

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

DIRECTORS' AND TRUSTEES' REPORT

AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2022

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 - 6
Independent Auditor's Report	7 - 9
Consolidated Statement of Financial Activities	10
Statement of Financial Activities	11
Group Balance Sheet	12
Statement of Cash Flows and Consolidated Statement of Cash Flows	13
Notes to the Accounts	14 - 31

STAKEHOLDER DEMOCRACY NETWORK

(Limited by guarantee)

DIRECTORS' AND TRUSTEES' REPORT

FOR THE YEAR ENDED 30 APRIL 2022

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 2022, 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 2019).

OUR PURPOSE AND ACTIVITIES

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 Stakeholder Democracy Network 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 over 18 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 focus on research and political economy analysis, which helps us to understand and respond to the constantly shifting dynamics of the Niger Delta with work that has meaningful benefit for the people of the region.

The group had two subsidiaries that were registered in Nigeria whose activities were to aid Stakeholder Democracy Network to carry out its objectives in Nigeria, although the process of closure for the second of these concluded this year in July 2021. The first 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 second of these was Citizens Direct Network Limited, a company registered with the Corporate Affairs Commission (CAC) in the Federal Republic of Nigeria with the company number 847695. As noted in last year's report, the SDN Board of Trustees agreed to the closure of the Citizens Direct Network. This decision was taken as a way to streamline the structure of SDN, reduce SDN's administrative work and so reduce SDN's costs. The Citizens Direct Network had not been operational for a few years and so the closure of Citizens Direct Network had no impact on the operations or future work of the SDN Group.

Achievement and activities

This year presented a particularly challenging operational environment, as the impact of the Covid-19 pandemic contributed towards changing donor priorities and intensifying economic challenges in the Niger Delta and globally. However, we were able to protect the quality of SDN's work and our impact in the Niger Delta through a focus on our highest-impact areas of work and securing support to continue and expand this.

The main activities for the period under review were:

- Commencement of the scale up of SDN's Community Monitoring and Advocacy Group (CMAG) work across Bayelsa State. This followed an internal evaluation of this work which showed that in just six communities, CMAGs had helped secure approximately £10m GBP of projects from government and oil and gas companies, from the construction of new drainage programmes to prevent flooding, to new vocational training programmes for young people. This work will eventually reach 45 communities, across six Local Government Areas, representing more than half the population of Bayelsa.
- Continuation of our project to independently monitoring the progress of Nigeria's largest ever oil spill clean-up in Ogoniland. This project provides a vital independent source of information on the clean-up, and our findings are helping to influence how the government is implementing the clean-up. For example, after SDN identified that some areas which had been certified as clean had not been cleaned up to the government's own standards, these locations have been put under a further six months of monitoring, where further action may be taken if contaminants do not fall below target thresholds.

STAKEHOLDER DEMOCRACY NETWORK

(Limited by guarantee)

DIRECTORS' AND TRUSTEES' REPORT

FOR THE YEAR ENDED 30 APRIL 2022

- The continuation of alternative livelihoods programming to support 300 farmers in riverine communities to access financial support to grow their businesses, and to adopt climate-smart agricultural practices to increase their yields and protect against the impacts of climate change.
- The launch of flagship research of the trend of divestment by International Oil Companies from oil production onshore in the Niger Delta and the move of Domestic Oil Companies in their place, and the current and potential impacts for local communities. This work triggered media coverage and subsequent work by multiple civil society organisations in the Niger Delta, which is helping civil society organisations and communities to better understand the local environmental, social, political and economic implications, and to respond to these.
- Similarly, SDN's analysis and publication of details of the Petroleum Industry Bill continued to shape the public debate on the now passed Petroleum Industry Act, creating awareness of the potential challenges and conflict the Act could cause, for example, through the provision to deduct Host Community Development Trust funds from communities where oil and gas infrastructure is damaged by a third party.
- Working with 300 Youth and Women Ambassadors in Rivers State in advance of the 2023 general elections to support more young people and women to get more actively involved in the democratic process, including by providing improved information on how to register to vote, and running large-scale consultations across Rivers state to collate the policy priorities of women and young people to present these to candidates for the 2023 elections.

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.

FINANCIAL REVIEW

The Statement of Financial Activities showed a deficit of £110,718 (2021 – £319,914) for the year and reserves stand at £206,643 (2021 - £317,361).

The financial position of the group was challenged, but ultimately maintained, during the reporting period as we, like most other organisations, felt the impact of the COVID-19 pandemic on the global economy and the international development sector. The group benefited from some long-term funding contracts which helped ensure consistency of funding during the audited period. We also secured new funding relationships through the audited period which sets us up well to further leverage these and carry forward our fundraising momentum into future opportunities.

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 Netherlands Embassy in Abuja, the UK Foreign, Commonwealth and Development 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. This should be equivalent to a minimum level of 2 months of the annual budget. At the 30th April 2022 the unrestricted reserves not invested in fixed assets totalled £62,025 (2021 – £195,228).

FUTURE ACTIVITIES

The charitable group has 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 charitable group will continue to extend its community based work to help diversify the economy away from the oil industry and provide meaningful development opportunities for the citizens of the Niger Delta. 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 move towards the next Presidential elections and therefore the group will look to capitalise on this through its long-term experience at both the grass-roots and policy level.

