

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

DIRECTORS' AND TRUSTEES' REPORT

AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2023

Company No: 05101121
Charity No: 1148143

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

REPORT AND ACCOUNTS

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STAKEHOLDER DEMOCRACY NETWORK

(Limited by guarantee)

DIRECTORS' AND TRUSTEES' REPORT

FOR THE YEAR ENDED 30 APRIL 2023

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 2023, 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 19 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 has one subsidiary registered in Nigeria and whose activities aid Stakeholder Democracy Network to carry out its objectives in Nigeria. This is the 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

This year presented a particularly challenging operational environment with the conduct of the general elections which saw a keenly contested presidential poll marred by violence in Rivers state and other parts of the country. The year began with scarcity of the naira as a result of the government's push to discourage vote buying and vote inducement. This was framed a naira redesign policy which made it very hard for citizens to gain access to cash. This also affected our work in the communities where banks are located far from the citizenry and most people conduct their transactions in cash. The removal of the fuel subsidy and the floating of the naira led to an increase in inflation which saw a more than 50% increase in the price of fuel and goods and services. The political crisis in Rivers which nearly led to the impeachment of the incumbent governor created political instability and concerns about insecurity. Nevertheless, SDN was able to adapt its operations to the environment as we continued to assess the political and economic situation.

The main activities for the period under review were:

- Scaling up of SDN's Community Monitoring and Advocacy Group (CMAG) work in 24 communities across Bayelsa State. The CMAGs set up in 7 Local Government Areas continued to engage with duty bearers to demand for improved service delivery.

As a result, the CMAGs recorded several results including the installation of at least 1000 Solar powered streetlights in five communities (Aleibiri=50, Okoloba=100, Kaiama=500, Adagbabiri=100, Sagbama Town=350) and the construction of 5 new community feeder roads in three communities (3 in Aleibiri, 1 in Odi and 1 in Okoloba), while a dilapidated overhead flyover bridge (*Tombia Amassoma bridge in Agudama-Ekpetiama community*) was repaired by the Bayelsa State government. A contract was also re-awarded for the construction and renovation of the Government Science and Technical College which had been an abandoned project for more than 10 years.

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, HYPREP agreed to our recommendation to adopt a combination of bioremediation technologies to clean up medium complex sites

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FOR THE YEAR ENDED 30 APRIL 2023

effectively – this was a result of our findings which showed that at least 30% of the sites that were remediated in the first phase of the clean-up, still contained Total Petroleum Hydrocarbons (TPH) above the threshold set by HYPREP.

- SDN together with 300 women, youth and persons with disabilities were able to reach and sensitise at least 27,000 individuals across 24 target communities in Rivers state on the 2023 general election process. They also influenced an average of 500 persons to register for Permanent Voters Cards so they could vote in the 2023 presidential election in Rivers State. This campaign for citizens to vote in the election contributed to a higher voter turnout compared to the 2019 general elections. Within this period, SDN together with four other organisations including organised private sector, was able to organise the 3rd edition of the governorship debate in Rivers state which saw for the first time in the history of elections in the state, a female governorship candidate. This was covered on National TV and broadcast across social media platforms.
- SDN and 8 other organisations that make up the Civic Space Watch cluster continued to push for the implementation of sections of the Administration of Criminal Justice Act that focus on access to justice for citizens in Nigeria. Specifically, the cluster demanded for the implementation of the provisions that stipulate that women can stand as surety for those who have been granted bail. Engagements with Divisional Police Officers in Port Harcourt, showed that they were unaware of this provision and requested for posters to be pasted in their offices so all their staff are aware of this provision in the Act.
- As part of SDN's efforts to reduce the digital gender gap in the Niger Delta, we were able to secure a grant worth EUR 783,971.52 which commenced in February 2023 and will end in July 2025. 1500 women owned businesses and female undergraduates are expected to be trained in digital skills for 3 months each in digital marketing, web development, graphic design, data analytics among others. This is the first time that SDN has secured a grant directly from the European Union.

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 surplus of £34,696 (2022 –deficit of £110,718) for the year and reserves stand at £241,339 (2022 - £206,643).

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 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 via ActionAid in Nigeria, and The Ford Foundation and the Palladium.

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. Our targeted reserves is 2 months of expenditure standing at £59,736 for the Group . At the 30th April 2023 the unrestricted reserves not invested in fixed assets totalled £73,131 (2022 – £62,024).

