



Rights and Accountability in Development (RAID)

Board of Trustees' Report and Financial Statement

**For the year ended:
30 September 2017**

Reference and Administrative Details

Registered Office:

86-90 Paul Street
London
EC2A 4NE

Board of Trustees:

Bronwen Manby (Chair)
Robert McCorquodale
Patricia Feeney
Steve Crawshaw
Laura Boardman (due to take up role in 2018)
David White

Executive Director:

Anneke Van Woudenberg

Charity Registration Number:

1150846

Company Limited by Guarantee Registration Number:

04895859

Accountants:

Ridgefield Consultants
Chartered Accountants & Business Advisors
2 Hinksey Court, Church Way,
Oxford, OX2 9SX

Solicitors/Legal Advisor:

Dan Leader,
Leigh Day & Co
Priory House, 25 St John's Ln,
Clerkenwell, London EC1M 4LB

Bankers:

NatWest Bank
249 Banbury Rd,
Oxford OX2 7HR

Table of Contents

TRUSTEES' REPORT	1
OBJECTIVES AND ACTIVITIES.....	1
PUBLIC BENEFIT	2
ACHIEVEMENTS AND PERFORMANCE	2
FINANCIAL REVIEW	4
FUTURE PLANS.....	4
STRUCTURE, GOVERNANCE & MANAGEMENT	5
ORGANIZATIONAL MATTERS	5
RISK MANAGEMENT.....	5
STATEMENT OF THE BOARD OF TRUSTEES' RESPONSIBILITIES	6
INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES.....	7
STATEMENT OF FINANCIAL ACTIVITIES	8
BALANCE SHEET	9
NOTES TO THE ACCOUNTS.....	10
DETAILED INCOME AND EXPENDITURE ACCOUNT	12

Trustees' Report

The trustees present their annual report together with an independently examined financial statement for RAID (the charity) for the period ended 30 September 2017.

The financial statements have been prepared in accordance with applicable laws and the *Accounting and Reporting by Charities: Statement of Recommended Practice (SORP)* applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) effective from accounting periods commencing 1 January 2015 or later.

Objectives and Activities

RAID is a small NGO in the field of business and human rights that exposes corporate human rights abuses in Africa and works with victims to hold companies to account. Its objective is to strengthen international regulation of companies and help bring justice for corporate abuse.

RAID's primary aims are to:

1. Enforce and apply existing laws and regulations in countries where companies are headquartered, including through strategic litigation, support for criminal investigations, and testing alternative complaints mechanisms.
2. Expand corporate liability for crimes to strengthen market rules, financial regulations and sanctions regimes.
3. Assist and support national NGOs to enable them to achieve accountability for corporate complicity in human rights abuses in the countries where companies operate, especially in Africa.

4. Challenge the effectiveness of voluntary measures to curb corporate misconduct and expose the limitations of self-regulation.
5. Engage with other actors in relation to the international regulatory regime, including United Nations agencies, civil society, governments and organisations representing the corporate sector, to strengthen the UN Guiding Principles on Business and Human Rights, and enhance an international consensus on responsible business conduct, including a treaty on business and human rights.

As a small organization, RAID has amplified its impact through strong partnerships with local human rights and victim groups in Africa and with international human rights NGOs. In 2003, RAID co-founded the international NGO network, [OECD Watch](#), the leading coalition promoting and testing the effectiveness of the OECD Guidelines for Multinational Companies. RAID also co-founded the international network on Economic, Social and Cultural Rights ([ESCR-Net](#)), developing its corporate accountability strategy. These partnerships remain critical to RAID's work. RAID is a member of the Corporate Responsibility Coalition (CORE) in the UK, the African Coalition for Corporate Accountability (ACCA) and the International Corporate Accountability Roundtable (ICAR).

Public benefit

The trustees have had regard to the guidance issued by the Charity Commission concerning public benefit. They are satisfied that the information given in this report, particularly regarding the activities undertaken when read in conjunction with the objectives of the charity set out above, demonstrates that the requirements to identify public benefit have been met.