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

DIRECTORS' AND TRUSTEES' REPORT (Cont/d)
FOR THE YEAR ENDED 30 APRIL 2022

REFERENCE AND ADMINISTRATIVE DETAILS

Company Number: 05101121

Charity Number: 1148143

Directors and Trustees:

J D'Angelo - Chairperson

Professor M Anikpo

J A H Croft

R J Ekperi

I D Pedro

D M Pearson

Secretary: C A Laing

Senior Management: Inanc Inan, Finance Director (appointed on Sep 12, 2022)
Rob Hollingsworth (resigned in March 2022)

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

Auditors: SKS Audit LLP, 3 Sheen Road, Richmond TW9 1AD

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

STAKEHOLDER DEMOCRACY NETWORK

(Limited by guarantee)

DIRECTORS' AND TRUSTEES' REPORT (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2022

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 six 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.

Five of the Trustees (J D'Angelo, J A H Croft, I D Pedro, Professor M Anikpo and R J Ekperi) are also Trustees of Niger Delta Stakeholders Initiative for Community Development and Empowerment 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
(Limited by guarantee)

DIRECTORS' AND TRUSTEES' REPORT (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2022

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 will be proposed at the Annual General Meeting that SKS Audit LLP be re-appointed as auditors of the Charity for the ensuing year.

SMALL COMPANIES EXEMPTION

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
CHAIRPERSON

22 February 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

STAKEHOLDER DEMOCRACY NETWORK

(Limited by guarantee)

Opinion

We have audited the financial statements of Stakeholder Democracy Network for the year ended 30th April 2022, 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 2022 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 2011.

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

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

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

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

Other information

The other information comprises the information included in the 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 (Limited by guarantee)

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.

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

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

During the audit we focussed on laws and regulations which could reasonably be expected to give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006, UK tax legislation, Charity Act 2021 and SORP 2019. Our tests included agreeing the financial statement disclosures to underlying supporting documentation and enquiries with management.

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

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

STAKEHOLDER DEMOCRACY NETWORK (Limited by guarantee)

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

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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.

**JAMES FOSKETT (Senior Statutory Auditor)
for and on behalf of SKS AUDIT LLP
CHARTERED ACCOUNTANTS
STATUTORY AUDITOR**

**3 SHEEN ROAD
RICHMOND TW9 1AD**

22 February 2023

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 30 APRIL 2022

SUMMARY INCOME AND EXPENDITURE ACCOUNT

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Income					
Grants, donations and legacies	2	11,791	-	11,791	34,882
<i>Income from charitable activities:</i>					
Grants and contracts	3	6,825	624,549	631,374	589,991
<i>Income from other trading activities:</i>					
Other		-	-	-	458
<i>Investment income:</i>					
Bank Interest		8	-	8	13
Total income		<u>18,624</u>	<u>624,549</u>	<u>643,173</u>	<u>625,344</u>
Expenditure					
<i>Expenditure on charitable activities</i>	6, 18	153,248	603,522	756,770	936,521
<i>Expenditure on trading activities</i>		-	-	-	14,174
Total expenditure		<u>153,248</u>	<u>603,522</u>	<u>756,770</u>	<u>950,695</u>
Net income/(expenditure) and net movement in funds for the year before transfers		(134,624)	21,027	(113,597)	(325,351)
Transfers between funds	18	(694)	694	-	-
Net income/(expenditure) and net movement in funds for the year after transfers		(135,318)	21,721	(113,597)	(325,351)
Gains / (losses) on consolidation		2,879	-	2,879	5,437
Net movements of funds		<u>(132,439)</u>	<u>21,721</u>	<u>(110,718)</u>	<u>(319,914)</u>
Reconciliation of funds					
Total funds brought forward		213,852	103,509	317,361	637,275
Total funds, carried forward	18	<u>81,413</u>	<u>125,230</u>	<u>206,643</u>	<u>317,361</u>

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the above two financial periods.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the above movement in funds for the above two financial years.

The notes on pages 14 to 31 form part of these accounts.

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 30 APRIL 2022

SUMMARY INCOME AND EXPENDITURE ACCOUNT

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Income					
Grants, donations and legacies	2	85,740	-	85,740	161,394
<i>Income from charitable activities:</i>					
Grants and contracts	3	6,825	195,560	202,385	161,340
<i>Investment income:</i>					
Bank Interest		2	-	2	5
Income		<u>92,567</u>	<u>195,560</u>	<u>288,127</u>	<u>322,739</u>
Expenditure					
Expenditure on charitable activities:	8, 19	156,555	225,845	382,400	501,966
Total expenditure		<u>156,555</u>	<u>225,845</u>	<u>382,400</u>	<u>501,966</u>
Net income/(expenditure) and net movement in funds for the year before transfers		(63,988)	(30,285)	(94,273)	(179,227)
Transfers between funds		(962)	962	-	-
Net income/(expenditure) and net movement in funds for the year after transfers		<u>(64,950)</u>	<u>(29,323)</u>	<u>(94,273)</u>	<u>(179,227)</u>
Reconciliation of funds					
Total funds brought forward		76,174	29,323	105,497	284,724
Total funds, carried forward	19	<u>11,224</u>	<u>-</u>	<u>11,224</u>	<u>105,497</u>

The Statement of Financial Activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the above two financial periods.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the above movement in funds for the above two financial years.