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DIRECTORS' AND TRUSTEES' REPORT (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2023

FUNDRAISING STANDARD

Stakeholder Democracy Network is not registered with the Fundraising Regulator and the charity has not carried out any significant fundraising activities.

FUTURE ACTIVITIES

SDN will continue to build partnerships with government institutions such as the Federal Ministry of Environment, the Parliamentary Committees on Environment, Host Communities, Petroleum Resources and other related stakeholders who have the power and influence to address the issues that SDN works on such as economic diversification, the environment and governance. We will also focus on developing a prototype for the methane tracker after we have finalised the terms of reference for the consultants based in the United Kingdom. We are also expected to complete our Handbook which will provide practical steps towards ensuring the effective implementation of Host Community Development Trusts which will be co-created with a Working Group comprising civil society organisations, oil companies and community representatives. It is expected that the Nigerian Upstream Petroleum Regulatory Commission (NUPRC) will provide their input and also adopt it as a guide for the Trusts. At least 250 women -owned businesses and unemployed females will benefit from a three -month digital skills training programme in Rivers state where we are expected to launch the Employment Extension Service which will curate information on employment, internship and remote work opportunities for women in Tech.

The donor landscape within Nigeria continues to evolve and significant efforts will be made to assess the context and the issues that continue to arise in the polity, the economy and even the environment (climate change). SDN continues to engage with communities in Rivers, Bayelsa and Delta, assessing their needs and working with public institutions to support systemic change in governance so that vulnerable groups such as women, youth and persons with disabilities can benefit from the dividends of democracy. The high inflation rates and continuous devaluation of the naira pose new challenges and also new opportunities in our work as we focus on economic diversification and empowering vulnerable groups such as women, young people and persons with disabilities to build businesses or livelihoods that are not only resilient to economic shocks but to climate change as well.

REFERENCE AND ADMINISTRATIVE DETAILS

Company Number: 05101121

Charity Number: 1148143

Directors and Trustees:

J D'Angelo - Chairperson

Professor M Anikpo

R J Ekperi

I D Pedro

D M Pearson

J A H Croft - resigned on 21/04/2023

Secretary: C A Laing - resigned on 31/07/2023

Adam Phillip – appointed on 01/08/2023.

Senior Management: Inanc Inan, Finance Director (resigned in January 2023)

Maria Rizou, Head of Finance (appointed in February 2023)

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

Website: <https://www.stakeholderdemocracy.org/>

Auditors: SCB (Accountants) Ltd, 31 Sackville Street, Manchester, M1 3LZ

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

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DIRECTORS' AND TRUSTEES' REPORT (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2023

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
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DIRECTORS' AND TRUSTEES' REPORT (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2023

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 and agreed at the Annual General Meeting that SCB (Accountants) Ltd 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

27 January 2024

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 2023, 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 2023 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

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, 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:

Based on our discussions with the charity's management and the Trustees, we identified that the following laws and regulations are significant to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards, Charity Act 2011 and SORP 2019 regulations
- Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the charity and therefore may have a material effect on the financial statements include compliance with the charitable objectives, public benefit, safeguarding and health and safety legislation.

These matters were discussed amongst the engagement team at the planning stage and the team remained alert to non-compliance throughout the audit.

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.



**JEFFREY BOR FCA (Senior Statutory Auditor)
For and on behalf of SCB (Accountants) Ltd
CHARTERED ACCOUNTANTS
STATUTORY AUDITOR**

