

**On The EDGE Conservation  
Group Reports and Financial Statements**

**For the year ended 31 March 2021**

Charity registration number: 1163124

Company registration number: 09646831

# **On The EDGE Conservation**

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**For the year ended 31 March 2021**

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## **On The EDGE Conservation**

### **Details**

**For the year ended 31 March 2021**

<b>Charity registration number</b>	1163124
<b>Company registration number</b>	09646831
<b>Trustees</b>	Beth Blood David Blood Alexander Marshall Jonathan Baillie (resigned 23 December 2020) Lara Legassick Tamara Arnold
<b>Registered office</b>	152A Walton Street Chelsea, London SW3 2JJ
<b>Independent Auditor</b>	Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE
<b>Solicitor</b>	Harbottle and Lewis LLP 7 Savoy Court London WC2R 0EX  Bates Wells and Braithwaite London LLP 10 Queen Street Place London EC4R 1BE
<b>Bankers</b>	Handlesbanken 2 <sup>nd</sup> Floor 125 Kensington High Street London W8 5SF

## **On The EDGE Conservation**

### **Trustees' Annual Report**

#### **For the year ended 31 March 2021**

The Trustees, who are also Directors of the company for the purposes of the Companies Act 2006, present their report and the audited financial statements of the charity for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011, the Companies Act 2006 and 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.

#### **Trustees of the charity**

The directors of the charitable company are its Trustees for the purposes of charity law. The Board of Trustees, that meets four times a year, administers the Charity in accordance with the Articles of Association and the Charity Governance Code as applicable to the size of the charity.

Trustees serve for a term of three years and may be appointed for two further terms (9 years); or longer if agreed by the Board. Open positions are advertised on the charity's website, inviting applications, with appointments being made after interview with the Chair (or delegated Trustee) and CEO. Newly appointed Trustees receive a letter of appointment and an induction pack.

The Board has a wide skills base and cross-sector experience. Each Board member is required to declare any interests, directorships or positions which may conflict with any actual or proposed arrangements with the charity. Such interests are reviewed and authorised annually. Training needs are assessed and met as required.

#### **Objects**

The Charity's objects are:

- To promote for the benefit of the public the conservation, protection and improvement of the physical and natural environment and the conservation and protection of endangered species or flora and fauna.
- To advance the education of the public in the conservation, protection and improvement of the physical and natural environment and the conservation and protection of endangered species or flora and fauna.

#### **Goals**

On the Edge Conservation (OTEC) aims to be the leading media and marketing company for nature. We aim to create a voice for nature in the digital age. Our powerful new narratives will raise the profile of diverse species and increase empathy for them, their fragile habitats and the people that protect them. Our ultimate aim is to help society place an intrinsic value on the natural world and commit to its protection and restoration.

As a science-based organisation we will apply analytical rigor to our storytelling, just as we do with our conservation projects in the field. Our goal is to become the leader in the science and art of communicating nature, blending the scientific method with the creative process. We want to experiment with ways to communicate and quantify what's working, what's not, and why. The narratives having the greatest impact are those that measurably increase positive sentiment toward other species as well as the natural world. By taking this approach, we hope to create a playbook that can be applied to any area of nature that requires better advocacy.

We aim to reach people of all backgrounds and ages. But our primary focus is youth in the social media generation who will have such a disproportionate impact on the future of a biodiverse world. We want to reach them through the channels they already visit, and in a voice they can relate to.

# **On The EDGE Conservation**

## **Trustees' Annual Report**

### **For the year ended 31 March 2021**

#### **Philosophy and brand values**

We stand for exploration, discovery, humour, hope and innovation. We are not afraid to deal with challenging issues but avoid being self-righteous or too earnest. We mix the worry and the wonder with much more focus on the wonder. Our storytelling voice, by extension, is playful and positive. But ultimately, we are a science-led organization that is always willing to adapt any approach based on the best available data.

#### **Future Plans**

OTEC balances its activities between nature-promoting media and games, grants and fellowships, and high impact campaigns that tie together our media and conservation work. No other nature-focused organization blends its activities in this way. Broadly we are focusing on three workstreams:

##### *Digital storytelling*

To help make the case for nature to the social media generation, OTEC is experimenting with digital platforms and storytelling techniques. Efforts are currently focused on:

- An original series on YouTube that humanizes EDGE species using motion capture, in an effort to create a personal connection with them and subtly educate about the need to protect them.
- Mobile games that are entertaining and fun while communicating key messages about nature.
- Virtual influencers based on the characters in the YouTube series.
- A social media identity that differentiates OTEC from incumbents in the conservation space, by using a voice that young audiences warm and relate to.

With a spirit of experimentation, we also aim to explore AR/VR experiences, citizen science combined with gaming, digital photography, long-form documentaries, and mini-documentaries.

##### *Science and conservation*

We will work with multi-stakeholder initiatives to influence policy toward EDGE species and nature conservation at large. Our staff are currently supporting the International Union for Conservation of Nature (IUCN) Phylogenetic Task Force and helping to identify high concentrations of EDGE species where conservation interventions are likely to be most successful. In addition, OTEC is working with partners to ensure that evolutionary history is considered when setting conservation priorities at the regional and global level.