The notes on pages 14 to 31 form part of these accounts.

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

GROUP BALANCE SHEET

AS AT 30 APRIL 2022

	Notes	GROUP 2022 £	GROUP 2021 £	CHARITY 2022 £	CHARITY 2021 £
FIXED ASSETS					
Tangible assets	14	19,389	18,624	3,784	4,850
Investments	15	-	-	-	9
		<u>19,389</u>	<u>18,624</u>	<u>3,784</u>	<u>4,859</u>
CURRENT ASSETS					
Debtors	16	26,442	54,396	20,254	25,106
Cash at bank and in hand		451,419	262,859	12,314	84,184
Total Current Assets		<u>477,861</u>	<u>317,255</u>	<u>32,568</u>	<u>109,290</u>
Liabilities					
Creditors falling due within one year	17	(290,607)	(18,518)	(25,128)	(8,652)
Net Current Assets/(Liabilities)		<u>187,254</u>	<u>298,737</u>	<u>7,440</u>	<u>100,638</u>
Total assets less current liabilities		206,643	317,361	11,224	105,497
Net assets		<u>206,643</u>	<u>317,361</u>	<u>11,224</u>	<u>105,497</u>
The funds of the charity:					
Unrestricted funds	18 & 19	81,413	213,852	11,224	76,174
Restricted funds	18 & 19	125,230	103,509	-	29,323
		<u>206,643</u>	<u>317,361</u>	<u>11,224</u>	<u>105,497</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 March 2022 and signed on its behalf by:

..... 

J D'Angelo (Chairperson)

Company Registration No: 05101121

The notes on pages 14 to 31 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 2022

	Notes	GROUP 2022 £	GROUP 2021 £	CHARITY 2022 £	CHARITY 2021 £
Cash (outflow) / inflow in operating activities	21	<u>202,453</u>	<u>(307,165)</u>	<u>(71,873)</u>	<u>(57,054)</u>
Cash flows from investing activities					
Interest income		8	13	2	5
Purchase of tangible fixed assets		(13,901)	2,873	-	(90)
Cash provided by / (used in) investing activities		<u>(13,893)</u>	<u>2,886</u>	<u>2</u>	<u>(85)</u>
Increase / (decrease) in cash & cash equivalents in the year		<u>188,560</u>	<u>(304,279)</u>	<u>(71,871)</u>	<u>(57,139)</u>
Cash & cash equivalents at the beginning of the year		262,859	567,138	84,184	141,323
Total cash & cash equivalents at the end of the year		<u><u>451,419</u></u>	<u><u>262,859</u></u>	<u><u>12,314</u></u>	<u><u>84,184</u></u>

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 APRIL 2022

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 2019) – (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 before gains on consolidation of £113,597 for the year and unspent reserves of £206,643. Based on this level of reserves and the trustees' projections, for the next twelve months the Trustees' believe that 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 subsidiary, 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.

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.

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2022

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.

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.

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2022

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 INCOME

	GROUP			
	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Miscellaneous donations	11,791	-	11,791	34,882
	<u>11,791</u>	<u>-</u>	<u>11,791</u>	<u>34,882</u>

	CHARITY			
	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Nigel Delta Stakeholders Initiative for Community Development and Empowerment	73,949	-	73,949	140,554
Furlough Grant	11,791	-	11,791	20,840
	<u>85,740</u>	<u>-</u>	<u>85,740</u>	<u>161,394</u>

The donations income in 2021 totalling £34,882 for the Group and £161,394 for the Charity 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 2022

3. GRANTS AND CONTRACTS INCOME – GROUP

	GROUP		Total	Total
	Unrestricted	Restricted	2022	2021
	Funds	Funds		
	£	£	£	£
Netherlands Embassy - Environment & Governance	-	-	-	122,920
Netherlands Embassy - HYPREP & SEPAG	-	323,761	323,761	89,072
Oxford Policy Management	-	-	-	29,638
Foreign & Commonwealth Office	-	-	-	1,567
McArthur Foundation	-	-	-	114,929
PLAC (Shrinking Civil Space in the Niger Delta)	-	-	-	156,994
The United Nations Democracy Fund	-	-	-	(1,887)
SOAS	6,225	-	6,225	17,092
United Nation Organisation Drugs and Crime	-	-	-	33,049
Palladium/SCALE	-	30,956	30,956	-
OSIWA	-	48,082	48,082	-
FCDO/AAN	-	195,560	195,560	-
Yar'Adua Foundation	-	26,190	26,190	26,617
Other Income	600	-	600	-
	<u>6,825</u>	<u>624,549</u>	<u>631,374</u>	<u>589,991</u>

Grants and contracts income in 2021 totalling £589,991 consist of £46,730 unrestricted funds and £543,261 restricted funds.