Achievements and Performance

This was an important transition year for RAID. After 18 years as Executive Director, Patricia Feeney, RAID's founder, retired in mid-2017. An open recruitment was held to find a new director and the trustees were delighted to appoint Anneke Van Woudenberg, a human rights professional with over 14 years of experience with Human Rights Watch in Africa. On June 28, 2017, RAID officially announced Ms. Van Woudenberg's appointment and celebrated Ms. Feeney's extraordinary 18-year career at RAID at an event co-hosted with Matrix Chambers in London.

The change in director provided an opportune moment to reflect on RAID's past success and challenges, to analyze the current landscape in business and human rights, and develop a new strategy to take RAID's forward into its next chapter. With the help of RAID's staff and board, the new director launched a strategic review process with the goal to present a five-year strategy to the trustees in early 2018. The new director also initiated new fundraising efforts (further information below).

The trustees were excited by some notable success over the year as a result of RAID's work. This included the following:

- i. **RAID achieved a landmark award of compensation to Congolese victims of human rights abuses associated with the operations of Anvil Mining in a precedent-setting judgement by the African Commission for Human and Peoples' Rights.** RAID's

investigation of a massacre of over 70 civilians by the Congolese army in 2004 in Kilwa, a remote town in the Democratic Republic of Congo, highlighted the role of Anvil Mining, an Australian-Canadian company which provided logistical and other support to the soldiers. RAID's long campaign to hold the company to account for its role in facilitating this atrocity in different jurisdictions around the world starkly highlighted the governance gap for cross-border corporate crimes. Among these efforts was a joint complaint to the African Commission on Human and Peoples' Rights with the Institute for Human Rights and Development in Africa (IHRDA), based in Banjul, The Gambia, and *Action Contre l'Impunité pour les Droits Humains* (ACIDH), based in Lubumbashi, DR Congo. In June 2017, the African Commission became the first jurisdiction to recognize the abuses committed, awarding US \$2.5 million in compensation to 8 of the victims. The Commission publicly rebuked the mining company for its role and ordered the Congolese government to open a new investigation, including into the role of Anvil Mining's staff.

- ii. **London's Alternative Investment Market (AIM) announced a revision of its rules.** For many years, RAID has been at the forefront exposing the failure of AIM to prevent the asset laundering through the UK of ill-gotten gains from Congo, Zimbabwe and other African countries. In July 2017, the London Stock Exchange, which regulates AIM, announced it was reviewing AIM's rules and called for submissions. RAID sent in a detailed submission based on our previous research and mobilized other NGOs to do the same. This is the first instance that we are aware of where there is a detailed review of AIM's rules, and we believe that among the reasons for this review are RAID's detailed investigations.
- iii. **Canadian regulators began to investigate possible corrupt transactions on the Toronto Stock Exchange linked to DRC.** In June 2017, RAID sent a detailed letter to the Ontario Securities Commission (OSC) and the Toronto Stock Exchange (TSX) expressing concern that the TSX may have been used to launder assets and enable corrupt transactions. RAID urged for immediate investigations. A few months later, we learned the OSC, responsible for regulating the TSX, had opened an investigation. Further information about the corrupt deals came to light in the Paradise Papers, leaked from offshore service providers and tax havens and reported by the *Guardian* newspaper and its media partners. RAID's work was featured in a Canadian Broadcasting Corporation 30-minute documentary for a flagship French language television investigative program highlighting the alleged corruption on the TSX.

RAID continued its work to scrutinize "operational grievance mechanisms," recommended by the UN Guiding Principles on Business and Human Rights, but sometimes mis-used by companies to self-investigate, determine culpability and exonerate themselves from responsibility for serious human rights abuses. This year, RAID continued to focus on the grievance mechanism established by the UK-listed Acacia Mining at its gold mine in North Mara, Tanzania, where the human rights situation has been extremely troubling for a number of years. Amongst the issues of most concern, security guards and Tanzanian police have shot and killed dozens of people alleged to be trespassing on the mine. On 6 July 2017, RAID released a new [film](#) and a [press release](#) drawing attention to the human rights abuses at the mine, the problems with the company grievance mechanism and the lack of

appropriate remedy for victims. This work was highlighted in shorter format at the UN Forum on Business and Human Rights in Geneva in November 2016.