**31 SACKVILLE STREET
MANCHESTER
M1 3LZ**

Date : 27 JANUARY 2024

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 30 APRIL 2023

SUMMARY INCOME AND EXPENDITURE ACCOUNT

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Income					
Grants and donations	2	1,909	-	1,909	11,791
<i>Income from charitable activities:</i>					
Grants and contracts	3	57	1,077,860	1,077,917	631,374
<i>Investment income:</i>					
Bank Interest		46	-	46	8
Total income		<u>2,012</u>	<u>1,077,860</u>	<u>1,079,872</u>	<u>643,173</u>
Expenditure					
<i>Expenditure on charitable activities</i>	6, 18	7,740	1,041,030	1,048,770	756,770
Total expenditure		<u>7,740</u>	<u>1,041,030</u>	<u>1,048,770</u>	<u>756,770</u>
Net income/(expenditure) and net movement in funds for the year before transfers		(5,728)	36,830	31,102	(113,597)
Transfers between funds	18	(4,944)	4,944	-	-
Net income/(expenditure) and net movement in funds for the year after transfers		(10,672)	41,774	31,102	(113,597)
Gains / (losses) on consolidation		10,583	(6,989)	3,594	2,879
Net movements of funds		<u>(89)</u>	<u>34,785</u>	<u>34,696</u>	<u>(110,718)</u>
Reconciliation of funds					
Total funds brought forward		81,413	125,230	206,643	317,361
Total funds, carried forward	18	<u>81,324</u>	<u>160,015</u>	<u>241,339</u>	<u>206,643</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 32 form part of these accounts.

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 30 APRIL 2023

SUMMARY INCOME AND EXPENDITURE ACCOUNT

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Income					
Grants and donations	2	120,121	-	120,121	85,740
<i>Income from charitable activities:</i>					
Grants and contracts	3	57	343,451	343,508	202,385
<i>Investment income:</i>					
Bank Interest		11	-	11	2
Income		<u>120,189</u>	<u>343,451</u>	<u>463,640</u>	<u>288,127</u>
Expenditure					
Expenditure on charitable activities:	8, 19	107,677	343,451	451,128	382,400
Total expenditure		<u>107,677</u>	<u>343,451</u>	<u>451,128</u>	<u>382,400</u>
Net income/(expenditure) and net movement in funds for the year before transfers		12,512	-	12,512	(94,273)
Transfers between funds		-	-	-	-
Net income/(expenditure) and net movement in funds for the year after transfers		12,512	-	12,512	(94,273)
Reconciliation of funds					
Total funds brought forward		11,224	-	11,224	105,497
Total funds, carried forward	19	<u>23,736</u>	<u>-</u>	<u>23,736</u>	<u>11,224</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 32 form part of these accounts.

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

GROUP BALANCE SHEET

AS AT 30 APRIL 2023

	Notes	GROUP 2023 £	GROUP 2022 £	CHARITY 2023 £	CHARITY 2022 £
FIXED ASSETS					
Tangible assets	14	8,193	19,389	3,645	3,784
Investments	15	-	-	-	-
		<u>8,193</u>	<u>19,389</u>	<u>3,645</u>	<u>3,784</u>
CURRENT ASSETS					
Debtors	16	56,524	26,442	9,705	13,834
Cash at bank and in hand		853,028	451,419	110,631	12,314
Total Current Assets		<u>909,552</u>	<u>477,861</u>	<u>120,336</u>	<u>26,148</u>
Liabilities					
Creditors falling due within one year	17	(676,406)	(290,607)	(100,245)	(18,708)
Net Current Assets/(Liabilities)		<u>233,146</u>	<u>187,254</u>	<u>20,091</u>	<u>7,440</u>
Total assets less current liabilities		241,339	206,643	23,736	11,224
Net assets		<u>241,339</u>	<u>206,643</u>	<u>23,736</u>	<u>11,224</u>
The funds of the charity:					
Unrestricted funds	18 & 19	81,324	81,413	23,736	11,224
Restricted funds	18 & 19	160,015	125,230	-	-
		<u>241,339</u>	<u>206,643</u>	<u>23,736</u>	<u>11,224</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 27 January 2024 and signed on its behalf by:



..... **J D'Angelo (Chairperson)**

Company Registration No: 05101121

The notes on pages 14 to 32 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 2023

	Notes	GROUP 2023 £	GROUP 2022 £	CHARITY 2023 £	CHARITY 2022 £
Cash inflow / (outflow) in operating activities	21	364,880	202,453	99,096	(71,873)
Cash flows from investing activities					
Interest income		46	8	11	2
Purchase of tangible fixed assets		(1,891)	(13,901)	(790)	-
Disposal of tangible fixed asset		38,574	-	-	-
Cash provided by / (used in) investing activities		36,729	(13,893)	(779)	2
Increase / (decrease) in cash & cash equivalents in the year		401,609	188,560	98,317.1	(71,871)
Cash & cash equivalents at the beginning of the year		451,419	262,859	12,314	84,184
Total cash & cash equivalents at the end of the year		853,028	451,419	110,631	12,314

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 APRIL 2023

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.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

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 surplus before loss on consolidation for the year of £31,102 (2022 - deficit of 113,597) and unspent reserves of £241,339.(2022- 206,643)

The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. Trustees will continue to monitor and ensure spending to be done in line with income in order to maintain target level of reserves. The review of cashflow for 12 months from the date of approval of the financial statements, the associated assumptions that underpin it, secured new income and the steps that could be taken to reduce expenditure should this be necessary.

