

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

**DIRECTORS' AND
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2018**

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

	Page
Directors' and Trustees' Report	2 - 5
Independent Auditor's Report	6 - 7
Consolidated Statement of Financial Activities	8
Statement of Financial Activities	9
Group Balance Sheet	10
Statement of Cash Flows and Consolidated Statement of Cash Flows	11
Notes to the Accounts	12 - 27

STAKEHOLDER DEMOCRACY NETWORK

DIRECTORS' AND TRUSTEES' REPORT

FOR THE YEAR ENDED 30 APRIL 2018

The trustees are pleased to present their annual consolidated directors' and trustees report together with the financial statements of the Stakeholder Democracy Network (the 'Charity' or 'Company') and its subsidiaries (together the 'Group') for the year ended 30th April 2018, 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 group supports the efforts of those affected by the extractives industry and weak governance. We work with governments, companies, communities and other stakeholders to ensure the promotion and protection of human rights. The group has operated for nearly 15 years in the Niger Delta and has offices in Port Harcourt (Nigeria) and London (UK). Our work is underpinned by strong relationships with stakeholders across the region, our local presence, and a strong focus on research and political economy analysis, which helps us to understand and respond to the constantly shifting dynamics of the Niger Delta.

Our vision is one of a new global economic and social contract, which corrects the asymmetry of power in negotiating social contracts between stakeholders in the global economy. Our vision is one that ensures basic rights – including economic and social development – are not sacrificed in one part of the world to the benefit of another.

Our mission is to support the efforts of those affected by extractive industries and weak governance through rights-based community empowerment. We strive to protect human rights and demand responsive governance.

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.

Achievement and activities

The group 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 assist the Federal Government in Nigeria 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 group'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 group's activities.

STAKEHOLDER DEMOCRACY NETWORK
DIRECTORS' AND TRUSTEES' REPORT (Cont/d)
FOR THE YEAR ENDED 30 APRIL 2018

FINANCIAL REVIEW

The Statement of Financial Activities showed net deficit of £8,917 (2017 – surplus £199,267) for the year and reserves stand at £410,650 (2017 - £463,295).

The financial position of the group continued to improve during the reporting period as our portfolio of work increased and we built upon the foundation laid in prior years. The group 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 group therefore went through a period of building upon its financial stability and has structured itself to best deliver on its charitable objectives and be best prepared for future growth of the organisation.

Principal funding sources

The main funding sources for the group 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 and The MacArthur Foundation.

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 30th April 2018 the unrestricted reserves not invested in fixed assets totalled £259,513 (2017 – £154,816).

FUTURE ACTIVITIES

The charitable group have further built upon partnerships with the Nigerian government administration at a Federal, State and Local level 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 as we lead up to the next set of Nigerian elections in early 2019, and the group will capitalise on this through its long-term experience at both the grass-roots and policy level.

STAKEHOLDER DEMOCRACY NETWORK
DIRECTORS' AND TRUSTEES' REPORT (Cont/d)
FOR THE YEAR ENDED 30 APRIL 2018

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: The Green House, 244-254 Cambridge Heath Road, London E2 9DA

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

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

STAKEHOLDER DEMOCRACY NETWORK
DIRECTORS' AND TRUSTEES' REPORT (Cont/d)
FOR THE YEAR ENDED 30 APRIL 2018

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 14th April 2004 and registered as a charity on 16th 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.

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 two 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 group 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 group's staff is done by the group'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 4.

STAKEHOLDER DEMOCRACY NETWORK
DIRECTORS' AND TRUSTEES' REPORT (Cont/d)
FOR THE YEAR ENDED 30 APRIL 2018

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 group and the financial information included on the group'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 group's auditors are aware of that information.

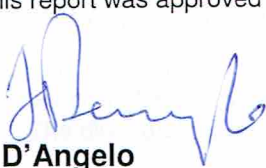
AUDITORS

A resolution was proposed and agreed at the Annual General Meeting that Ramon Lee & Partners be re-appointed as auditors of the Group 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

3 January 2019

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 30th April 2018, 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 30th April 2018 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. 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.