RAID also continued its follow-up on its 2013 complaint to the UK government under the OECD Guidelines for Multinational Enterprises against Eurasian Natural Resources Corporation (ENRC), now renamed ERG. We submitted new information to the UK National Contact Point which was due to publish a Follow-up Statement in 2017, following its earlier determination that ENRC had failed to address the human rights impacts at mine sites under the control of its subsidiaries in Congo. The statement was delayed and was expected in 2018.

Financial Review

RAID received a two-year \$230,000 (£175,000) grant from an American philanthropic foundation in February 2017. This grant made up the bulk of RAID's income for this year, totaling £104,022 (all unrestricted funds). Funding from the Sigrid Rausing Trust, a long-term funder of RAID, ended in 2017 when RAID reached its 10 year maximum funding limit.

The new director, with the support of the trustees, embarked on a fundraising drive and launched discussions with a range of new donors in parallel with the strategy review. We are confident this will yield results. RAID also launched its first direct fundraising efforts to enhance the charity's income. Through two separate fundraising events, we secured £13,987 in new unrestricted funds.

Reserves Policy: The trustees determined that RAID should strive to hold in reserve funds equivalent to running the core functions of the charity for three months. This is currently expected to be £32,000. Given the current challenge of raising funds for RAID's work, the trustees recognized that it may take time for RAID to achieve this level of reserves. The trustees aim to have this policy in effect by the end of the financial year 2020. The desired level of reserves will be met by including a percentage contribution to the reserves fund in each future funding proposal. The trustees will review RAID's reserve policy every three years.

Future Plans

RAID looks forward to another successful year of highlighting corporate abuse in Africa and working with victims to seek justice. RAID anticipates finalizing its strategic review in 2018 and moving forward to its implementation. The organization's existing casework in Tanzania and DRC will continue and we anticipate launching new projects in these two countries as well as in Zimbabwe and possibly elsewhere in Africa. RAID's staff plan to engage in critical corporate accountability issues linked to the boom in cobalt mining - an essential commodity for the revolution in electric vehicles - which is focusing attention on human rights and environmental concerns in Africa, particularly in DRC.

RAID will actively engage in seeking new sources of funding and will follow-up on proposals already submitted.

Going forward, and funding permitting, RAID will seek to expand the team to provide additional in-house capacity, enhance communications and bolster its management infrastructure. We also hope to better support our local partners.

Structure, Governance & Management

RAID is administered by a Board of Trustees who are also its directors for the purposes of company law. In 2017, three long-serving trustees resigned and the board appointed four new trustees reflecting a broad range of experience and knowledge in the field of business and human rights.

Trustees were kept up-to-date on their relevant legal responsibilities through a variety of methods and formats. The trustees actively share their expertise with RAID and assist the organization with fundraising. RAID's board is responsible for setting strategy and the general management and supervision of the work. In 2017, RAID's board participated in developing a new 5-year strategy for the organization. No trustee receives any remuneration from the charity. The trustees meet at least twice a year and sometimes more frequently.

The Executive Director is responsible for the day-to-day management of the charity and execution of policies and practices set by the Board of Trustees. The new Executive Director reviewed RAID's governance and financial management and sought external legal and financial expertise to ensure RAID was fully in line with charity law. RAID implemented revisions in 2017 to ensure our accounts were fully compliant with the Statement of Recommended Practice (SORP) and in line with FRS 102 and made changes to its governance to ensure the trustees and directors of RAID Ltd were fully inline. Some of the revisions will run into the next financial year and will be fully reflected in RAID's 2017-2018 report.

Organizational Matters

RAID's offices moved to London from Oxford in mid-2017 and were registered at 86-90 Paul Street, London, EC2A 4NE. RAID also began work to implement policies on GDPR and pension auto-enrolment for its staff, to ensure that they would be in effect when relevant legislation enters into force in 2018.

Risk Management

The trustees have identified the following possible risks to the operations of the charity.