Based on the information above, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operation for the foreseeable future and will remain surplus in future periods. Therefore, the trustees have adopted the going concern basis in preparing these accounts.

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.

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2023

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.

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.

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2023

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.

1.13 Pension costs

The charity operates a defined contribution pension scheme on behalf of its employees. Contributions are charged to the Statement of Financial Activities in the period in which they are payable. The assets of the scheme are held separately from those of the charity in an independently administered fund.

1.14 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.

1.15 Operating leases

The charity classifies the lease of property as operating leases. The rentals are charged to the Statement of Financial Activities on a straight-line basis over the lease duration. No assets are held under hire purchase agreements.

1.16 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.

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2023

2. GRANTS AND DONATIONS

	GROUP			
	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Space for Change	1,909	-	1,909	-
Furlough Grant	-	-	-	11,791
	<u>1,909</u>	<u>-</u>	<u>1,909</u>	<u>11,791</u>

	CHARITY			
	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Nigel Delta Stakeholders Initiative for Community Development and Empowerment	120,121	-	120,121	73,949
Furlough Grant	-	-	-	11,791
	<u>120,121</u>	<u>-</u>	<u>120,121</u>	<u>85,740</u>

The donations income in 2022 totalling £11,791 for the Group and £85,740 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 2023

3. GRANTS AND CONTRACTS INCOME – GROUP

	GROUP			
	Unrestricted Funds	Restricted Funds	Total 2023	Total 2022
	£	£	£	£
European Union	-	61,164	61,164	-
University of Copenhagen	-	41,577	41,577	-
Ford Foundation	-	69,678	69,678	-
Netherlands Embassy - HYPREP & SEPAG	-	560,956	560,956	323,761
SOAS	-	-	-	6,225
Palladium/SCALE	-	97,289	97,289	30,956
OSIWA	-	15,000	15,000	48,082
Action Aid	-	232,196	232,196	195,560
Yar'Adua Foundation	-	-	-	26,190
Other Income	57	-	57	600
	<u>57</u>	<u>1,077,860</u>	<u>1,077,917</u>	<u>631,374</u>

Grants and contracts income in 2022 totalling £631,374 consist of £6,825 unrestricted funds and £624,549 restricted funds.

GRANTS AND CONTRACTS INCOME – CHARITY

	CHARITY			
	Unrestricted Funds	Restricted Funds	Total 2023	Total 2022
	£	£	£	£
Action Aid	-	232,196	232,196	195,560
University of Copenhagen	-	41,577	41,577	-
Ford Foundation	-	69,678	69,678	-
SOAS	-	-	-	6,225
Other Income	57	-	57	600
	<u>57</u>	<u>343,451</u>	<u>343,508</u>	<u>202,385</u>

Grants and contracts income in 2022 totalling £202,385 consist of £6,825 unrestricted funds and £195,560 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 2023

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 2022.
- (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		CDN	NDSICDE	
	Trading			Trading		
	Company	Charitable	Total	Company	Charitable	Total
	(for profit)	Subsidiary	2023	(for profit)	Subsidiary	2022
	£	£	£	£	£	£
Income						
<i>Income from charitable activities:</i>						
Grants and contracts	-	777,529	777,529	-	463,105	463,105
<i>Investment income:</i>						
Bank Interest	-	35	35	-	6	6
Total Income	-	777,564	777,564	-	463,111	463,111
Expenditure						
<i>Expenditure on charitable activities</i>	-	(742,509)	(742,509)	-	(479,533)	(479,533)
Total expenditure	-	(742,509)	(742,509)	-	(479,533)	(479,533)
Net income/(expenditure) and net movement in funds for the year before transfers	-	35,055	35,055	-	(16,422)	(16,422)
Transfers between funds	-	-	-	-	-	-
Net income/(expenditure) and net movement in funds for the year after transfers	-	35,055	35,055	-	(16,422)	(16,422)
Gains / (losses) on consolidation	-	-	-	-	-	-
Net movements of funds	-	35,055	35,055	-	(16,422)	(16,422)
Reconciliation of funds						
Total funds brought forward		195,859	195,859		212,281	212,281
Net Adjustments in Retained Earnings		(2,908)	(2,908)		-	-
Total funds, carried forward	-	228,006	228,006	-	195,859	195,859