GRANTS AND CONTRACTS INCOME – CHARITY

	CHARITY		Total	Total
	Unrestricted	Restricted	2022	2021
	Funds	Funds		
	£	£	£	£
Oxford Policy Management	-	-	-	29,638
Foreign & Commonwealth Office	-	-	-	1,567
McArthur Foundation	-	-	-	114,929
The United Nations Democracy Fund	-	-	-	(1,887)
FCDO/AAN	-	195,560	195,560	-
SOAS	6,225	-	6,225	17,093
Other Income	600	-	600	-
	<u>6,825</u>	<u>195,560</u>	<u>202,385</u>	<u>161,340</u>

Grants and contracts income in 2021 totalling £161,340 consist of £46,731 unrestricted funds and £114,609 restricted funds.

4. TAXATION

Stakeholder Democracy Network is a registered charity in the UK and its subsidiary Niger Delta Stakeholders Initiative for Community Development and Empowerments is a not-for-profit company registered in Nigeria. Therefore, both are exempt from corporation tax on income and gains to the extent they are applied to its charitable objects.

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2022

5. NET INCOME FROM TRADING ACTIVITIES OF SUBSIDIARY

During the year, the Charity had two subsidiaries one of which was dissolved during the year as follows:

- (1) Citizens Direct Network Limited (CDN), 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 owned 100% of the shares in the subsidiary company. The subsidiary was dissolved during the year and became non-existent from 23 July 2021.
- (2) Niger Delta Stakeholders Initiative for Community Development and Empowerments (NDSICDE) 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 operations in the year 2014. 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 subsidiary's results before intra group adjustments for the year.

	CDN			NDSICDE		
	Trading Company (for profit)	Charitable Subsidiary	Total 2022	Trading Company (for profit)	Charitable Subsidiary	Total 2021
	£	£	£	£	£	£
Income						
Grants, donations and legacies	-	-	-	-	116,344	116,344
<i>Income from charitable activities:</i>						
Grants and contracts	-	463,105	463,105	-	428,653	428,653
<i>Income from trading activities</i>						
Other	-	-	-	458	-	458
<i>Investment income:</i>						
Bank Interest	-	6	6	-	8	8
Income	-	463,111	463,111	458	545,005	545,463
Expenditure						
<i>Expenditure on charitable activities</i>	-	(479,533)	(479,533)	-	(679,141)	(679,141)
<i>Expenditure on trading activities</i>	-	-	-	(14,174)	-	(14,174)
Total expenditure	-	(479,533)	(479,533)	(14,174)	(679,141)	(693,315)
Net income/(expenditure) and net movement in funds for the year before transfers	-	(16,422)	(16,422)	(13,716)	(134,136)	(147,852)
Transfers between funds	-	-	-	-	-	-
Net income/(expenditure) and net movement in funds for the year after transfers	-	(16,422)	(16,422)	(13,716)	(134,136)	(147,852)
Gains / (losses) on consolidation	-	-	-	(601)	(25,933)	(26,534)
Net movements of funds	-	(16,422)	(16,422)	(14,317)	(160,069)	(174,386)
Reconciliation of funds						
Total funds brought forward		212,281	212,281	14,020	372,350	386,370
Total funds, carried forward	-	195,859	195,859	(297)	212,281	211,984

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2022

6. ANALYSIS OF EXPENDITURE – GROUP

		GROUP			
	Basis of allocation	Capacity Building & Awareness	Governance	Total 2022	Total 2021
		Raising £	£	£	£
Costs directly allocated to activities:					
Staff costs	Direct	302,814	-	302,814	345,955
Consultancy	Direct	35,986	-	35,986	156,694
Travel and motor expenses	Direct	111,088	-	111,088	38,691
Premises	Direct	16,963	-	16,963	31,377
Other direct costs	Direct	107,199	-	107,199	103,106
Donations and grants (Note 10)	Direct	20,327	-	20,327	36,003
Support costs (Note 7)		150,377	-	150,377	212,837
Governance costs (Note 7)		-	12,016	12,016	11,858
Total resources expended		744,754	12,016	756,770	936,521

Of the £756,770 expenditure in 2022 (2021 - £936,521), £153,248 was charged to unrestricted funds (2021 - £127,126) and £603,522 to restricted funds (2021 - £809,395).

7. 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	GROUP Governance costs	2022	2021
	£	£	£	£
General and office finance staff	35,066	-	35,066	42,119
Premises	13,526	-	13,526	15,194
Staff training and subsistence	-	-	-	6,357
Travel, accommodation and insurance	18,886	342	19,228	22,462
Professional fees	3,515	-	3,515	2,338
Office supplies and communications	23,664	-	23,664	23,687
Computer and Information technology	205	-	205	195
Depreciation	11,472	-	11,472	10,810
Sundry expenses	32,733	-	32,733	31,452
Bad debts written off	5,430	-	5,430	-
Advertising	2,568	-	2,568	-
Bank charges	3,432	-	3,432	3,748
Foreign exchange (gains) / loss	(4,643)	-	(4,643)	47,721
Entertainment	-	-	-	594
Repairs and maintenance	4,523	-	4,523	6,160
Audit fees	-	11,674	11,674	11,858
	150,377	12,016	162,393	224,695

