, which are also prepared to meet the requirements for a directors' report and Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statements 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).

#### OUR PURPOSE AND ACTIVITIES

The Charity's principal purpose is to empower citizens to demand improvements in the interplay between the extractives industry and weak governance that results from it. The objectives of the group are to build the capacity of marginalised or disadvantaged communities to participate meaningfully in their own development and to assert their fundamental rights; to foster rights-protective, participatory governance; to protect the natural environment; and to promote sustainable urban environments.

The group has two subsidiaries that are registered in Nigeria whose activity is to aid Stakeholder Democracy Network to carry out its objectives in Nigeria. The first of these is Citizens Direct Network Limited, a company registered with the Corporate Affairs Commission (CAC) in the Federal Republic of Nigeria with the company number 847695. The second of these is Niger-Delta Stakeholders Initiative for Community Development and Empowerment, a company registered with the Corporate Affairs Commission (CAC) in the Federal Republic of Nigeria with the company number CAC/IT/NO 73022.

The main activities of the charity are to identify and promote the needs of marginalised groups affected by the negative impacts of the extractives industry to ensure that they are taken into account through governance and policy processes. This includes: participatory workshops with community groups; research into substandard practices and their root causes; engaging with key private sector stakeholders to influence their behaviour; and encouraging government organisations to implement policies that are of benefit to society as a whole.

#### Achievement and activities

The charity continued to gain relevance and have influence on development initiatives within the Niger Delta region. This was done through expanding its number of funding partnerships and increasing its relationships with existing funding partners. Main activities for the period under review were to produce coordinated policy documents and plans for development in the Niger Delta region amongst government and key stakeholders; working with INEC to understand the lessons learnt from recent elections and how these can help improve future elections processes; working with the Ministry of Environment to promote the passing of key environmental legislation; and amplifying the voices of local communities through radio discussion to make sure their views are taken into consideration in political and development processes. The Trustees have focused on delivering sustainable impacts through programmes that provide good value for money so that donor funds can be used to maximum effect on the ground in the Niger Delta and further deepen the community engagement work that is fundamental to the charity's success.

#### Public benefit statement

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PD2)'. The achievements and activities above demonstrate the public benefit arising through the Charity's activities.

#### FINANCIAL REVIEW

The Statement of Financial Activities showed net surplus of £199,267 (2016 – deficit £711,529) for the year and reserves stand at £463,295 (2016 - £264,028).

The financial position of the charity improved during the reporting period as the political situation in Nigeria improved after a period of uncertainty following the 2015 Presidential elections. This meant that the charity was able to secure some long term funding as they, and the donor community, could more clearly identify what initiatives were likely to make impact in the current political and business environment. The charity therefore went through a period of regaining financial stability during the reporting period and has structured itself to best deliver on its charitable objectives and be best prepared for future growth of the organisation.

**STAKEHOLDER DEMOCRACY NETWORK**  
**DIRECTORS' AND TRUSTEES' REPORT (Cont/d)**  
**FOR THE YEAR ENDED 30 APRIL 2017**

**Principal funding sources**

The main funding sources for the charity are grants awarded from government agencies. During the period under review the main grant authorities were The Dutch Embassy in Abuja, The UK Foreign & Commonwealth Office, The MacArthur Foundation and The American Association of Geographers.

**Investment powers and policy**

Under the Memorandum and Articles of Association, the group has the power to invest in any way the Trustees see fit.

**Reserves policy**

The Trustees consider it prudent to maintain an adequate balance of unrestricted reserves to cover the group's contractual commitments and provide a sound base for the future. Ideally, this should be equivalent to a minimum level of 2 months of the annual budget. At the 30<sup>th</sup> April 2017 the unrestricted reserves not invested in fixed assets totalled £154,816 (2016 – £238,168).

**FUTURE ACTIVITIES**

The charitable group have already forged partnerships with the new government administration and will further leverage these to amplify the voice of local communities in order for them to actively participate in their own development. The donor base will continue to be increased so that income streams are diversified which will help to reduce financial risk within the organisation. This is a time of significant change and opportunity in the Niger Delta, and the charity will capitalise on this through its long-term experience at both the grass-roots and policy level.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Company Number:** 05101121

**Charity Number:** 1148143

**Directors and Trustees:**

J D'Angelo  
M Nekaitar

J M Mosley resigned as director and trustee on 24 November 2017.

**Secretary:** J A H Croft

**Senior Management:** J A H Croft

**Registered Office:** Development House, 56 - 64 Leonard Street, London EC2A 4LT

**Accountants:** Ramon Lee & Partners, Eagle House, 167 City Road, London EC1V 1AW

**Bankers:** Lloyds Bank Plc, Thame Branch, 13 Cornmarket Thame, Oxfordshire OX9 2BN

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

Stakeholder Democracy Network is a company limited by guarantee and not having a capital divided by shares.

The company was incorporated on 14<sup>th</sup> April 2004 and registered as a charity on 16<sup>th</sup> July 2012. It is a registered charity constituted as a limited company under the Memorandum and Articles of Association. The Charity's registration number is 1148143 and the company registration number is 05101121.

**STAKEHOLDER DEMOCRACY NETWORK**  
**DIRECTORS' AND TRUSTEES' REPORT (Cont/d)**  
**FOR THE YEAR ENDED 30 APRIL 2017**

**Appointment of trustees**

As set out in the Articles of Association, the Chair of the Trustees is nominated by existing Trustees. The Directors of the organisation are also the Trustees for the purposes of charity law.

The Board of Trustees has the power to appoint additional Trustees as it considers fit to do so, in line with the company's governing documents.

The Trustees in office in the year are set out on page 3. The Trustees have no beneficial interest in the group other than as members. The Trustees are also the directors of the Parent company. All of the Trustees are members of the Parent company and guarantee to contribute £1 each in the event of a winding up.