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2023

6. ANALYSIS OF EXPENDITURE – GROUP

		GROUP			
	Basis of allocation	Capacity Building & Awareness Raising	Governance	Total 2023	Total 2022
		£	£	£	£
Costs directly allocated to activities:					
Staff costs	Direct	349,010	-	349,010	302,814
Consultancy	Direct	49,853	-	49,853	35,986
Travel and motor expenses	Direct	139,238	-	139,238	111,088
Premises	Direct	16,304	-	16,304	16,963
Other direct costs	Direct	186,786	-	186,786	107,199
Donations and grants (Note 10)	Direct	25,573	-	25,573	20,327
Support costs (Note 7)		269,265	-	269,265	150,377
Governance costs (Note 7)		-	12,741	12,741	12,016
Total resources expended		1,036,029	12,741	1,048,770	756,770

Of the £1,048,770 expenditure in 2023 (2022 - £756,770), £7,740 was charged to unrestricted funds (2022 - £153,248) and £1,041,030 to restricted funds (2022 - £603,522).

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	2023	2022
	£	£	£	£
General and office finance staff	41,897	-	41,897	35,066
Premises	54,128	-	54,128	13,526
Travel, accommodation and insurance	66,527	151	66,678	19,228
Professional fees	3,442	-	3,442	3,515
Office supplies and communications	29,365	-	29,365	23,664
Computer and Information technology	373	-	373	205
Depreciation	12,543	-	12,543	11,472
Sundry expenses	-	-	-	32,733
Bad debts written off	102	-	102	5,430
Advertising	18,257	-	18,257	2,568
Bank charges	3,671	-	3,671	3,432
Foreign exchange (gains) / loss	34,401	-	34,401	(4,643)
Repairs and maintenance	4,559	-	4,559	4,523
Accounting fees	-	1,440	1,440	-
Audit fees	-	11,150	11,150	11,674
	269,265	12,741	282,006	162,393

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2023

8. ANALYSIS OF EXPENDITURE – CHARITY

		CHARITY				
	Basis of allocation	Nigerian Subsidiary £	Capacity Building & Awareness Raising £	Governance £	Total 2023 £	Total 2022 £
<i>Costs directly allocated to activities:</i>						
Staff costs	Direct	15,825	167,588	-	183,413	154,480
Consultancy	Direct	2,061	21,320	-	23,381	23,044
Travel and motor expenses	Direct	4,945	30,004	-	34,950	72,519
Premises	Direct	5,605	16,304	-	21,909	21,999
Other direct costs	Direct	3,400	96,915	-	100,315	45,559
Donations and grants (Note 10)	Direct	-	-	-	-	-
Support costs (Note 9)		9,376	73,670	-	83,046	55,829
Governance costs (Note 9)		-	-	4,116	4,116	8,970
		41,211	405,801	4,116	451,128	382,400

Of the £451,128 expenditure in 2023 (2022 - £382,400), £107,677 was charged to unrestricted funds (2022 - £225,845) and £343,451 to restricted funds (2022 - £156,555).

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.

	Support costs £	Governance costs £	2023 £	2022 £
General and office finance staff	45,853	-	45,853	38,620
Premises	6,836	-	6,836	6,913
Staff training and subsistence	1,391	-	1,391	1,250
Travel, accommodation and insurance	9,961	151	10,112	4,098
Legal and professional fees	163	-	163	163
Office supplies and communications	3,186	-	3,186	1,393
Computer and Information technology	1,069	-	1,069	830
Depreciation	812	-	812	154
Sundry expenses	-	-	-	40
Bank charges	1,912	-	1,912	1,617
Foreign exchange loss	11,862	-	11,862	1,094
Accounting fees	-	1,440	1,440	-
Audit fees	-	2,525	2,525	8,628
	83,046	4,116	87,161	64,799

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2023

10. GRANTS PAYABLE

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

	GROUP		CHARITY	
	2023	2022	2023	2022
	£	£	£	£
Centre for Environment, Human Right and Development	25,573	20,327	-	-
	<u>25,573</u>	<u>20,327</u>	<u>-</u>	<u>-</u>

11. NET INCOME / (EXPENDITURE) FOR THE YEAR

This is stated after charging:

	2023	2022
	£	£
Depreciation	12,543	11,472
Audit fees	<u>11,150</u>	<u>11,674</u>

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

STAFF COSTS	2023	2022
	£	£
Salaries	315,202	271,205
Social security	54,178	47,460
Pension	21,528	19,215
	<u>390,907</u>	<u>337,880</u>

No employees had employee benefits in excess of £60,000 (2022 - £nil).