- i. **Insufficient funds being raised to support planned activities.** This has been mitigated by seeking new multi-year funding from a new range of donors. The new director has already submitted a number of new project proposals on which we have had positive feedback from donors. The trustees are conscious of the over-reliance on one main donor and are working with the new director to diversify RAID's funding streams, with confidence that this will be successful.
- ii. **Legal action against the organization:** RAID's work of supporting communities in conflict with mining companies involves publishing information which companies

may prefer to keep out of the public domain. This work brings an intrinsic risk of legal action against the organisation. We continue to scrupulously check our research and to seek external legal advice as required to reduce the risk.

Statement of the Board of Trustees' Responsibilities

The Trustees (who are also directors of RAID Ltd for the purposes of company law), are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgments 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 trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time of the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as we are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Signed for and on behalf of the trustees by:



Bronwen Manby (Chair)

Approved by the trustees on: 29 June 2018

Independent Examiner's Report to the Trustees

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) or under Regulation 10(1)(a) to (c) of The Charities Accounts (Scotland) Regulations 2006 (the 2006 Accounts Regulations) and that an independent examination is needed. The charity is required by company law to prepare accrued accounts and I am qualified to undertake the examination by being a qualified member of The Institute of Chartered Accountants in England and Wales.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- * examine the accounts under section 145 of the 2011 Act and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 (the 2005 Act);
- * to follow the procedures laid down in the general Directions given by the Charity
- * to state whether particular matters have come to my attention

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission and is in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements

- * to keep accounting records in accordance with section 386 of the Companies Act 2006 and section 44(1)(a) of the 2005 Act; and

- * to prepare accounts which accord with the accounting records, comply with the accounting requirements of the Companies Act 2006, section 44(1)(b) of the 2005 Act and Regulation 8 of the 2006 Accounts Regulations; and

- * which are consistent with the methods and principles of the Statement of Recommended Practice Accounting and Reporting by Charities

have not been met; and

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Mr Simon Thomas B.A FCCA A.C.A

Ridgefield Consulting Ltd
2 Hinksey Court, Church Way
Oxford, Oxfordshire
OX2 9SX

16 February 2018

Statement Of Financial Activities
for the year ended 30 September 2017

	Total	2017 Unrestricted	Restricted	2016
	£	£	£	£
Incoming Resources				
Donations	13,987	13,987	-	-
Income from charitable activities (grants)	<u>90,035</u>	<u>90,035</u>	<u>-</u>	<u>77,606</u>
Total Incoming Resources	104,022	104,022	-	77,606
 Resources Expended				
Expenditure on charitable activities	<u>(90,797)</u>	<u>(90,797)</u>	<u>-</u>	<u>(97,882)</u>
Total Resources Expended	(90,797)	(90,797)	-	(97,882)
 Surplus/(deficit) for the year	<u>13,225</u>	<u>13,225</u>	<u>-</u>	<u>(20,276)</u>
 Total Funds Brought Forward	18,124	18,124	-	38,400
 Total Funds Carried Forward	<u>31,349</u>	<u>31,349</u>	<u>-</u>	<u>18,124</u>

Balance Sheet

Rights & Accountability In Development Limited

Registered number: 04895859

as at 30 September 2017

	Notes	2017	2016
		£	£
Fixed assets			
Tangible assets	2	-	635
Current assets			
Debtors	3	441	383
Cash at bank and in hand		<u>32,108</u>	<u>42,540</u>
		32,549	42,923
Creditors: amounts falling due within one year	4	(1,200)	(25,434)
Net current assets		<u>31,349</u>	<u>17,489</u>
Net assets		<u>31,349</u>	<u>18,124</u>
Reserves			
Income and Expenditure Account		<u>31,349</u>	<u>18,124</u>
Total funds		<u>31,349</u>	<u>18,124</u>

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared and delivered in accordance with the special provisions applicable to companies subject to the small companies regime. The profit and loss account has not been delivered to the Registrar of Companies.



Dr Bronwen Manby

Director

Approved by the trustees on 20 April 2018 and signed on their behalf.