**Trustee induction and training**

The Trustees maintain a good working knowledge of charity and company law and best practise through their professional and business interests. New Trustees are given copies of the Memorandum and Articles of Association

**Organisation**

The Board of Trustees, which comprises three members, administers the group. The Board meets periodically to review the affairs of the group and to consider strategies and operations. To facilitate activities, the Board have delegated authority, within terms of delegation approved by the Trustees, for operational matters including financial, employment and other related activities. All decisions relating to strategy and policy are made by the Board of Trustees.

**Risk management**

The Management Committee has conducted a review of the major risk to which the group is exposed. A risk register has been established and is updated at least annually. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces.

**Related parties**

The Trustees have no beneficial interest in the company other than as members. One Trustee, M Nekaitar, is also the director of Citizens Direct Network Limited which is one of Stakeholder Democracy Network's subsidiary entities operating in Nigeria.

**Pay policy for senior staff**

The arrangements for setting the pay and remuneration of the charity's staff is done by the charity's Management Team and included within the company's budgeting process. The setting of pay and remuneration for the Executive Director is approved by the Board and Directors.

**Members of the Management Committee**

Members of the Management Committee, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 3.

**STAKEHOLDER DEMOCRACY NETWORK**  
**DIRECTORS' AND TRUSTEES' REPORT (Cont/d)**  
**FOR THE YEAR ENDED 30 APRIL 2017**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees (who are also directors of Stakeholder Democracy Network for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of its income and expenditure for that period. In preparing these financial statements, the Directors are required to:

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and the financial information included on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

**STATEMENT OF DISCLOSURE TO AUDITOR**

So far as the Directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the Directors have taken all the necessary steps that we ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

**AUDITORS**

A resolution was proposed and agreed at the Annual General Meeting that Ramon Lee & Partners be re-appointed as auditors of the Charity for the ensuing year.

The report of the directors has been prepared taking advantage of the small companies' exemption of section 415A of the Companies Act 2006.

**APPROVAL**

This report was approved by the Board of Trustees and signed on its behalf by:

  
J D'Angelo

30 January 2018

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF STAKEHOLDER DEMOCRACY NETWORK

## Opinion

We have audited the financial statements of Stakeholder Democracy Network for the year ended 30<sup>th</sup> April 2017, which comprise the Consolidated Statement of Financial Activities (Summary Income and Expenditure Account), Statement of Financial Activities (Summary Income and Expenditure Account), the Consolidated Balance Sheet, the Statement of Cash Flows and Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and charitable company's affairs as at 31<sup>st</sup> March 2017 and of the group's and charitable company's incoming resources and application of resources, including the group's and charitable company's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

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

## Conclusions relating to going concern

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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's ability to continue to adopt the going concern basis of accounting for a period of at least 12 months from the date when the financial statements are authorised for issue.

## Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors 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 the 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.

## Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The directors' report has been prepared in accordance with applicable legal requirements.

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF (Contd/)

## STAKEHOLDER DEMOCRACY NETWORK

### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

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

### Responsibilities of directors

As explained more fully in the directors' responsibilities statements set out on page 13, the directors 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 directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

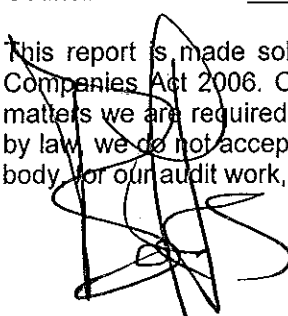
In preparing the financial statements, the directors are responsible for assessing the group's and charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend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

### Auditor's responsibilities for the audit of the financial statements

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

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

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



**BRUCE JONES (Senior Statutory Auditor)**  
for and on behalf of **RAMON LEE & PARTNERS**  
**CHARTERED ACCOUNTANTS**  
**STATUTORY AUDITOR**

**EAGLE HOUSE**  
**167 CITY ROAD**  
**LONDON EC1V 1AW**

**30 January 2018**



**STAKEHOLDER DEMOCRACY NETWORK**  
(Limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR ENDED 30 APRIL 2017**

**SUMMARY INCOME AND EXPENDITURE ACCOUNT**

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
<b>Income</b>					
Grants, donations and legacies	2	11,670	-	11,670	3,060
<i>Income from charitable activities:</i>					
Grants and contracts	3	354,803	869,706	1,224,509	622,131
Other		3,049	-	3,049	2,186
<i>Investment income:</i>					
Bank Interest		136	-	136	33,239
<b>Total income</b>		<u>369,658</u>	<u>869,706</u>	<u>1,239,364</u>	<u>660,616</u>
<b>Expenditure</b>					
<i>Expenditure on charitable activities:</i>	5, 17	513,286	484,129	997,415	1,385,672
<b>Total expenditure</b>		<u>513,286</u>	<u>484,129</u>	<u>997,415</u>	<u>1,385,672</u>
<b>Net income/(expenditure) and net movement in funds for the year before transfers</b>		(143,628)	385,577	241,949	(725,056)
Transfers between funds		80,760	(80,760)	-	-
<b>Net income/(expenditure) and net movement in funds for the year after transfers</b>		(62,868)	304,817	241,949	(725,056)
Gains / (losses) on consolidation		(31,493)	(11,189)	(42,682)	13,527
<b>Net movements of funds</b>		<u>(94,361)</u>	<u>293,628</u>	<u>199,267</u>	<u>(711,529)</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		257,589	6,439	264,028	975,557
<b>Total funds, carried forward</b>	17	<u>163,228</u>	<u>300,067</u>	<u>463,295</u>	<u>264,028</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.

The notes on pages 12 to 27 form part of these accounts.