DAVID TERRY (Senior Statutory Auditor)
for and on behalf of RAMON LEE & PARTNERS
CHARTERED ACCOUNTANTS
STATUTORY AUDITOR

EAGLE HOUSE
167 CITY ROAD
LONDON EC1V 1AW

3 January 2019

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 30 APRIL 2018

SUMMARY INCOME AND EXPENDITURE ACCOUNT

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
Income					
Grants, donations and legacies	2	9,047	-	9,047	11,670
<i>Income from charitable activities:</i>					
Grants and contracts	3	131,801	1,385,836	1,517,637	1,224,509
Other		8,485	-	8,485	3,049
<i>Investment income:</i>					
Bank Interest		282	-	282	136
Total income		<u>149,615</u>	<u>1,385,836</u>	<u>1,535,451</u>	<u>1,239,364</u>
Expenditure					
<i>Expenditure on charitable activities:</i>	5, 17	22,156	1,522,212	1,544,368	997,415
Total expenditure		<u>22,156</u>	<u>1,522,212</u>	<u>1,544,368</u>	<u>997,415</u>
Net income/(expenditure) and net movement in funds for the year before transfers		127,459	(136,376)	(8,917)	241,949
Transfers between funds	17	6,724	(6,724)	-	-
Net income/(expenditure) and net movement in funds for the year after transfers		134,183	(143,100)	(8,917)	241,949
Gains / (losses) on consolidation		(8,262)	(35,466)	(43,728)	(42,682)
Net movements of funds		<u>125,921</u>	<u>(178,566)</u>	<u>(52,645)</u>	<u>199,267</u>
Reconciliation of funds					
Total funds brought forward		163,228	300,067	463,295	264,028
Total funds, carried forward	17	<u>289,149</u>	<u>121,501</u>	<u>410,650</u>	<u>463,295</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 2018

SUMMARY INCOME AND EXPENDITURE ACCOUNT

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
Income					
Grants, donations and legacies	2	92,259	-	92,259	142,058
<i>Income from charitable activities:</i>					
Grants and contracts	3	131,801	1,092,141	1,223,942	514,036
<i>Investment income:</i>					
Bank Interest		-	-	-	4
Income		<u>224,060</u>	<u>1,092,141</u>	<u>1,316,201</u>	<u>656,098</u>
Expenditure					
<i>Expenditure on charitable activities:</i>	7, 18	234,925	1,134,775	1,369,700	591,533
Total expenditure		<u>234,925</u>	<u>1,134,775</u>	<u>1,369,700</u>	<u>591,533</u>
Net income/(expenditure) and net movement in funds for the year before transfers		(10,865)	(42,634)	(53,499)	64,565
Transfers between funds		-	-	-	-
Net income/(expenditure) and net movement in funds for the year after transfers		(10,865)	(42,634)	(53,499)	64,565
Reconciliation of funds					
Total funds brought forward		141,531	91,147	232,678	168,113
Total funds, carried forward	18	<u>130,666</u>	<u>48,513</u>	<u>179,179</u>	<u>232,678</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)