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2022

8. ANALYSIS OF EXPENDITURE – CHARITY

		CHARITY				
	Basis of allocation	Nigerian Subsidiary	Capacity Building & Awareness Raising	Governance	Total 2022	Total 2021
		£	£	£	£	£
Costs directly allocated to activities:						
Staff costs	Direct	14,218	140,262	-	154,480	227,820
Consultancy	Direct	1,851	21,193	-	23,044	10,572
Travel and motor expenses	Direct	4,443	68,076	-	72,519	40,095
Premises	Direct	5,036	16,963	-	21,999	26,960
Other direct costs	Direct	3,055	42,504	-	45,559	67,712
Donations and grants (Note 10)	Direct	-	-	-	-	-
Support costs (Note 9)		8,423	47,406	-	55,829	124,616
Governance costs (Note 9)		-	-	8,970	8,970	4,191
		37,026	336,404	8,970	382,400	501,966

Of the £382,400 expenditure in 2022 (2021 - £501,966), £225,845 was charged to unrestricted funds (2021 - £333,708) and £156,555 to restricted funds (2021 - £168,888).

9. 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.

	costs	costs	2022	2021
	£	£	£	£
General and office finance staff	38,620	-	38,620	56,955
Premises	6,913	-	6,913	8,223
Staff training and subsistence	1,250	-	1,250	1,971
Travel, accommodation and insurance	3,756	342	4,098	3,444
Legal and professional fees	163	-	163	13
Office supplies and communications	1,393	-	1,393	3,748
Computer and Information technology	830	-	830	1,181
Depreciation	154	-	154	1,038
Sundry expenses	40	-	40	40
Advertising	-	-	-	-
Bank charges	1,617	-	1,617	1,668
Foreign exchange loss	1,094	-	1,094	46,335
Audit fees	-	8,628	8,628	4,191
	55,829	8,970	64,799	128,807

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2022

10. GRANTS PAYABLE

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

	GROUP		CHARITY	
	2022	2021	2022	2021
	£	£	£	£
Centre for Environment, Human Right and Development	20,327	36,003	-	-
	<u>20,327</u>	<u>36,003</u>	<u>-</u>	<u>-</u>

11. NET INCOME / (EXPENDITURE) FOR THE YEAR

This is stated after charging:

	2022	2021
	£	£
Depreciation	11,465	10,810
Audit fee	<u>11,674</u>	<u>11,858</u>

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

STAFF COSTS

	2022	2021
	£	£
Salaries	271,205	322,483
Social security	47,460	54,803
Pension	19,215	23,620
	<u>337,880</u>	<u>400,906</u>

The number of employees receiving employee benefits (excluding employer national insurance and employer pension costs) in excess of £60,000 during the year are as follows:

	2022	2021
	number	number
£60,000 - £69,999	-	-
	<u>-</u>	<u>-</u>

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 £127,574 (2021 - £163,578).

No Trustee received any remuneration during the year (2021 - £Nil). During the year, trustees were reimbursed expenses amounting to £259 (2021 - £Nil).

13. STAFF NUMBERS

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

	2022	2021
Direct charitable work	18	14
Administrative work	10	20
Total	<u>28</u>	<u>34</u>

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2022

14. TANGIBLE FIXED ASSETS – GROUP AND CHARITY

<u>GROUP:</u>	2022	2021
	£	£
NET BOOK VALUES		
Office equipment	12,882	12,118
Motor vehicle	6,506	6,506
	<u>19,389</u>	<u>18,624</u>

MOVEMENTS IN YEAR

Cost	Opening Balances	Additions/ (Disposals)	Disposal/ fx difference	Closing Balances
	£	£	£	£
Office equipment	72,462	13,901	(1,138)	85,225
Motor vehicle	30,161	-	-	30,161
	<u>102,623</u>	<u>13,901</u>	<u>(1,138)</u>	<u>115,386</u>

**Charge For
Year /
(Eliminatio**

Depreciation	Opening Balances	n on disposal)	Impairment / fx difference	Closing Balances
	£	£	£	£
Office equipment	60,344	13,174	(1,176)	72,343
Motor vehicle	23,655	-	-	23,655
	<u>83,999</u>	<u>13,174</u>	<u>(1,176)</u>	<u>95,997</u>

CHARITY:

2022
£

2021
£

NET BOOK VALUES

Office equipment	3,784	4,850
	<u>3,784</u>	<u>4,850</u>

MOVEMENTS IN YEAR

Cost	Opening Balances	Additions	Disposals	Closing Balances
	£	£	£	£
Office equipment	10,294	-	(131)	10,163
	<u>10,294</u>	<u>-</u>	<u>(131)</u>	<u>10,163</u>

Depreciation

	Opening Balances	Charge For Year	Disposals	Closing Balances
	£	£	£	£
Office equipment	5,444	935	-	6,379
	<u>5,444</u>	<u>935</u>	<u>-</u>	<u>6,379</u>

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2022

15. FIXED ASSET INVESTMENTS – GROUP AND CHARITY

	GROUP		CHARITY	
	2022	2021	2022	2021
	£	£	£	£
Investment at cost	-	-	-	9

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 which was dissolved during the year on 23 July 2021.