No Trustee received any remuneration during the year (2022 - £Nil). During the year, trustees were reimbursed expenses amounting to £468 (2022 - £259).

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 £105,545 (2022 - £127,574).

13. STAFF NUMBERS

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

	GROUP		CHARITY	
	2023	2022	2023	2022
Direct charitable work	18	18	1	1
Administrative work	10	10	4	3
Total	<u>28</u>	<u>28</u>	<u>5</u>	<u>4</u>

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2023

14. TANGIBLE FIXED ASSETS – GROUP AND CHARITY

<u>GROUP:</u>	2023	2022
	£	£
NET BOOK VALUES		
Office equipment	7,985	12,882
Motor vehicle	208	6,506
	<u>8,193</u>	<u>19,389</u>

MOVEMENTS IN YEAR

Cost	Opening Balances £	Additions £	Disposal/ fx difference £	Closing Balances £
Office equipment	85,225	1,819	(34,503)	52,541
Motor vehicle	30,161	72	(5,213)	25,019
	<u>115,386</u>	<u>1,891</u>	<u>(39,717)</u>	<u>77,560</u>
Depreciation	Opening Balances £	Charge For Year £	Disposal £	Closing Balances £
Office equipment	72,343	9,150	(36,937)	44,556
Motor vehicle	23,655	2,672	(1,516)	24,811
	<u>95,997</u>	<u>11,823</u>	<u>(38,453)</u>	<u>69,367</u>

CHARITY:

	2023	2022
	£	£
NET BOOK VALUES		
Office equipment	3,645	3,784
	<u>3,645</u>	<u>3,784</u>

MOVEMENTS IN YEAR

Cost	Opening Balances £	Additions £	Disposals £	Closing Balances £
Office equipment	10,163	790	(117)	10,835
	<u>10,163</u>	<u>790</u>	<u>(117)</u>	<u>10,835</u>
Depreciation	Opening Balances £	Charge For Year £	Disposals £	Closing Balances £
Office equipment	6,379	812	-	7,191
	<u>6,379</u>	<u>812</u>	<u>-</u>	<u>7,191</u>

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2023

15. FIXED ASSET INVESTMENTS – GROUP AND CHARITY

	GROUP		CHARITY	
	2023	2022	2023	2022
	£	£	£	£
Investment at cost	-	-	-	-

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 2022.

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	
	2023	2022	2023	2022
	£	£	£	£
Trade Debtors	-	600	-	600
Accrued income and prepayment	37,795	21,364	8,110	11,639
Staff Advances	17,134	2,883	-	-
Other debtors-deposit	1,595	1,595	1,595	1,595
	<u>56,524</u>	<u>26,442</u>	<u>9,705</u>	<u>13,834</u>

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

	GROUP		CHARITY	
	2023	2022	2023	2022
	£	£	£	£
Taxation and social security	6,469	5,069	6,469	4,801
Deferred income (Note 22)	639,889	259,455	49,025	-
Accruals	24,370	25,999	24,370	20,327
Amounts owed to subsidiaries	-	-	20,380	(6,420)
Other creditors	5,678	84	-	-
	<u>676,406</u>	<u>290,607</u>	<u>100,245</u>	<u>18,708</u>

STAKEHOLDER DEMOCRACY NETWORK
(Limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2023

18. ANALYSIS OF CHARITABLE FUNDS – GROUP

GROUP

	Balance at 01.05.22 £	Income £	Expenditure £	Exchange Gain/ (Loss) £	Transfer £	Balance at 30.04.23 £
Restricted Funds:						
European Union	-	61,164	(11,015)	(3,079)	-	47,070
Netherlands Embassy - HYPREP & SEPAG	104,801	560,956	(562,657)	(4,364)	-	98,735
Palladium/SCALE	16,167	97,289	(99,412)	165	-	14,209
OSIWA	4,262	15,000	(21,044)	289	1,494	-
Yaradua	-	-	(3,450)	-	3,450	-
University of Copenhagen	-	41,577	(41,577)	-	-	-
Ford Foundation	-	69,678	(69,678)	-	-	-
FCDO/AAN	-	232,196	(232,196)	-	-	-
Total restricted funds	125,230	1,077,860	(1,041,030)	(6,989)	4,944	160,015
Unrestricted Funds:						
General funds	81,413	2,012	(7,740)	10,583	(4,944)	81,324
Total Funds:	206,643	1,079,872	(1,048,770)	3,594	-	241,339