**STAKEHOLDER DEMOCRACY NETWORK**  
(Limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR ENDED 30 APRIL 2017**

**SUMMARY INCOME AND EXPENDITURE ACCOUNT**

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
<b>Income</b>					
Grants, donations and legacies	2	142,058	-	142,058	2,598
<i>Income from charitable activities:</i>					
Grants and contracts	3	352,595	161,441	514,036	360,133
<i>Investment income:</i>					
Bank Interest		4	-	4	1
<b>Income</b>		<u>494,657</u>	<u>161,441</u>	<u>656,098</u>	<u>362,732</u>
<b>Expenditure</b>					
<i>Expenditure on charitable activities:</i>	7, 18	521,239	70,294	591,533	714,926
<b>Total expenditure</b>		<u>521,239</u>	<u>70,294</u>	<u>591,533</u>	<u>714,926</u>
<b>Net income/(expenditure) and net movement in funds for the year before transfers</b>		(26,582)	91,147	64,565	(352,194)
Transfers between funds		-	-	-	-
<b>Net income/(expenditure) and net movement in funds for the year after transfers</b>		(26,582)	91,147	64,565	(352,194)
<b>Reconciliation of funds</b>					
Total funds brought forward		168,113	-	168,113	520,307
<b>Total funds, carried forward</b>	18	<u>141,531</u>	<u>91,147</u>	<u>232,678</u>	<u>168,113</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.

The notes on pages 12 to 27 form part of these accounts.

**STAKEHOLDER DEMOCRACY NETWORK**  
(Limited by guarantee)

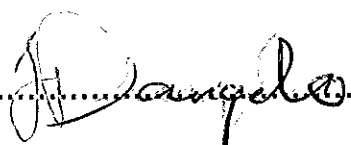
**GROUP BALANCE SHEET**

**AS AT 30 APRIL 2017**

	Notes	GROUP 2017 £	GROUP 2016 £	CHARITY 2017 £	CHARITY 2016 £
<b>FIXED ASSETS</b>					
Tangible assets	13	8,412	19,421	2,574	10,051
Investments	14	-	-	9	9
		<u>8,412</u>	<u>19,421</u>	<u>2,583</u>	<u>10,060</u>
<b>CURRENT ASSETS</b>					
Debtors	15	62,073	118,044	81,477	78,117
Cash at bank and in hand		433,656	173,632	260,413	120,025
<b>Total Current Assets</b>		<u>495,729</u>	<u>291,676</u>	<u>341,890</u>	<u>198,142</u>
<b>Liabilities</b>					
Creditors falling due within one year	16	(40,846)	(47,069)	(111,795)	(40,089)
<b>Net Current Assets/(Liabilities)</b>		<u>454,883</u>	<u>244,607</u>	<u>230,095</u>	<u>158,053</u>
<b>Total assets less current liabilities</b>		463,295	264,028	232,678	168,113
<b>Net assets</b>		<u>463,295</u>	<u>264,028</u>	<u>232,678</u>	<u>168,113</u>
<b>The funds of the charity:</b>					
Unrestricted funds	17 & 18	163,228	257,589	141,531	168,113
Restricted funds	17 & 18	300,067	6,439	91,147	-
<b>Total charity funds</b>		<u>463,295</u>	<u>264,028</u>	<u>232,678</u>	<u>168,113</u>

The Trustees have prepared group accounts in accordance with Section 398 of the Companies Act 2006 and Section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

These accounts were approved by the Board of Directors and Trustees on 30 January 2018 and signed on its behalf by:

.....  ..... **J D'Angelo**  
**Company Registration No: 05101121**

The notes on pages 12 to 27 form part of these accounts.

**STAKEHOLDER DEMOCRACY NETWORK**  
(Limited by guarantee)

**STATEMENT OF CASH FLOWS AND CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR 30<sup>TH</sup> APRIL 2017**

	Notes	GROUP 2017 £	GROUP 2016 £	CHARITY 2017 £	CHARITY 2016 £
<b>Cash used in operating activities</b>	20	<u>268,284</u>	<u>(583,122)</u>	<u>141,796</u>	<u>(386,329)</u>
<b>Cash flows from investing activities</b>					
Interest income		136	33,239	4	1
Purchase of tangible fixed assets		(8,396)	(974)	(1,412)	(443)
<b>Cash provided by / (used in) investing activities</b>		<u>(8,260)</u>	<u>32,265</u>	<u>(1,408)</u>	<u>(442)</u>
<b>Increase / (decrease) in cash &amp; cash equivalents in the year</b>		<u>260,024</u>	<u>(550,857)</u>	<u>140,388</u>	<u>(386,771)</u>
<b>Cash &amp; cash equivalents at the beginning of the year</b>		173,632	724,489	120,025	506,796
<b>Total cash &amp; cash equivalents at the end of the year</b>		<u>433,656</u>	<u>173,632</u>	<u>260,413</u>	<u>120,025</u>

**STAKEHOLDER DEMOCRACY NETWORK**  
**(Limited by guarantee)**

**NOTES TO THE ACCOUNTS**

**FOR THE YEAR ENDED 30 APRIL 2017**

**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of accounts**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charity SORP (FRS 102) Revised), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The Charity has opted for an early adoption of Charity SORP (FRS 102) Revised.

Stakeholder Democracy Network meets the definition of a public benefit entity under FRS 102.

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

**1.2 Preparation of accounts on a going concern basis**

The Charity's Financial Statements show net surplus of £199,267 for the year and unspent reserves of £463,295. The trustees are continuing to secure further funding and consider that the Charity will have sufficient resources for the next 12 to 18 months and on this basis the Charity is a going concern.

**1.3 Group financial statements**

The group financial statements consolidate the accounts of Stakeholder Democracy Network (the 'company') and its subsidiaries, Citizens Direct Network Limited and Niger Delta Stakeholders Initiative for Community Development and Empowerments. The Directors have taken advantage of the provisions of Section 408 of the Companies Act 2006 and do not present an individual profit and loss account for the company.

**1.4 Income**

Income is recognised when the Charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and amount can be measured reliably.

- Income received by way of grants, donations and legacies are included in full in the Statement of Financial Activities when received, unless they relate to a specified future period, in which case they are deferred.
- Income from charitable activities received by way of revenue grants and donations are credited to restricted incoming resources on the earlier date of when they are received or when they are receivable, unless they relate to a specified future period, in which case they are deferred.
- Grants, donations and legacies of general nature which are not conditional on delivering certain levels of service are included as part of Grants, Donations and Legacies as shown under note 2 and 3.
- Membership fees are credited to incoming resources in the period to which they relate.
- Facility hire income is recognised as earned (that is, as the related goods or services are provided)
- Investment income is included when receivable.
- Income from activities includes income recognised as earned (as the related goods and services are provided) under contract. Course fees received in advance for the subsequent year are recognised as deferred income until the following year.