##### *Impact measurement*

OTEC will develop metrics to monitor project level impact as well as trends that indicate whether we are reaching our goals. Trends that we are especially interested in measuring are empathy toward other species, and willingness of people to take conservation action.

We are working with partners to develop an AI-based sentiment tracker capable of monitoring sentiment toward species, ecosystems, and the people that secure them. This information is critical if we are to understand attitudes toward nature, the impact of our work and how to improve nature communication through time.

#### **Grants**

We are a strategic single-issue pro-active funder, meaning that we seek out potential grantees with activities that align with one or more of our thematic aims. This is done through in-house expertise, staff and institutional connections with the philanthropic and conservation sectors, and keeping up to date with developments, organisations, and leading individuals in these fields. We do not accept unsolicited requests for funding.

Prospective grantees must align with OTEC's values and aspirations, in particular our interest in locally-led activities and capacity building. This means we are unlikely to support a major international NGO, and more likely to support smaller national or local organisations. Our current grantees include:

- Mauri Ora Kākāpō Trust, supporting conservation activities for the kākāpō.
- The Australian Wildlife Conservancy and its efforts to protect the numbat.
- GERP in Madagascar, which is fighting to save the aye-aye from extinction

# **On The EDGE Conservation**

## **Trustees' Annual Report**

### **For the year ended 31 March 2021**

- The Angel Shark Project in the UK, which is studying and protecting an endangered shark species found off the coast of Wales
- The EDGE of Existence program, which studies and protects a wide range of EDGE species through the Zoological Society of London.

#### **Public benefit statement**

The Trustees confirm that they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties.

#### **Structure, governance and management**

On The EDGE Conservation was incorporated as a charitable company limited by guarantee on 18 June 2015 (Reg. No. 9646831) and registered as a charity on 13 August 2015 (Reg. No. 1163124). On the Edge Productions Limited (Reg. No. 9660075) is a wholly owned subsidiary of On the EDGE Conservation. This entity holds 100% of the rights to the animated TV series and any future ancillary initiatives related to the brand. OTEP Limited (Reg. No. 9714151) is a wholly owned subsidiary of On the Edge Productions Limited and is the production vehicle for the first season of the animated TV show. OTEP 2 Limited (Reg. No. 12736225) is also a wholly owned subsidiary of On the Edge Productions Limited and is the production vehicle for the motion capture YouTube channel.

Day to day management of the activities is carried out by Trustee Beth Blood with the support of a team of ten employees. Jonathan Baillie was appointed as CEO in February 2021 and will take over day to day management of the charity and subsidiaries.

#### **Risk Review**

The major strategic, business and operational risks which the Charitable Company faces are under review by the Directors who are taking steps to ensure that they are managed appropriately. With the appointment of the Chief Executive Officer in February 2021, a full strategic review of the group has been conducted and resulting risks and mitigations are being identified.

#### **Financial review – Results for the year and reserves**

The charity had donation income of £1,456,288 (2020: £1,085,088) from Trustee David Blood (including Gift Aid) and expenditure of £441,613 (2020: £112,824) in conservation grants and £1,580,217 (2020: £782,027) in marketing, storytelling, operational, legal and financial expenses. The charity's reserves were in surplus by £944,751 as at 31 March 2021 (2020: £1,381,696).

As outlined above, the charity owns 100% of On the Edge Productions Ltd, OTEP Ltd and OTEP 2 Ltd. These subsidiary companies are in start-up mode whilst they develop digital content for a young audience using EDGE species as our ambassadors. In the future, alongside the social impact of these activities, it is intended that the subsidiaries will generate an ongoing revenue stream that can be passed to the charity to fund conservation activity.

For the year ended 31 March 2021, the group had a surplus of £55,843 (2020: surplus £549,721).

#### **Fundraising**

The Trustees take their responsibility under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications on the charity's activities. The charity currently does not actively fundraise and therefore the trustees do not consider it necessary at this point to have a formal fundraising policy in place. There have been no complaints with regard to fundraising in the year.

#### **Reserves policy**

The trustees aim to maintain free reserves at a level which equates to approximately one year of fixed charitable costs (e.g salaries, compliance and occupancy costs etc.). The trustees consider that this reserves level will provide sufficient funds to respond to applications for grants and ensure that support and governance costs are covered.

## **On The EDGE Conservation**

### **Trustees' Annual Report**

#### **For the year ended 31 March 2021**

The trustees consider that this is sufficient given the philanthropic commitment of David and Beth Blood to provide annual funding to On the EDGE Conservation. The Trustees are satisfied that this commitment will allow the charity and subsidiaries to develop as intended over the next year.

At the year end the charity held free reserves of £752,180 (2020 £1,243,643).

#### **Statement of trustees' responsibilities**

The trustees (who are also directors of On The EDGE Conservation 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.


In so far as the trustees 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.