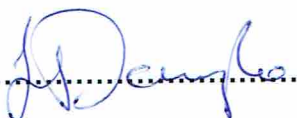
GROUP BALANCE SHEET

AS AT 30 APRIL 2018

	Notes	GROUP 2018 £	GROUP 2017 £	CHARITY 2018 £	CHARITY 2017 £
FIXED ASSETS					
Tangible assets	13	29,539	8,412	6,310	2,574
Investments	14	-	-	9	9
		<u>29,539</u>	<u>8,412</u>	<u>6,319</u>	<u>2,583</u>
CURRENT ASSETS					
Debtors	15	307,935	62,073	294,001	81,477
Cash at bank and in hand		346,971	433,656	184,947	260,413
Total Current Assets		<u>654,906</u>	<u>495,729</u>	<u>478,948</u>	<u>341,890</u>
Liabilities					
Creditors falling due within one year	16	(273,795)	(40,846)	(306,088)	(111,795)
Net Current Assets/(Liabilities)		<u>381,111</u>	<u>454,883</u>	<u>172,860</u>	<u>230,095</u>
Total assets less current liabilities		410,650	463,295	179,179	232,678
Net assets		<u>410,650</u>	<u>463,295</u>	<u>179,179</u>	<u>232,678</u>
The funds of the charity:					
Unrestricted funds	17 & 18	289,052	163,228	130,666	141,531
Restricted funds	17 & 18	121,598	300,067	48,513	91,147
		<u>410,650</u>	<u>463,295</u>	<u>179,179</u>	<u>232,678</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 3 January 2019 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 30TH APRIL 2018

	Notes	GROUP 2018 £	GROUP 2017 £	CHARITY 2018 £	CHARITY 2017 £
Cash (outflow) / inflow in operating activities	20	<u>(43,607)</u>	<u>268,284</u>	<u>(68,399)</u>	<u>141,796</u>
Cash flows from investing activities					
Interest income		282	136	-	4
Purchase of tangible fixed assets		(43,360)	(8,396)	(7,067)	(1,412)
Cash provided by / (used in) investing activities		<u>(43,078)</u>	<u>(8,260)</u>	<u>(7,067)</u>	<u>(1,408)</u>
Increase / (decrease) in cash & cash equivalents in the year		<u>(86,685)</u>	<u>260,024</u>	<u>(75,466)</u>	<u>140,388</u>
Cash & cash equivalents at the beginning of the year		433,656	173,632	260,413	120,025
Total cash & cash equivalents at the end of the year		<u><u>346,971</u></u>	<u><u>433,656</u></u>	<u><u>184,947</u></u>	<u><u>260,413</u></u>

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 APRIL 2018

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 group 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 Group's Financial Statements show net deficit of £8,917 for the year and unspent reserves of £410,650. The trustees are continuing to secure further funding and consider that the group will have sufficient resources for the next 12 to 18 months and on this basis the group 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 group 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.

1.5 Volunteers and donated services and facilities

Donated professional services and donated facilities are recognised as income when the group 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 group 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.

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2018

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the group which is the amount the group 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 group 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 group but do not directly undertake charitable activities. Support costs include back office costs, finance and administration personnel, payroll and governance costs which support the group'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

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.

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2018

1.12 Creditors and provisions

Creditors and provisions are recognised where the group 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 group's accounting policies, the group 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.

2. GRANTS, DONATIONS AND LEGACIES - GROUP

	GROUP			
	Unrestricted Funds	Restricted Funds	Total 2018	Total 2017
	£	£	£	£
Miscellaneous donations	9,047	-	9,047	11,670
	<u>9,047</u>	<u>-</u>	<u>9,047</u>	<u>11,670</u>

	CHARITY			
	Unrestricted Funds	Restricted Funds	Total 2018	Total 2017
	£	£	£	£
Nigel Delta Stakeholders Initiative for Community Development and Empowerment	88,391	-	88,391	135,772
Miscellaneous donations	3,868	-	3,868	6,286
	<u>92,259</u>	<u>-</u>	<u>92,259</u>	<u>142,058</u>

The donations income in 2017 totalling £11,670 for the Group and £142,058 for the Group was attributed to unrestricted funds and £nil to restricted funds.

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2018

3. GRANTS AND CONTRACTS – CHARITY

	CHARITY			
	Unrestricted Funds	Restricted Funds	Total 2018	Total 2017
	£	£	£	£
Dutch Embassy	(16,756)	-	(16,756)	-
The British Council	-	-	-	1,621
Leigh Day & Co.	-	-	-	419
Oxford Policy Management	93,628	-	93,628	29,977
Chatham House - The Royal Institute of International Affairs	1,900	-	1,900	1,500
Commonwealth Foundation - CMAP	-	29,988	29,988	29,988
Foreign & Commonwealth office	-	994,977	994,977	249,970
American Association of Geographers	53,029	-	53,029	90,500
McArthur Foundation	-	67,176	67,176	131,453
Cordaid - NACGOND Coalition	-	-	-	(5,292)
IIED - SUNGAS	-	-	-	(16,100)
	<u>131,801</u>	<u>1,092,141</u>	<u>1,223,942</u>	<u>514,036</u>

Grants and contracts income in 2017 totalling £514,036 consist of £352,595 unrestricted funds and £161,441 restricted funds.