**STAKEHOLDER DEMOCRACY NETWORK**  
**(Limited by guarantee)**

**NOTES TO THE ACCOUNTS (Cont/d)**

**FOR THE YEAR ENDED 30 APRIL 2017**

**1.5 Volunteers and donated services and facilities**

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refers to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt. No such donations were received during the year.

**1.6 Expenditure recognition and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- (a) Costs of generating funds are those cost incurred in attracting voluntary income, running a bar and those incurred in other trading activities that raise funds.
- (b) Expenditure on charitable activities includes the costs directly associated holding classes, events and running a sailing centre, to further the purposes of the Charity and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Expenditure is recognised when a liability is incurred. Contractual arrangements and performance related grants are recognised as goods or services are supplied.

**1.7 Allocation of support costs**

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance and administration personnel, payroll and governance costs which support the charity's programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in note 6 and 8.

**1.8 Funds structure**

The general fund comprises those monies, which may be used toward meeting the charitable objectives of the company at the discretion of the Management Board.

The restricted funds are monies raised for, and their use restricted to, a specific purpose or donations subject to donor imposed conditions.

**1.9 Tangible Fixed Assets And Depreciation**

Tangible fixed assets are stated at cost less depreciation. Individual fixed assets costing £500 or more are capitalised at cost.

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures, fittings & equipment	- 20% Net book value
Motor vehicle	- 25% Net book value

**STAKEHOLDER DEMOCRACY NETWORK**  
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**NOTES TO THE ACCOUNTS (Cont/d)**

**FOR THE YEAR ENDED 30 APRIL 2017**

**1.10 Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**1.11 Cash at bank and in hand**

Cash at bank and in hand includes cash deposits and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**1.12 Creditors and provisions**

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

**1.13 Financial instruments**

The Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**1.14 Judgement and key sources of estimation uncertainty**

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

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

**STAKEHOLDER DEMOCRACY NETWORK**  
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**NOTES TO THE ACCOUNTS (Cont/d)**

**FOR THE YEAR ENDED 30 APRIL 2017**

**2. GRANTS, DONATIONS AND LEGACIES - GROUP**

	<b>GROUP</b>			
	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total 2017</b>	<b>Total 2016</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Miscellaneous donations	11,670	-	11,670	3,060
	<u>11,670</u>	<u>-</u>	<u>11,670</u>	<u>3,060</u>

	<b>CHARITY</b>			
	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total 2017</b>	<b>Total 2016</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Nigel Delta Stakeholders Initiative for Community Development and Empowerment	135,772	-	135,772	-
Miscellaneous donations	6,286	-	6,286	2,598
	<u>142,058</u>	<u>-</u>	<u>142,058</u>	<u>2,598</u>

The donations income in 2016 totalling £3,060 for the Group and £2,598 for the Charity was attributed to unrestricted funds and £nil to restricted funds.

**3. GRANTS AND CONTRACTS – CHARITY**

	<b>CHARITY</b>			
	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total 2017</b>	<b>Total 2016</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
The British Council	1,621	-	1,621	20,325
Leigh Day & Co.	419	-	419	35,620
Oxford Policy Management	29,977	-	29,977	98,824
Chatham House - The Royal Institute of International Affairs	1,500	-	1,500	-
Commonwealth Foundation - CMAP	-	29,988	29,988	-
Foreign & Commonwealth office	249,970	-	249,970	-
American Association of Geographers	90,500	-	90,500	-
McArthur Foundation	-	131,453	131,453	-
Comic Relief - CMAP	-	-	-	40,500
Cordaid - NACGOND Coalition	(5,292)	-	(5,292)	10,876
IIED - SUNGAS	(16,100)	-	(16,100)	70,302
The State of the Netherlands - Gov & Extract	-	-	-	83,686
	<u>352,595</u>	<u>161,441</u>	<u>514,036</u>	<u>360,133</u>

The grants and contracts income in 2016 totalling £360,133 was attributed to £154,769 unrestricted funds and £205,364 restricted funds.



**STAKEHOLDER DEMOCRACY NETWORK**  
(Limited by guarantee)

**NOTES TO THE ACCOUNTS (Cont/d)**

**FOR THE YEAR ENDED 30 APRIL 2017**

**3. GRANTS AND CONTRACTS CONT/D – GROUP**

	<b>GROUP</b>			
	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total 2017</b>	<b>Total 2016</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Comic Relief - CMAP	-	-	-	40,500
Cordaid - NACGOND Coalition	(5,292)	-	(5,292)	10,876
Cordaid - KSW Centre	-	22,338	22,338	-
Cordaid - overhead	2,210	-	2,210	8,014
Foster	-	-	-	6,746
IIED - SUNGAS	(16,100)	-	(16,100)	70,302
SFCG	-	-	-	53,950
The State of the Netherlands - Gov & Extract	-	-	-	83,686
McArthur Foundation	-	131,453	131,453	-
British Council	1,621	-	1,621	20,325
Leigh Day & Co.	419	-	419	35,620
Oxford Policy Management	29,977	848	30,825	98,824
Chatham House - The Royal Institute of International Affairs	1,500	-	1,500	-
Commonwealth Foundation	-	29,988	29,988	-
Foreign & Commonwealth office	249,968	-	249,968	-
American Association of Geographers	90,500	-	90,500	-
Action Aid	-	15,965	15,965	18,005
CYFI	-	21,452	21,452	26,389
PHED	-	7,852	7,852	-
Norwegian Embassy	-	-	-	55,222
Canadian Embassy	-	-	-	14,441
Dutch Oil Spill Research	-	3,522	3,522	32,262
PLAC - Election	-	-	-	1,435
NSRP	-	47,887	47,887	38,926
Project 'Arise'	-	-	-	675
Kairos Worldwide	-	-	-	473
NAIL	-	-	-	691
USCSO	-	-	-	2,532
MOSOP	-	774	774	-
Dutch Embassy	-	584,094	584,094	-
Policy and legal advocacy	-	3,533	3,533	-
SCEEP	-	-	-	2,237
	<u>354,803</u>	<u>869,706</u>	<u>1,224,509</u>	<u>622,131</u>

The grants and contracts income in 2016 totalling £622,131 was attributed to £238,698 unrestricted funds and £383,433 restricted funds.