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 5.

16. DEBTORS – GROUP AND CHARITY

	GROUP		CHARITY	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors and accrued income	12,239	50,079	12,239	-
Staff Advances	2,883	94	-	-
Other debtors and prepayments	11,320	4,223	1,595	718
Amount owed by subsidiaries	-	-	6,420	24,388
	<u>26,442</u>	<u>54,396</u>	<u>20,254</u>	<u>25,106</u>

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

	GROUP		CHARITY	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	-	-	-	-
Taxation and social security	5,069	-	4,801	-
Deferred income (Note 22)	259,455	-	-	-
Accruals	25,999	13,254	20,327	8,652
Amounts owed to subsidiaries	-	-	-	-
Other creditors	84	5,264	-	-
	<u>290,607</u>	<u>18,518</u>	<u>25,128</u>	<u>8,652</u>

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2022

18. ANALYSIS OF CHARITABLE FUNDS – GROUP

	GROUP				
	Balance at 01.05.21 £	Income £	Expenditure £	Transfer £	Balance at 30.04.22 £
Restricted Funds:					
Netherlands Embassy - HYPREP & SEPAG	74,186	323,761	(293,146)	-	104,801
McArthur Foundation	29,323	-	(29,323)	-	-
United Nation Organisation Drugs and Crime	-	-	(1)	1	-
KSIH			(3,544)	3,544	-
OSIWA		48,082	(43,820)	-	4,262
Palladium/SCALE		30,956	(14,789)	-	16,167
FCDO/AAN		195,560	(196,522)	962	-
Yar'Adua Foundation	-	26,190	(22,377)	(3,813)	-
Total restricted funds	103,509	624,549	(603,522)	694	125,230
Unrestricted Funds:					
General funds	213,852	18,624	(150,369)	(694)	81,413
Total Funds:	317,361	643,173	(753,891)	-	206,643

Total expenditure of £753,891 included exchange gain on consolidation of £2,879.

Transfer of £694 made from unrestricted funds to Yar'Adua Foundation amounts of core funds used to fund the project before monies have been forwarded to the Charity by the funder.

Analysis of movements in funds - previous year

	at 01.05.20 £	Income £	Expenditure £	Transfer £	at 30.04.21 £
Restricted Funds:					
Netherlands Embassy - Environment & Governance	54,574	122,920	(192,788)	15,294	-
Netherlands Embassy - HYPREP Monitoring	147,277	89,072	(162,163)	-	74,186
PLAC (Shrinking Civil Space in the Niger Delta)	-	156,994	(156,994)	-	-
Foreign & Commonwealth Office	1,567	1,567	(3,134)	-	-
McArthur Foundation	72,286	114,929	(157,892)	-	29,323
The United Nations Democracy Fund	9,749	(1,887)	(7,862)	-	-
United Nation Organisation Drugs and Crime	-	33,049	(33,049)	-	-
PLAC (COVID 19 Intervention Funds)	37,949	-	(73,146)	35,197	-
Yar'Adua Foundation	10,089	26,617	(36,706)	-	-
Total restricted funds	333,491	543,261	(823,734)	50,491	103,509
Unrestricted Funds:					
General funds	303,784	82,083	(121,524)	(50,491)	213,852
Total Funds:	637,275	625,344	(945,258)	-	317,361

Total expenditure of £945,258 included exchange gain on consolidation of £5,437

Transfer of £50,491 made from unrestricted funds to Netherlands Embassy- Environment & Governance and PLAC (COVID 19 Intervention Fund) 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 2022

19. ANALYSIS OF CHARITABLE FUNDS – CHARITY

	CHARITY				
	Balance at 01.05.21 £	Income £	Expenditure £	Transfer £	Balance at 30.04.22 £
Restricted Funds:					
McArthur Foundation	29,323	-	(29,323)	-	-
AAN / FCDO	-	195,560	(196,522)	962	-
Total restricted funds	29,323	195,560	(225,845)	962	-
Unrestricted Funds:					
General funds	76,174	92,567	(156,555)	(962)	11,224
Total unrestricted funds	76,174	92,567	(156,555)	(962)	11,224
Total Funds:	105,497	288,127	(382,400)	-	11,224

Transfer of £962 made from unrestricted funds to AAN/FCDO amounts of core funds used to fund the project before monies have been forwarded to the Charity by the funder.

Analysis of movements in funds - previous year

	at 01.05.20 £	Income £	Expenditure £	Transfer £	at 30.04.21 £
Restricted Funds:					
Foreign & Commonwealth Office	1,567	1,567	(3,134)	-	-
McArthur Foundation	72,286	114,929	(157,892)	-	29,323
The United Nations Democracy Fund	9,749	(1,887)	(7,862)	-	-
Total restricted funds	83,602	114,609	(168,888)	-	29,323
Unrestricted Funds:					
General funds	201,122	208,130	(333,078)	-	76,174
Total unrestricted funds	201,122	208,130	(333,078)	-	76,174
Total Funds:	284,724	322,739	(501,966)	-	105,497

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2022

Description, nature and purpose of funds:

Fund	Purpose and restrictions in use
Netherlands Embassy – Environment & Governance	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.
Netherlands Embassy – HYPREP & SEPAG - Monitoring the Ogoni clean-up & Strengthening Environmental Policy and Accountability in Governance	The aim of this project is to ensure communities in the Niger Delta fairly benefit from the proceeds of the oil and gas industry and that local and global environmental impact from the oil and gas industry is reduced. It seeks to scale-up some of the most successful areas of our work and innovate new solutions to environmental challenges in the region. We want communities in the Niger Delta to experience fewer negative impacts from the oil and gas industry, and to fairly benefit from its revenues. We also want to ensure that both local and global environmental impact from the oil and gas industry is reduced. This project will also strengthen the ability of civil society to hold the Federal Government of Nigeria to account for a major clean-up of oil spills in the Niger Delta. The project focuses on the scheduled clean-up of the major environmental disaster in Ogoniland, generated by over 50 years of oil spills in the region. We will do this by training and supporting local civil society organisations (CSOs) to physically visit and assess the actual progress of the clean-up in a systematic way. This independent checking will help rebuild trust in government to protect Nigerians from the negative health, environmental, and economic impacts of the oil industry, following a poor track record of oil spill clean-up, remediation, and restoration in Nigeria. The results of these independent CSO assessments of the Ogoni oil spill clean-up will be made easily accessible to the public.
PLAC (Shrinking Civil Space in The Niger Delta)	This was a six month project aimed at increasing collective action by civil society to challenge threats and create opportunities to widen the civic space in Rivers state. It aimed to increase civil society action to test and strengthen credibility of the results collation process in upcoming off-cycle/by elections.
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.

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2022

McArthur Foundation	<p>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).</p>
United Nation Organisation Drugs and Crime	<p>This research supported UNODC's organised crime threat assessment for Nigeria by filling a knowledge gap in relation to the structure of cult and pirate groups, how they operate, and the profile of their members. We designed and conducted field research with individuals primarily involved, and delivered all transcripts to UNODC followed by two brief analytical reports.</p>
PLAC(COVID19 Intervention Funds)	<p>This project supported the improved conduct of elections in the Niger Delta. It helped enable INEC, the police and other relevant actors to respond more effectively to electoral fraud and violence, through the provision of high-quality reporting and proactive engagement on observed election risks. Building on previous work by SDN and other organisations involved in observation and documenting electoral incidents in the Niger Delta, the project trained citizen observers to report on indicators of electoral fraud, violence and manipulation. Coordinating with existing civil society initiatives under the umbrella of the Civil Society Situation Room, we worked with the Armed Conflict Location & Event Database Project and Democracy Reporting International to train observers and produce high quality election observation reports.</p>
Yar'Adua Foundation	<p>This project aims to contribute to the promotion of gender equality in political representation and decision-making in Rivers State, and to contribute to greater understanding of women's status in politics across Akwa Ibom, Bayelsa and Rivers states. It involves consulting women across Rivers State on their priorities in advance of the 2022 elections and working with women's groups to engage with electoral candidates on these policy priorities. We will also be working with the Nigeria Women's Trust Fund to conduct research across the three states to generate original research and greater understanding of the status of women's political engagement and the barriers they face to entering politics in the Niger Delta, and to establish a mentoring scheme for young women interested in entering politics.</p>
OSIWA - Strengthening Food Production in Riverine Communities	<p>This project aims to improve the livelihoods of smallholder farmers in three riverine communities across the Southern Ijaw and Nembe Local Government Areas of Bayelsa State, by supporting growth in their incomes and businesses, and protecting them from shocks such as climate change. Climate change and oil pollution contribute to challenging conditions for agricultural production in these communities, increasing the risk of food insecurity and further inflating the rates of unemployment. This project targets communities living in the coastal riverine areas as they are particularly vulnerable to crop losses due to increased flooding from sea-level rise or erratic and extreme weather associated with climate change. Resilience among these communities to crop losses is then frustrated by limited access to, or awareness of, financial support.</p>

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2022

This project seeks to reduce crop losses by working with small-scale farmers to develop climate-smart agricultural practices, in collaboration with the Bayelsa Ministry of Agriculture and Agricultural Development Programme.

Where crop losses do occur, this project aims to bolster local resilience by facilitating access to financial services that support farmers' recovery. SDN uses an inclusive and gender-sensitive community-led participatory approach, with at least 60% of the 6,000 farmers we aim to reach being women. The benefits of this approach will be felt long after the project funding comes to an end. This project aims to support a reduction in losses and bolster the resilience of 300 farmers and small agriculture and aquaculture businesses through improved climate-smart agricultural practices and increased access to financial services.

Yar'Adua - Tech community of practice This project aims to establish a community of tech developers that are capable of providing accessible and inclusive solutions to the accountability sector in Nigeria. The objectives are to integrate existing accountability projects, including Develop ND to the Partners United Platform, contribute innovative features to improve utilization and effectiveness of the Partners United Platform, contribute to API development to enable integration of other open data sources and grow a community of civic technology developers in the Niger Delta.