3. GRANTS AND CONTRACTS CONT/D – GROUP

	GROUP			
	Unrestricted Funds	Restricted Funds	Total 2018	Total 2017
	£	£	£	£
Dutch Embassy	(16,756)	272,673	255,917	-
Cordaid - NACGOND Coalition	-	-	-	(5,292)
Cordaid - KSW Centre	-	-	-	22,338
Cordaid - overhead	-	-	-	2,210
IIED - SUNGAS	-	-	-	(16,100)
McArthur Foundation	-	67,176	67,176	131,453
British Council	-	-	-	1,621
Leigh Day & Co.	-	-	-	419
Oxford Policy Management	93,628	6,426	100,054	30,825
Chatham House - The Royal Institute of International	1,900	-	1,900	1,500
Commonwealth Foundation	-	29,988	29,988	29,988
Foreign & Commonwealth Office	-	994,977	994,977	249,968
American Association of Geographers	53,029	-	53,029	90,500
Action Aid	-	-	-	15,965
CYFI	-	-	-	21,452
PHED	-	-	-	7,852
Dutch Oil Spill Research	-	-	-	3,522
NSRP	-	-	-	47,887
MOSOP	-	-	-	774
Dutch Embassy	-	-	-	584,094
Policy and legal advocacy	-	-	-	3,533
SACE	-	14,596	14,596	-
	<u>131,801</u>	<u>1,385,836</u>	<u>1,517,637</u>	<u>1,224,509</u>

Grants and contracts income in 2017 totalling £1,224,509 consist of £354,803 unrestricted funds and £869,706 restricted funds.

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2018

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 2017. 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.

	2018 £	2017 £
Income		
Grants, donations and legacies	244,929	70,456
<i>Income from charitable activities:</i>		
Grants and contracts	293,695	710,472
Other	8,485	3,049
<i>Investment income:</i>		
Bank Interest	282	132
Income	<u>547,391</u>	<u>784,109</u>
Expenditure		
<i>Expenditure on charitable activities:</i>	509,184	612,260
Total expenditure	<u>509,184</u>	<u>612,260</u>
Net income/(expenditure) and net movement in funds for the year before	38,207	171,849
Transfers between funds	-	-
Net income/(expenditure) and net movement in funds for the year after transfers	38,207	171,849
Gains / (losses) on consolidation	(43,472)	(42,682)
Net movements of funds	<u>(5,265)</u>	<u>129,167</u>
Reconciliation of funds		
Total funds brought forward	225,084	95,917
Total funds, carried forward	<u><u>219,819</u></u>	<u><u>225,084</u></u>

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2018

5. ANALYSIS OF EXPENDITURE – GROUP

	Basis of allocation	GROUP			
		Capacity Building & Awareness Raising	Governance	Total 2018	Total 2017
		£	£	£	£
Costs directly allocated to activities:					
Staff costs	Direct	387,122		387,122	319,490
Consultancy	Direct	338,842		338,842	181,648
Travel and motor expenses	Direct	158,513		158,513	65,435
Premises	Direct	39,965		39,965	4,458
Other direct costs	Direct	167,816		167,816	87,259
Donations and grants (Note 9)	Direct	224,455		224,455	4
Support costs (Note 6)		215,810		215,810	326,478
Governance costs (Note 6)			11,845	11,845	12,643
Total resources expended		1,532,523	11,845	1,544,368	997,415

Of the £1,544,368 expenditure in 2018 (2017 - £997,415), £18,238 was charged to unrestricted funds (2017 - £513,286) and £1,526,130 to restricted funds (2017 - £484,129).

6. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS - GROUP

The Group 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.

	Support costs £	Governance costs £	GROUP	
			2018 £	2017 £
General and office finance staff	47,170	-	47,170	41,511
Premises	41,598	-	41,598	53,210
Staff training and subsistence	1,979	-	1,979	3,930
Reference material and subscription	2,652	-	2,652	290
Travel, accommodation and insurance	54,343	-	54,343	101,784
Professional fees	1,873	-	1,873	2,842
Office supplies and communications	27,428	-	27,428	58,080
Computer and Information technology	3,530	-	3,530	6,094
Depreciation	14,559	-	14,559	8,340
Other	17,151	-	17,151	839
Bank charges	4,303	-	4,303	2,780
Foreign exchange (gains) / loss	(22,727)	-	(22,727)	4,400
Advertising	97	-	97	2,600
Entertainment	10,317	-	10,317	24,330
Repairs and maintenance	11,537	-	11,537	15,448
Audit fees	-	11,845	11,845	12,643
	215,810	11,845	227,655	339,121

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2018

7. ANALYSIS OF EXPENDITURE – CHARITY

		CHARITY					
			Capacity Building & Awareness				
	Basis of allocation	Nigerian Subsidiary £	Raising £	Governance £	Total 2018 £	Total 2017 £	
Costs directly allocated to activities:							
Staff costs	Direct	45,425	188,681	-	234,106	198,897	
Consultancy	Direct	18,170	332,426	-	350,596	140,840	
Travel and motor expenses	Direct	9,766	158,513	-	168,279	70,971	
Premises	Direct	11,356	18,662	-	30,018	15,381	
Other direct costs	Direct	18,170	124,099	-	142,269	68,029	
Donations and grants (Note 9)	Direct	-	222,973	-	222,973	-	
Support costs (Note 8)		83,456	89,421	-	172,877	89,015	
Governance costs (Note 8)		40,782	-	7,800	48,582	8,400	
		227,125	1,134,775	7,800	1,369,700	591,533	

Of the £1,369,700 expenditure in 2018 (2017 - £591,533), £234,925 was charged to unrestricted funds (2017 - £521,239) and £1,134,775 to restricted funds (2017 - £70,294).

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 £	2018 £	2017 £
General and office finance staff	47,170	-	47,170	41,511
Premises	27,993	-	27,993	26,135
Staff training and subsistence	1,196	-	1,196	530
Reference material and subscription	2,609	-	2,609	290
Travel, accommodation and insurance	1,325	-	1,325	3,980
Professional fees	693	-	693	418
Office supplies and communications	15,853	-	15,853	4,271
Computer and Information technology	3,530	-	3,530	6,094
Depreciation	2,398	-	2,398	476
Other	2,132	-	2,132	-
Bank charges	2,378	-	2,378	910
Foreign exchange (gains) / loss	(17,856)	-	(17,856)	4,400
Audit fees	-	7,800	7,800	8,400
	<u>89,421</u>	<u>7,800</u>	<u>97,221</u>	<u>97,415</u>

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2018

9. GRANTS PAYABLE

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

	GROUP		CHARITY	
	2018	2017	2018	2017
	£	£	£	£
Peace Global Development	37,778	-	37,778	-
Centre for Conflict & Gender Studies	89,474	-	89,474	-
Centre for Niger Delta Studies	9,789	-	9,789	-
Academic Associates Peace Work	85,932	-	85,932	-
Other	1,482	4	-	-
	<u>224,455</u>	<u>4</u>	<u>222,973</u>	<u>-</u>

10. NET INCOME / (EXPENDITURE) FOR THE YEAR

This is stated after charging:

	2018	2017
	£	£
Depreciation	14,559	8,340
Audit fee	<u>11,845</u>	<u>12,643</u>

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

STAFF COSTS	2018	2017
	£	£
Salaries	351,619	303,786
Social security	34,510	22,914
Pension	31,700	19,294
	<u>417,829</u>	<u>345,994</u>

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

No Trustee received any remuneration during the year (2017 - £nil).