**STAKEHOLDER DEMOCRACY NETWORK**  
(Limited by guarantee)

**NOTES TO THE ACCOUNTS (Cont/d)**

**FOR THE YEAR ENDED 30 APRIL 2017**

**4. NET INCOME FROM TRADING ACTIVITIES OF SUBSIDIARY**

During the year, the Charity has two subsidiaries as follows:-

- (1) Citizens Direct Network Limited, a company registered with the Corporate Affairs Commission (CAC) in the Federal Republic of Nigeria. The subsidiary was incorporated on 5 October 2009 with the company number 847695. The Charity owns 100% of the shares in the subsidiary company. The purpose of the subsidiary is to aid Stakeholder Democracy Network carry out their objectives in Nigeria.
- (2) Niger Delta Stakeholders Initiative for Community Development and Empowerments is a company limited by guarantee registered with the Corporate Affairs Commission (CAC) in the Federal Republic of Nigeria. The subsidiary was incorporated on 29 October 2014 with the company number CAC/IT/NO73022 and commenced its operation on September 2016. The Charity is the ultimate controlling party of the subsidiary company as it has control over its operations as prescribed by the subsidiary's constitution. The purpose of the subsidiary is to aid Stakeholder Democracy Network carry out their objectives in Nigeria.

Set out below is a summary of the subsidiaries' combined results before intra group adjustments for the year.

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
<b>Income</b>		
Grants, donations and legacies	70,456	463
<i>Income from charitable activities:</i>		
Grants and contracts	710,472	491,864
Other	3,049	2,186
<i>Investment income:</i>		
Bank Interest	132	33,239
<b>Income</b>	<u>784,109</u>	<u>527,752</u>
<b>Expenditure</b>		
<i>Expenditure on charitable activities:</i>	612,260	900,612
<b>Total expenditure</b>	<u>612,260</u>	<u>900,612</u>
<b>Net income/(expenditure) and net movement in funds for the year before</b>	171,849	(372,860)
Transfers between funds	-	-
<b>Net income/(expenditure) and net movement in funds for the year after transfers</b>	171,849	(372,860)
Gains / (losses) on consolidation	(42,682)	13,527
<b>Net movements of funds</b>	129,167	(359,333)
<b>Reconciliation of funds</b>		
Total funds brought forward	95,917	455,250
<b>Total funds, carried forward</b>	<u><u>225,084</u></u>	<u><u>95,917</u></u>



**STAKEHOLDER DEMOCRACY NETWORK**  
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**NOTES TO THE ACCOUNTS (Cont/d)**

**FOR THE YEAR ENDED 30 APRIL 2017**

**5. ANALYSIS OF EXPENDITURE – GROUP**

		<b>GROUP Capacity Building &amp; Awareness Raising £</b>	<b>Total 2017 £</b>	<b>Total 2016 £</b>
	<b>Basis of allocation</b>			
<i>Costs directly allocated to activities:</i>				
Staff costs	Direct	319,490	319,490	312,900
Consultancy	Direct	181,648	181,648	180,733
Travel and motor expenses	Direct	65,435	65,435	92,289
Premises	Direct	4,458	4,458	66,431
Other direct costs	Direct	87,259	87,259	186,471
Donations and grants (Note 9)	Direct	4	4	22,581
Support costs (Note 6)		326,478	326,478	512,271
Governance costs (Note 6)		12,643	12,643	11,996
<b>Total resources expended</b>		<u>997,415</u>	<u>997,415</u>	<u>1,385,672</u>

Of the £997,415 expenditure in 2017 (2016 - £1,385,671), £513,286 was charged to unrestricted funds (2016 - £1,010,097) and £484,129 to restricted funds (2016 - £375,575).

**6. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS - GROUP**

The Charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. All the general support and governance costs have been apportioned to the various charitable activities on the basis of transactions, allocated to each activity.

	<b>Support costs £</b>	<b>GROUP Governance costs £</b>	<b>2017 £</b>	<b>2016 £</b>
General and office finance staff	41,511	-	41,511	190,296
Premises	53,210	-	53,210	58,666
Staff training and subsistence	3,930	-	3,930	3,021
Reference material and subscription	290	-	290	2,899
Travel, accommodation and insurance	101,784	-	101,784	165,684
Professional fees	2,842	-	2,842	-
Office supplies and communications	58,080	-	58,080	58,999
Computer and Information technology	6,094	-	6,094	8,506
Depreciation	8,340	-	8,340	15,112
Other	839	-	839	1,205
Bank charges	2,780	-	2,780	4,502
Foreign exchange (gains) / loss	4,400	-	4,400	3,381
Advertising	2,600	-	2,600	-
Entertainment	24,330	-	24,330	-
Repairs and maintenance	15,448	-	15,448	-
Audit fees	-	12,643	12,643	11,996
	<u>326,478</u>	<u>12,643</u>	<u>339,121</u>	<u>524,267</u>

**STAKEHOLDER DEMOCRACY NETWORK**  
(Limited by guarantee)

**NOTES TO THE ACCOUNTS (Cont/d)**

**FOR THE YEAR ENDED 30 APRIL 2017**

**7. ANALYSIS OF EXPENDITURE – CHARITY**

			CHARITY			
	Basis of allocation	Nigerian Subsidiary £	Capacity Building & Awareness Raising £	Governance £	Total 2017 £	Total 2016 £
<i>Costs directly allocated to activities:</i>						
Staff costs	Direct	36,915	161,982	-	198,897	175,784
Consultancy	Direct	-	140,840	-	140,840	252,493
Travel and motor expenses	Direct	6,152	64,819	-	70,971	101,596
Premises	Direct	15,381	-	-	15,381	-
Other direct costs	Direct	3,076	64,953	-	68,029	50,778
Donations and grants (Note 9)	Direct	-	-	-	-	15,259
Support costs (Note 8)		-	89,015	-	89,015	112,506
Governance costs (Note 8)		-	-	8,400	8,400	6,510
		<u>61,524</u>	<u>521,609</u>	<u>8,400</u>	<u>591,533</u>	<u>714,926</u>

Of the £591,533 expenditure in 2017 (2016 - £714,926), £521,239 was charged to unrestricted funds (2016 - £285,749) and £70,294 to restricted funds (2016 - £429,177).