Notes to the Accounts
**Rights & Accountability In Development
 Limited**
for the year ended 30 September 2017

1 Accounting policies

Basis of preparation

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

Income represents the grants and donations received during the financial year.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Office Equipment 25% reducing balance

Foreign currency translation

Transactions in foreign currencies are initially recognised at the rate of exchange ruling at the date of the transaction. At the end of each reporting period foreign currency monetary items are translated at the closing rate of exchange. Non-monetary items that are measured at historical cost are translated at the rate ruling at the date of the transaction. All differences are charged to profit or loss.

2 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 October 2016	3,771
Disposals	(3,771)
At 30 September 2017	<u>-</u>
Depreciation	
At 1 October 2016	3,136
On disposals	(3,136)
At 30 September 2017	<u>-</u>
Net book value	
At 30 September 2017	<u>-</u>
At 30 September 2016	<u>635</u>

Notes to the Accounts continued
Rights & Accountability In Development
Limited
for the year ended 30 September 2017

3 Debtors	2017	2016
	£	£
Prepayments	<u>441</u>	<u>383</u>
4 Creditors: amounts falling due within one year	2017	2016
	£	£
Trade creditors	1,200	-
Other taxes and social security costs	-	2,001
Other creditors	<u>-</u>	<u>23,433</u>
	<u>1,200</u>	<u>25,434</u>

RAID held £23,293 on its Director's loan account, much of which had been misallocated or listed erroneously over a number of years. This included the following: (i) a gift of £12,000 in 2009 which was misallocated as a loan and has now been re-classified as a donation, (ii) £6,300 of home office expenses over eight years by the previous executive director which have been forgiven, and (iii) inconsistencies in book-keeping of £4,900 with erroneous allocations to the director's loan account that accumulated over seven years have been rectified and written-off. RAID also had £1,200 of charity law fees allocated this year from services provided in 2014-2016.

5 Other information

Rights & Accountability In Development Limited is a private company limited by guarantee and incorporated in England. Its registered office is:
86-90 Paul
Street London
EC2A 4NE

**Detailed income and expenditure account
for the year ended 30 September 2017**

This schedule does not form part of the statutory accounts

	Total	2017 Unrestricted	Restricted	2016
	£	£	£	£
Income				
Donations	13,987	13,987	-	-
Income from charitable activities (grants)	<u>90,035</u>	<u>90,035</u>	-	<u>77,606</u>
	<u>104,022</u>	<u>104,022</u>	-	<u>77,606</u>
Expenditure on charitable activities				
Support for Charitable activities				
Staff costs	59,947	59,947	-	44,400
Consultancy fees	24,418	24,418	-	21,866
Travel and subsistence	<u>14,248</u>	<u>14,248</u>	-	<u>25,303</u>
	<u>98,613</u>	<u>98,613</u>	-	<u>91,569</u>
General administrative expenses:				
Communication	629	629	-	1,170
Filming	4,645	4,645	-	-
Stationery and printing	914	914	-	146
Administrative support	-	-	-	200
Translator fees	921	921	-	-
Subscriptions	697	697	-	521
Bank charges and currency translations	370	370	-	443
Insurance	162	162	-	97
Equipment expensed	1,050	1,050	-	104
Deficit on the disposal of tangible fixed assets	635	635	-	-
Fundraising and development	510	510	-	740
Software	79	79	-	344
Depreciation	-	-	-	212
Sundry expenses	<u>(23,293)</u>	<u>(23,293)</u>	-	-
	<u>(12,681)</u>	<u>(12,681)</u>	-	<u>3,977</u>
Premises costs:	<u>383</u>	<u>383</u>	-	<u>312</u>
	<u>383</u>	<u>383</u>	-	<u>312</u>
Legal and professional costs:				
Accountancy and bookkeeping fees	3,282	3,282	-	2,024
Governance and charity law advice fees	<u>1,200</u>	<u>1,200</u>	-	-
	<u>4,482</u>	<u>4,482</u>	-	<u>2,024</u>
	<u>90,797</u>	<u>90,797</u>	-	<u>97,882</u>
Surplus/(deficit) for the year	<u>13,225</u>	<u>13,225</u>	-	<u>(20,276)</u>