Transfer of £3,450 made from unrestricted funds to Yar'Adua Foundation and £1,494 to OSIWA 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

	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.

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

FOR THE YEAR ENDED 30 APRIL 2023

19. ANALYSIS OF CHARITABLE FUNDS – CHARITY

	CHARITY			
	Balance at 01.05.22 £	Income £	Expenditure £	Transfer £
Restricted Funds:				
AAN / FCDO	-	232,196	(232,196)	-
University of Copenhagen	-	41,577	(41,577)	-
Ford Foundation	-	69,678	(69,678)	-
Total restricted funds	-	343,451	(343,451)	-
Unrestricted Funds:				
General funds	11,224	120,189	(107,677)	-
Total unrestricted funds	11,224	120,189	(107,677)	-
Total Funds:	11,224	463,640	(451,128)	-

Analysis of movements in funds - previous year

	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.

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NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2023

Description, nature and purpose of funds:

Fund	Purpose and restrictions in use
Netherlands Embassy – Environment & Governance	<p>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.</p>
Netherlands Embassy – HYPREP & SEPAG - Monitoring the Ogoni clean-up & Strengthening Environmental Policy and Accountability in Governance	<p>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.</p>
European Union	<p>This project aims to reduce the digital gender gap by providing tailored digital skills training for women and establishing links between them and job providers in the tech sector and supporting women-owned businesses to grow through the provision of digital training.</p> <p>The project seeks to contribute to bridging the digital gender gap in employment aspirations, opportunities and outcomes in the Niger Delta by</p> <ol style="list-style-type: none"> a. Increasing awareness of the existing digital gender divide and addressing the barriers imposed by cultural and social norms; empowering women with digital and soft skills, and supporting women-led businesses to develop knowledge on and enhance the use of digital skills and tools to grow their businesses;

STAKEHOLDER DEMOCRACY NETWORK (Limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2023

- b. Supporting CSOs and similar initiatives in improving their capacity to advocate for increased digital literacy for women;
- c. Fostering evidence-based gender related policy changes and collaboration between CSOs, the public and private sector to address the digital gender divide by increasing access to digital literacy and skills programmes for women,
- d. Ensure women can equally access digital support services,
- e. Tech companies and telecommunications have gender policies that encourage women to apply for open positions.

University of Copenhagen COPIGoG contributes knowledge for both academic and policy audiences. Examining flows in and across piracy and counterpiracy infrastructures provides knowledge about what enables and disables piracy and maritime security more broadly in the GoG. The purpose is (i) to develop a novel analytical approach to maritime security and broader intervention studies and; (ii) to generate empirical insights that can help point to ways of enhancing beneficial vectors and preventing harmful ones from the perspective of maritime security.

Ford Foundation This project which will be implemented in three Niger Delta states (Bayelsa, Delta and Rivers in six host communities: Otuasega, Imiringi, Eruemukhuwari, Owevwe, Umuebulu 2-Oyigbo and Komkom, with an estimated population of 250,000) aims to shape Host Community Development

Trust's (HCDT) implementation to maximise the potential for community benefit and minimise the risks HCDTs and the associated legislative framework potentially present. This will be done through supporting host communities to better understand HCDTs and collectively represent their interests; developing a shared set of recommendations for the implementation of HCDTs which emphasise community participation, transparency, equity and fairness, and the prioritisation of community development.

We aim to convene a coalition of stakeholders representing host community interests (host community members, civil society and groups such as HOSTCOM) to provide collective representation; convene this group with the oil and gas sector and government to develop a shared set of guidance for the operation of HCDTs; create a HCDT Guide, which will be disseminated to;

- a. Host communities to help them better represent their collective interests,
- b. Oil and gas companies to encourage alignment with the guide's approach, and
- c. Nigeria Upstream Petroleum Regulatory Commission to promote further improvements to framework for implementation of HCDTs;

and by supporting implementation of the guide in six pilot host communities, with a focus on supporting HCDTs to design effective livelihood/economic development projects where these have been identified as priorities in needs assessments.