**8. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS – CHARITY**

The Charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. All the general support and governance costs have been apportioned to the various charitable activities on the basis of a proportion of direct costs, allocated to each activity.

	Support costs £	CHARITY Governance costs £	2017 £	2016 £
General and office finance staff	41,511	-	41,511	46,794
Premises	26,135	-	26,135	24,617
Staff training and subsistence	530	-	530	2,022
Reference material and subscription	290	-	290	2,663
Travel, accommodation and insurance	3,980	-	3,980	6,402
Professional fees	418	-	418	-
Office supplies and communications	4,271	-	4,271	13,538
Computer and Information technology	6,094	-	6,094	8,506
Depreciation	476	-	476	2,420
Other	-	-	-	515
Bank charges	910	-	910	1,648
Foreign exchange (gains) / loss	4,400	-	4,400	3,381
Audit fees	-	8,400	8,400	6,510
	<u>89,015</u>	<u>8,400</u>	<u>97,415</u>	<u>119,016</u>

**STAKEHOLDER DEMOCRACY NETWORK**  
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**NOTES TO THE ACCOUNTS (Cont/d)**

**FOR THE YEAR ENDED 30 APRIL 2017**

**9. GRANTS PAYABLE**

Grants payable represents grants made to institutions to support activities in the Niger Delta area.

	<b>GROUP</b>		<b>CHARITY</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
NACGOND	-	15,267	-	15,267
Other	4	7,314	-	-
	<u>4</u>	<u>22,581</u>	<u>-</u>	<u>15,267</u>

**10. NET INCOME / (EXPENDITURE) FOR THE YEAR**

This is stated after charging:

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Depreciation	8,340	15,112
Audit fee	<u>12,643</u>	<u>11,996</u>

**11. ANALYSIS OF STAFF COSTS, TRUSTEES REMUNERATION AND EXPENSES, AND COST OF KEY MANAGEMENT PERSONNEL**

**STAFF COSTS**

	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Salaries	303,786	457,755
Social security	22,914	28,460
Pension	19,294	14,907
	<u>345,994</u>	<u>501,122</u>

No employee received remuneration in excess of £60,000 during the year

No Trustee received any remuneration during the year (2016 - £nil).

No Trustees received reimbursed expenses during the year (2016 - £nil).

The key management personnel of the based in the UK are the Executive Director, Chief Financial Officer and the UK Programmes Manager. The key management personnel of the based in Nigeria are the Nigeria Country Manager, Nigerian Programmes Manager and the Finance & Admin Manager. The total employee benefits of the key management personnel of the charity both in the UK and Nigeria were £142,744 (2016 - £175,396).

**12. STAFF NUMBERS**

The average monthly number of staff employed, calculated as full time equivalent, during the year was as follows:

	<b>2017</b>	<b>2016</b>
Direct charitable work	25	26
Administrative work	4	4
Total	<u>29</u>	<u>30</u>

**STAKEHOLDER DEMOCRACY NETWORK**  
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**NOTES TO THE ACCOUNTS (Cont/d)**

**FOR THE YEAR ENDED 30 APRIL 2017**

**13. TANGIBLE FIXED ASSETS – GROUP AND CHARITY**

**GROUP:**

**NET BOOK VALUES**

Office equipment  
Motor vehicle

**2017**  
**£**                      **2016**  
**£**

8,411                      14,044  
1                          5,377

8,412                      19,421

**MOVEMENTS IN YEAR**

**Cost**

	Opening Balances £	Additions/ (Disposals) £	Impairment/ fx difference £	Closing Balances £
Office equipment	94,471	8,396	(56,664)	46,203
Motor vehicle	15,488	-	(5,735)	9,753
	<u>109,959</u>	<u>8,396</u>	<u>(62,399)</u>	<u>55,956</u>

**Depreciation**

	Opening Balances £	Charge For Year / (Elimination) £	Impairment/ fx difference £	Closing Balances £
Office equipment	80,427	8,340	(50,975)	37,792
Motor vehicle	10,111	-	(359)	9,752
	<u>90,538</u>	<u>8,340</u>	<u>(51,334)</u>	<u>47,544</u>

**CHARITY:**

**NET BOOK VALUES**

Office equipment

**2017**  
**£**                      **2016**  
**£**

2,574                      10,051

2,574                      10,051

**MOVEMENTS IN YEAR**

**Cost**

	Opening Balances £	Additions £	Disposals £	Closing Balances £
Office equipment	41,252	1,412	(39,029)	3,635
	<u>41,252</u>	<u>1,412</u>	<u>(39,029)</u>	<u>3,635</u>

**Depreciation**

	Opening Balances £	Charge For Year £	Disposals £	Closing Balances £
Office equipment	31,201	476	(30,616)	1,061
	<u>31,201</u>	<u>476</u>	<u>(30,616)</u>	<u>1,061</u>



**STAKEHOLDER DEMOCRACY NETWORK**  
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**NOTES TO THE ACCOUNTS (Cont/d)**

**FOR THE YEAR ENDED 30 APRIL 2017**

**14. FIXED ASSET INVESTMENTS – GROUP AND CHARITY**

	<b>GROUP</b>		<b>CHARITY</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Investment at cost	<u>-</u>	<u>-</u>	<u>9</u>	<u>9</u>

The investment shown above represents the cost of the entire issued share capital of one subsidiary undertaking, Citizens Direct Network Limited, a company incorporated in the Federal Republic of Nigeria.