**SOAS - The Artisanal Oil Industry
mapping integration and incentives
in local economies**

SDN is working with SOAS University of London (UK), as part of its DFID-funded Anti-Corruption Evidence programme, to help map links between artisanal oil refining and other livelihoods, and highlight the 'benefits' or incentives structures of those involved in this informal economy. A wide informal economy has grown around the activities of artisanal oil refining in the Niger Delta – with both direct and indirect income opportunities. It is therefore a crutch to local economies that lack diverse employment options. The aim is to understand the incentives that make people engage in informal, and in this case illicit and corrupt, livelihoods in the Niger Delta region, instead of engaging in the formal, legitimate economy. Without understanding and supporting everyone with a stake in artisanal oil refining, creating the necessary buy-in for an alternative to this risky and environmentally damaging activity will fail, as people will not commit to change without an alternative incentive structure. The project approaches the issue from the pragmatic perspective that artisanal oil industry workers, and the surrounding economy, is made up of productive individuals. It would have a negative impact simply destroy it, and attempts to do so have thus far been unsuccessful. Instead, policy makers should search for solutions that change the rewards associated with the choices to incentivise this productivity being channelled into the legitimate economy, and ensure the long-term welfare of those involved. To help map links between the informal artisanal oil industry and other livelihoods, and highlight the 'benefits' structure (networked corruption) of those involved in this informal economy, so as to identify options that can eventually create buy-in amongst all involved in alternatives to this risky and environmentally damaging industry.

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2022

Action Aid - We - YOU Project

We-YOU-Project is a 19-month project in partnership with ActionAid Nigeria with funding from the UK Foreign, Commonwealth and Development Office (FCDO). The project is being implemented in 24 communities across Okrika, Ogu/Bolo, Port Harcourt and Obio-Akpor Local Government Areas (LGAs) in Rivers State. The project will work with communities across four LGAs to mobilise grassroots engagement in advance of the 2023 elections, and support at least 300 women and young people to build campaigning, policy and influencing skills via a training programme. Through this, we will develop a Women and Youth Agenda for Rivers State, to document the priorities of women and young people that they want to see their political leaders respond to, and launch a large-scale campaign and advocacy initiative to build public interest and put pressure on political aspirants, representatives, and political parties to act on the demands of women and young people. This project aims to increase political participation and representation of women and young people in Rivers state in the run up to 2023 election and secure policy commitments and actions from political aspirants, representatives, and political parties, in response to the demands of women and young people.

Palladium - Enabling Civic Space in the Niger Delta

This project focusses on the trend of closing civic space in Akwa Ibom, Bayelsa and Rivers state in the Niger Delta region and focuses on three areas of concern. These are: high levels of harassment, violence and illegal detention inflicted on citizens and civil society by state agencies when exercising their rights, such as freedom of assembly and association; lack of opportunities for civil society to engage constructively with government on human rights issues; and the lack of collaboration of civil society actors on civic space concerns. The project establishes a cluster of civil society organisation – ‘Civic Space Watch’ – that will develop campaigns to influence policy makers on the domestication of the Administration of Criminal Justice Act (ACJA) in Akwa Ibom and its implementation in Rivers and Bayelsa.

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2022

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

GROUP	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Fixed assets	19,389	-	19,389	18,624
Net current assets/ (Liabilities)	62,024	125,230	187,254	298,737
	<u>81,413</u>	<u>125,230</u>	<u>206,643</u>	<u>317,361</u>
CHARITY				
Fixed assets	3,784	-	3,784	4,850
Net current assets/(Liabilities)	7,440	-	7,440	100,647
	<u>11,224</u>	<u>-</u>	<u>11,224</u>	<u>105,497</u>

Analysis of net assets between funds - previous year

GROUP	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Fixed assets	18,624	-	18,624	33,721
Net current assets	195,228	103,509	298,737	298,737
	<u>213,852</u>	<u>103,509</u>	<u>317,361</u>	<u>332,458</u>
CHARITY				
Fixed assets	4,850	-	4,850	7,702
Net current assets	71,324	29,323	100,647	100,497
	<u>76,174</u>	<u>29,323</u>	<u>105,497</u>	<u>108,199</u>

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

	GROUP		CHARITY	
	2022 £	2021 £	2022 £	2021 £
Net movement in funds	(110,718)	(319,914)	(94,273)	(179,227)
Add back depreciation/loss on disposal/impairment	13,136	12,224	1,075	2,953
Deduct interest income shown in investment activities	(8)	(13)	(2)	(5)
Decrease / (increase) in debtors	27,954	27,475	4,852	131,698
Increase / (decrease) in creditors	272,089	(26,937)	16,476	(12,473)
Net cash (outflow) / inflow in operating activities	<u>202,453</u>	<u>(307,165)</u>	<u>(71,873)</u>	<u>(57,054)</u>

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2022

22. DEFERRED INCOME – GROUP AND CHARITY

	GROUP		CHARITY	
	2022	2021	2022	2021
	£	£	£	£
Balance as at 1st May 2021	-	-	-	-
Amount released to income in the year	-	-	-	-
Amount deferred in the year	259,455	-	-	-
Balance as at 30th April 2022	<u>259,455</u>	<u>-</u>	<u>-</u>	<u>-</u>

The grant was deferred at the year-end as it relates to project expenses specifically for the period after year end.

23. 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.