No Trustees received reimbursed expenses during the year (2017 - £nil).

The key management personnel based in the UK are the Executive Director, Chief Financial Officer and the UK Programmes Director. The key management personnel based in Nigeria are the Nigeria Country Director, Nigerian Programmes Manager and the Finance & Admin Manager. The total employee benefits of the key management personnel of the group both in the UK and Nigeria were £226,437 (2017 - £163,445).

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2018

12. STAFF NUMBERS

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

	2018	2017
Direct charitable work	21	25
Administrative work	9	4
Total	30	29

13. TANGIBLE FIXED ASSETS – GROUP AND CHARITY

GROUP:

NET BOOK VALUES

	2018 £	2017 £
Office equipment	13,810	8,411
Motor vehicle	15,729	1
	29,539	8,412

MOVEMENTS IN YEAR

Cost	Opening Balances £	Additions/ (Disposals) £	Disposal/ fx difference £	Closing Balances £
Office equipment	46,203	22,952	(19,865)	49,290
Motor vehicle	9,753	20,408	-	30,161
	55,956	43,360	(19,865)	79,451
Depreciation	Opening Balances £	Charge For Year / (Elimination £	Impairment/ fx difference £	Closing Balances £
Office equipment	37,792	6,636	(8,948)	35,480
Motor vehicle	9,752	4,680	-	14,432
	47,544	11,316	(8,948)	49,912

CHARITY:

NET BOOK VALUES

	2018 £	2017 £
Office equipment	6,310	2,574
	6,310	2,574

MOVEMENTS IN YEAR

Cost	Opening Balances £	Additions £	Disposals £	Closing Balances £
Office equipment	3,635	7,067	(3,028)	7,674
	3,635	7,067	(3,028)	7,674
Depreciation	Opening Balances £	Charge For Year £	Disposals £	Closing Balances £
Office equipment	1,061	933	(630)	1,364
	1,061	933	(630)	1,364

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2018

14. FIXED ASSET INVESTMENTS – GROUP AND CHARITY

	GROUP		CHARITY	
	2018	2017	2018	2017
	£	£	£	£
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

	GROUP		CHARITY	
	2018	2017	2018	2017
	£	£	£	£
Trade debtors and accrued income	296,913	57,420	290,217	53,992
Staff loan	6,119	4,159	-	33
Other debtors and prepayments	4,903	494	3,784	-
Amount owed by subsidiaries	-	-	-	27,452
	<u>307,935</u>	<u>62,073</u>	<u>294,001</u>	<u>81,477</u>

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

	GROUP		CHARITY	
	2018	2017	2018	2017
	£	£	£	£
Trade creditors	2,098	6,096	-	-
Taxation and social security	5,600	5,902	5,600	5,833
Accruals and deferred income	264,885	28,409	259,255	24,730
Amounts owed to subsidiaries	-	-	40,403	80,950
Other creditors	1,212	439	830	282
	<u>273,795</u>	<u>40,846</u>	<u>306,088</u>	<u>111,795</u>

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2018

17. ANALYSIS OF CHARITABLE FUNDS – GROUP

	GROUP			
	Balance at 01.05.17 £	Income £	Expenditure £	Transfer £
				Balance at 30.04.18 £
Restricted Funds:				
Comic Relief - CMAP	362	-	47	(315)
SFCG	-	97	97	-
NSRP - British Council	261	-	33	(228)
Oxford Policy Management	802	6,427	7,229	-
McArthur Foundation	77,084	67,176	119,423	-
Commonwealth Foundation - CMAP	14,063	29,988	33,805	-
Dutch Embassy	194,402	272,672	393,989	-
Policy and Legal Advocacy	1,480	-	1,480	-
Policy and Legal Advocacy (Foster MDA)	1,858	-	1,858	-
The State of the Netherlands - Bodo Mediation	9,755	-	1,269	(8,486)
Foreign & Commonwealth office	-	994,977	981,547	-
SACE	-	14,596	16,901	2,305
Total restricted funds	300,067	1,385,933	1,557,678	(6,724)
Unrestricted Funds:				
General funds	163,228	149,518	30,418	6,724
Total Funds:	463,295	1,535,451	1,588,096	-

Total expenditure of £1,588,096 included exchange loss on consolidation of £43,728.