The other subsidiary undertaking, Niger Delta Stakeholders Initiative for Community Development and Empowerments, is an incorporated company limited by guarantee in the Federal Republic of Nigeria. There is no share capital in a limited by guarantee company.

The combined results for both subsidiaries are set out in note 4.

**15. DEBTORS – GROUP AND CHARITY**

	<b>GROUP</b>		<b>CHARITY</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors and accrued income	57,420	101,565	53,992	77,771
Staff loan	4,159	13,531	33	346
Other debtors and prepayments	494	2,948	-	-
Amount owed to subsidiaries	-	-	27,452	-
	<u>62,073</u>	<u>118,044</u>	<u>81,477</u>	<u>78,117</u>

**16. CREDITORS FALLING DUE WITHIN ONE YEAR – GROUP AND CHARITY**

	<b>GROUP</b>		<b>CHARITY</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	6,096	9,710	-	9,710
Taxation and social security	5,902	3,368	5,833	3,285
Accruals and deferred income	28,409	25,432	24,730	19,416
Amounts owed to subsidiaries	-	-	80,950	-
Other creditors	439	8,559	282	7,678
	<u>40,846</u>	<u>47,069</u>	<u>111,795</u>	<u>40,089</u>



**STAKEHOLDER DEMOCRACY NETWORK**  
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**NOTES TO THE ACCOUNTS (Cont/d)**

**FOR THE YEAR ENDED 30 APRIL 2017**

**17. ANALYSIS OF CHARITABLE FUNDS – GROUP**

	GROUP				
	Balance at 01.05.16 £	Income £	Expenditure £	Transfer £	Balance at 30.04.17 £
<b>Restricted Funds:</b>					
Comic Relief - CMAP	507	-	145	-	362
IIED - SUNGAS	554	-	554	-	-
SFCG	3,509	-	3,509	-	-
US Department of State - Media Campaign	1,121	-	1,121	-	-
Action Aid	115	15,965	16,080	-	-
Dutch Oil Spill Research	196	3,522	3,718	-	-
NSRP - British Council	437	47,887	48,063	-	261
Cordaid - KSW Centre	-	22,338	22,338	-	-
Oxford Policy Management	-	848	46	-	802
McArthur Foundation	-	131,453	54,369	-	77,084
CYFI	-	21,452	21,452	-	-
PHED ND Survey	-	7,852	7,852	-	-
Commonwealth Foundation - CMAP	-	29,988	15,925	-	14,063
MOSOP Washington DC/ KWSF	-	774	774	-	-
Dutch Embassy	-	584,094	298,608	(91,084)	194,402
Policy and Legal Advocacy	-	1,566	86	-	1,480
Policy and Legal Advocacy (Foster MDA)	-	1,967	109	-	1,858
The State of the Netherlands - Bodo Mediation	-	-	569	10,324	9,755
<b>Total restricted funds</b>	<b>6,439</b>	<b>869,706</b>	<b>495,318</b>	<b>(80,760)</b>	<b>300,067</b>
<b>Unrestricted Funds:</b>					
General funds	257,589	369,661	544,782	80,760	163,228
<b>Total Funds:</b>	<b>264,028</b>	<b>1,239,367</b>	<b>1,040,100</b>	<b>-</b>	<b>463,295</b>

Total expenditure of £1,040,100 included exchange loss on consolidation of £42,685.

Transfer of £91,084 from Dutch Embassy to Unrestricted fund represents amounts advanced to the Group for expenses relating to the UK office. This amount was then paid in full after the year end by August 2017 and spent on Dutch Embassy project activities.

Transfer of £10,324 was made from Unrestricted fund to The State of the Netherlands (Bodo Mediation) fund which represent the amounts to be refunded to the donor.



**STAKEHOLDER DEMOCRACY NETWORK**  
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**NOTES TO THE ACCOUNTS (Cont/d)**

**FOR THE YEAR ENDED 30 APRIL 2017**

**18. ANALYSIS OF CHARITABLE FUNDS – CHARITY**

	CHARITY			
	Balance at 01.05.16 £	Income £	Expenditure £	Transfer £
				Balance at 30.04.17 £
<b>Restricted Funds:</b>				
Commonwealth Foundation - CMAP	-	29,988	15,925	-
McArthur Foundation	-	131,453	54,369	-
<b>Total restricted funds</b>	<b>-</b>	<b>161,441</b>	<b>70,294</b>	<b>-</b>
<b>Unrestricted Funds:</b>				
General funds	168,113	494,657	521,239	-
<b>Total unrestricted funds</b>	<b>168,113</b>	<b>494,657</b>	<b>521,239</b>	<b>-</b>
<b>Total Funds:</b>	<b>168,113</b>	<b>656,098</b>	<b>591,533</b>	<b>-</b>

**Description, nature and purpose of funds:**

<b>Fund</b>	<b>Purpose and restrictions in use</b>
Comic Relief - CMAP	£500,000 awarded over 36 months starting 01/07/13 to help provide a voice to local communities through a radio station. After agreed extensions to this project it is now due to end on March 31 <sup>st</sup> 2018
IIED (Sungas, Solar Lantern and Scoping)	For the provision of consultancy services to International Institute for Environmental Development (IIED) as part of the SUNGAS project, (Sustainable Utilisation of Nigeria's Gas and Renewable Energy Resources). The is a 3-year EC-funded project to develop community-based energy initiatives in the Niger Delta using renewable energy resources and associated gas.
SFCG	Funding to support community level conflict resolution and reintegration of ex-militants to promote stability in the Niger Delta. This project is now finished.
US Department of State – Media Campaign	To convene an assembly of Nigerian stakeholders, organised as a Board of Advisors to conduct a media and outreach campaign. Also, to establish a Secretarial, which will be responsible for convening, managing and facilitating all operations associated with the Board of Advisors. This project is now finished.
Action Aid	The SCEEP project (strengthening citizens' engagement in the electoral process) aims to strengthen citizens engagement with the electoral process and deepen democratic governance in Nigeria. It is funded by the Department for International Development (DFID). This project is now finished.