KSIH The Ken Saro-Wiwa Innovation Hub (the Hub) has become a prominent centre supporting high quality, tech-based livelihoods that connect women and young people in the Niger Delta to the global internet marketplace. The Hub was established by Stakeholder Democracy Network (SDN) and the Ken Saro-Wiwa Foundation in 2017 to support Ken Saro-Wiwa's vision of fulfilling people's right to a decent livelihood that does not destroy the environment.

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NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2023

The Hub is based in the Ken Saro-Wiwa Foundation building in Port Harcourt City, Rivers State, and managed by SDN. The Hub has been providing state-of-the-art training for youth, including women, in tech and tech-related activities, with a view to bridging a technological gap in the region. Over the last two years, the Hub has supported a number of digital startup companies that aim to achieve various Global Goals in the region, various developer groups (including Google and Andela), and developed an enabling environment for young tech and business persons to meet, brainstorm, and share ideas on ways to solve or mitigate challenges facing technological development in Nigeria. Training sessions and workshops held at the Hub have been attended by over 3,000 participants.

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).

United Nation Organisation Drugs and Crime

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.

Yar'Adua Foundation

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 2023 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.

OSIWA - Strengthening Food Production in Riverine Communities

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.

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.

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FOR THE YEAR ENDED 30 APRIL 2023

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.

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
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NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2023

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

GROUP	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Fixed assets	8,193	-	8,193	19,389
Net current assets	73,131	160,015	233,146	187,254
	<u>81,324</u>	<u>160,015</u>	<u>241,339</u>	<u>206,643</u>
CHARITY				
Fixed assets	3,645	-	3,645	3,784
Net current assets	20,091	-	20,091	7,440
	<u>23,736</u>	<u>-</u>	<u>23,736</u>	<u>11,224</u>

Analysis of net assets between funds - previous year

GROUP	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Fixed assets	19,389	-	19,389	18,624
Net current assets	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	7,440	-	7,440	100,647
	<u>11,224</u>	<u>-</u>	<u>11,224</u>	<u>105,497</u>

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

	GROUP		CHARITY	
	2023 £	2022 £	2023 £	2022 £
Net movement in funds	34,696	(110,718)	12,512	(94,273)
Add back depreciation/loss on disposal/impairment	(25,488)	13,136	930	1,075
Deduct interest income shown in investment activities	(46)	(8)	(11)	(2)
(Increase) / decrease in debtors	(30,081)	27,954	4,129	4,852
Increase / (decrease) in creditors	385,799	272,089	81,537	16,476
Net cash inflow / (outflow) in operating activities	<u>364,880</u>	<u>202,453</u>	<u>99,096</u>	<u>(71,873)</u>

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NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 30 APRIL 2023

22. DEFERRED INCOME – GROUP AND CHARITY

	GROUP		CHARITY	
	2023	2022	2023	2022
	£	£	£	£
Balance as at 1st May	259,455	-	-	-
Amount released to income in the year	(259,455)	-	-	-
Amount deferred in the year	639,889	259,455	49,025	-
Balance as at 30th April	<u>639,889</u>	<u>259,455</u>	<u>49,025</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. OPERATING LEASE COMMITMENTS – GROUP AND CHARITY

At 30 April there were the following future minimum lease payments under non-cancellable operating leases:

	GROUP		CHARITY	
	2023	2022	2023	2022
	£	£	£	£
Office premise				
Not later than one year	15,230	15,230	15,230	15,230
Later than 1 year not later than 5 years	29,191	44,420	29,191	44,420
Later than 5 years	-	-	-	-
	<u>44,420</u>	<u>59,650</u>	<u>44,420</u>	<u>59,650</u>

24. PENSION COSTS

The pension contributions payable by the Charity and its subsidiary amounted to £21,528 (2022 - £19,215). Contributions totalling £1,272 (2022 - £943) were due at the year end and are included in creditors.

25. 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.

26. RELATED PARTY TRANSACTIONS

No related party transactions took place in the year except the transactions disclosed in note 12.

27. ULTIMATE CONTROLLING PARTY

For the whole of the year, the charity was under the control of the Directors and Trustees as shown on page 4.