Transfer of £315 from Comic Relief CMAP and £8,486 from The State of the Netherlands 'Bodo Mediation' to Unrestricted funds represents repayment of monies used previously in the projects taken from unrestricted funds.

Transfer of £228 from NSRP British Council represents excess funding left after the projects have been concluded.

Transfer of £2,305 made from Unrestricted funds to SACE represents amounts of core funds used to fund the project before monies have been forwarded to the Charity by the funder.

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2018

18. ANALYSIS OF CHARITABLE FUNDS – CHARITY

	CHARITY			
	Balance at 01.05.17 £	Income £	Expenditure £	Transfer £
Restricted Funds:				
Commonwealth Foundation - CMAP	14,063	29,988	33,805	-
Foreign & Commonwealth office	-	994,977	981,547	-
McArthur Foundation	77,084	67,176	119,423	-
Total restricted funds	91,147	1,092,141	1,134,775	-
Unrestricted Funds:				
General funds	141,531	224,060	234,925	-
Total unrestricted funds	141,531	224,060	234,925	-
Total Funds:	232,678	1,316,201	1,369,700	-

Description, nature and purpose of funds:

Fund	Purpose and restrictions in use
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 in early 2019.
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.
NSRP – British Council	Improving the capacity of communities with Bayelsa state to self-mediate conflict issues. This project is now finished.
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).

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2018

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.
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.
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. This project is now finished.
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. This project is now finished.
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. A remaining balance of funds on this project was transferred back to the donor due to a historic underspend in one project period.

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2018

Foreign & Commonwealth Office

Through this project, SDN aims to promote stability in the Niger Delta. Our approach combines research, consultation and the implementation of pilot projects to identify and support alternative approaches to stabilisation and development in the region. The lessons are presented to decision-makers at the state, federal and international level, to outline opportunities for scale-up and replication of the innovative approaches in their own activities and policies. The project focuses on Bayelsa, Delta and Rivers states.

SACE

This project aims to promote transparency and accountability in electricity distribution by improving engagement between customers and Port Harcourt Electricity Distribution (PHED) Company. In particular, we aim to develop a complaints reporting and resolution mechanism with PHED using a mobile app, to enable customers to report problems with electricity supply and track PHED's response.

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

GROUP

	Unrestricted funds £	Restricted funds £	Total £
Fixed assets	29,539	-	29,539
Net current assets	259,513	121,598	381,111
	<u>289,052</u>	<u>121,598</u>	<u>410,650</u>

CHARITY

Fixed assets	6,310	-	6,310
Net current assets	124,356	48,513	172,869
	<u>130,666</u>	<u>48,513</u>	<u>179,179</u>

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2018

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

	GROUP		CHARITY	
	2018	2017	2018	2017
	£	£	£	£
Net movement in funds	(52,645)	199,267	(53,499)	64,565
Add back depreciation/loss on disposal/impairment	22,233	19,405	3,331	8,889
Deduct interest income shown in investment activities	(282)	(136)	-	(4)
Loss/ (profit) on sale of fixed assets	-	-	-	-
Decrease / (increase) in stock	-	-	-	-
Decrease / (increase) in debtors	(245,862)	55,971	(212,524)	(3,360)
Increase / (decrease) in creditors	232,949	(6,223)	194,293	71,706
Net cash (outflow) / inflow in operating activities	<u>(43,607)</u>	<u>268,284</u>	<u>(68,399)</u>	<u>141,796</u>

21. DEFERRED INCOME – GROUP AND CHARITY

Grants received from The Foreign & Commonwealth Office totalling £208,930 was deferred at the year end (2017 - £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.