**STAKEHOLDER DEMOCRACY NETWORK**  
**(Limited by guarantee)**

**NOTES TO THE ACCOUNTS (Cont/d)**

**FOR THE YEAR ENDED 30 APRIL 2017**

Dutch Oil Spill Research	Improving the capability of the Nigerian Oil Spill Detection and Response Agency which is part of the Nigerian Ministry of Environment. This project is now finished.
NSRP – British Council	Improving the capacity of communities with Bayelsa state to self-mediate conflict issues. This project is now finished.
CORDAID KSW Centre	CORDAID contributed to the realisation of the 'KSW Centre: A Space for Storytellers' in the Niger Delta by Ken Saro Wiwa Foundation in co-operation with Stakeholder Democracy Network. The project was implemented by Ken Saro Wiwa Foundation and Stakeholder Democracy Network, in collaboration with Cordaid. This specific project is now finished, however work continues on the KSW Centre through other projects.
McArthur Foundation	This project aims to improve mutual accountability between electricity providers and consumers in Nigeria, and thereby reduce corruption in the industry. It does this through building engagement between electricity customers, distribution companies and regulators, and by promoting greater uptake of reporting mechanisms to prevent fraud. The use of radio shows, town hall meetings and social media are key components of this project. The project is being implemented in Edo and Delta states, and includes key engagements with the Benin Electricity Distribution Company (BEDC).
Oxford Policy Management	Funding for specific activities to implement a part of the DFID funded FOSTER project around the Oil sector in the Niger Delta.
CYFI	The Carrington Youth Fellow Initiative is a US government funded project that brings Nigerian youth of exceptional vision, skills and experience to design and implement projects that have a positive impact on Nigerian society. This project is now finished.
PHED ND Survey	This project collected the opinions of electricity consumers on their attitudes towards paying for electricity in Rivers State, Nigeria. This project is now finished.
Commonwealth Foundation - CMAP	A project that brings musicians, producers and scholars together with local artists and writers through production and performance sessions: sharing skills and experience, making new music and encouraging debate on locally significant issues, from forced evictions to election violence. Sessions-in-the-Shed will make the socially excluded margins of the city a centre of musical creativity and connection
MOSOP Washington DC/KWSF	Funding towards making the KSW Centre a place for social change and innovation.

**STAKEHOLDER DEMOCRACY NETWORK**  
(Limited by guarantee)

**NOTES TO THE ACCOUNTS (Cont/d)**

**FOR THE YEAR ENDED 30 APRIL 2017**

Dutch Embassy

This project combines advocacy and social accountability approaches to achieve two main objectives: 1) to promote the clean-up of the Niger Delta and prevent oil spills and gas flaring, through improved environmental regulation and enforcement. Our work includes government engagement and a public campaign to call for improved legislation (particularly the separation of environmental regulation from other aspects of oil industry regulation); promoting compliance with best practice in oil pollution response, clean-up and compensation; and improving the capacity of the Ministry of Environment to enforce regulation. SDN also supports the Bodo Mediation Initiative, which is facilitating the oil spill clean-up in Bodo community, Gokana Local Government Area. 2) to promote good governance, particularly through greater budget transparency and accountability, and working towards free and fair elections. SDN's approach includes working directly with communities to engage with government, hold them to account, and increase citizen participation in government decision making.

Policy and Legal Advocacy

Funding for specific activities relating to the production of a set of political policy papers for development in the Niger Delta region.

Policy and Legal Advocacy (Foster MDA)

Funding for specific activities relating to coordinating development planning for the Niger Delta region amongst Nigerian government Ministries, Departments and Agencies.

The State of the Netherlands – Bodo Mediation

Funding for the Bodo Mediation Initiative project. This specific project is now finished, however work on the Bodo Mediation Initiative continues under other projects.

**19. ANALYSIS OF GROUP ASSETS BETWEEN FUNDS – GROUP AND CHARITY**

<b>GROUP</b>	<b>Unrestricted funds £</b>	<b>Restricted funds £</b>	<b>Total £</b>
Fixed assets	8,412	-	8,412
Net current assets	154,816	300,067	454,883
	<u>163,228</u>	<u>300,067</u>	<u>463,295</u>
 <b>CHARITY</b>			
Fixed assets	2,574	-	2,574
Net current assets	138,957	91,147	230,104
	<u>141,531</u>	<u>91,147</u>	<u>232,678</u>

**STAKEHOLDER DEMOCRACY NETWORK**  
(Limited by guarantee)

**NOTES TO THE ACCOUNTS (Cont/d)**

**FOR THE YEAR ENDED 30 APRIL 2017**

**20. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASHFLOW FROM OPERATING ACTIVITIES – GROUP AND CHARITY**

	GROUP		CHARITY	
	2017	2016	2017	2016
	£	£	£	£
Net movement in funds	199,267	(711,529)	64,565	(352,194)
Add back depreciation/loss on disposal/impairment	19,405	38,084	8,889	2,420
Deduct interest income shown in investment activities	(136)	(33,239)	(4)	(1)
Decrease / (increase) in debtors	55,971	99,475	(3,360)	(59,945)
Increase / (decrease) in creditors	(6,223)	24,087	71,706	23,391
<b>Net cash used in operating activities</b>	<u>268,284</u>	<u>(583,122)</u>	<u>141,796</u>	<u>(386,329)</u>

**21. DEFERRED INCOME – GROUP AND CHARITY**

There is no income to be deferred at the year end (2016 - £nil).

**22. SHARE CAPITAL**

The Company is a company limited by guarantee and does not have share capital divided by shares. Under the terms of the Memorandum and Articles of Association each member is liable to contribute a sum not exceeding £1.00 in the event of the company being wound up.