#### **Preparation of the report**

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

This report was approved and authorised for issue by the Trustees on 17 December 2021 and signed on their behalf by:



Beth Blood  
Chair of Trustees

# **On The EDGE Conservation**

## **Independent auditor's report to the members**

**For the ended 31 March 2021**

### **Opinion**

We have audited the financial statements of On The EDGE Conservation (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the consolidated statement of financial activities, charity statement of financial activities, balances sheets, consolidated cash flow statement and notes to the financial statements, including 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 affairs of the group and the parent charitable company as at 31 March 2021 and of the parent charitable company and group's incoming resources and application of resources, including its 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 group and parent charitable 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 trustees' 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 group or the parent charitable company'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 trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

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

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.



## **On The EDGE Conservation**

### **Independent auditor's report to the members**

**For the ended 31 March 2021**

#### **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 Trustees' Annual Report which includes the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

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

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

#### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities set out on page 6, the trustees (who are also the directors of the parent charitable company for the purposes of company law) 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 trustees determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and the parent 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 trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

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

We have been appointed as auditors under the Companies Act 2006 and report in accordance with regulations made under that Act.

Our objectives are to obtain reasonable assurance about whether the group and parent 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

## On The EDGE Conservation

### Independent auditor's report to the members

#### For the ended 31 March 2021

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sectors in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the group and parent charitable company include The Companies Act 2006 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### Use of our report

This report is made solely to the parent charitable 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 parent charitable 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 parent charitable company and the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



.....  
Jamie Cassell (Senior Statutory Auditor)  
for and on behalf of Saffery Champness LLP

Chartered Accountants      71 Queen Victoria Street London,  
EC4V 4BE

Statutory Auditors

Date:      17 December 2021

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

## On The EDGE Conservation

### Consolidated Statement of Financial Activities

For the ended 31 March 2021

		2021 Unrestricted funds	2021 Total	2020 Total
	Note			
<b>Income from charitable activities:</b>				
Donations		1,456,288	1,456,288	1,085,088
Other Income		-	-	2,500
<b>Total income</b>		1,456,288	1,456,288	1,087,588
<b>Charitable expenditure:</b>	2			
Conservation and Science		601,475	601,475	214,662
Marketing and Storytelling		908,484	908,484	594,614
Impact Measurement		86,969	86,969	4,427
Operations		424,901	424,901	236,170
		2,021,829	2,021,829	1,049,873
<b>Total expenditure</b>		2,021,829	2,021,829	1,049,873
<b>Net income/(expenditure) before tax</b>		(565,541)	(565,541)	37,715
<b>Tax credit</b>	7	71,663	71,663	-
<b>Net income/(expenditure)</b>		(493,878)	(493,878)	37,715
<b>Net movement in funds</b>		(493,878)	(493,878)	37,715
<b>Reconciliation of funds:</b>				
Total funds brought forward		549,721	549,721	512,007
<b>Total funds carried forward</b>		55,843	55,843	549,721

## On The EDGE Conservation

### Statement of Financial Activities (Including Income and Expenditure Account)

For the year ended 31 March 2021

	2021 Unrestricted funds	2021 Total	2020 Total
Note			
<b>Income from charitable activities:</b>			
Donations	1,456,288	1,456,288	1,085,088
Other Income	-	-	2,500
<b>Total income</b>	<b>1,456,288</b>	<b>1,456,288</b>	<b>1,087,588</b>
<b>Charitable expenditure:</b>	2		
Conservation and Science	538,173	538,173	213,795
Marketing and Storytelling	1,007,666	1,007,666	493,619
Impact Measurement	63,365	63,365	4,390
Operations	284,029	284,029	183,047
	<b>1,893,233</b>	<b>1,893,233</b>	<b>894,851</b>
<b>Total expenditure</b>	<b>1,893,233</b>	<b>1,893,233</b>	<b>894,851</b>
<b>Net income/(expenditure)</b>	<b>(436,945)</b>	<b>(436,945)</b>	<b>192,737</b>
<b>Net movement in funds</b>	<b>(436,945)</b>	<b>(436,945)</b>	<b>192,737</b>
<b>Reconciliation of funds:</b>			
Total funds brought forward	1,381,696	1,381,696	1,188,959
<b>Total funds carried forward</b>	<b>944,751</b>	<b>944,751</b>	<b>1,381,696</b>

All income and expenditure derive from continuing activities.

## On The EDGE Conservation

### Balance Sheets

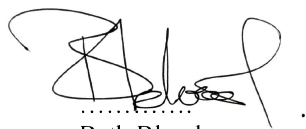
As at 31 March 2021

		2021		2020	
	Note	Group	Charity	Group	Charity
		£	£	£	£
<b>Fixed assets</b>					
Fixed Assets	5	32,598	32,570	18,412	18,051
Intangible Assets	6	205,670	-	30,000	-
Investments	7	-	160,001	-	120,001
		238,268	192,571	48,412	138,052
<b>Current assets</b>					
Trade and other receivables	8	196,351	248,815	48,066	47,463
Cash at bank and in hand		565,736	555,841	1,525,562	1,417,381
		762,087	804,656	1,573,628	1,464,843
<b>Current Liabilities</b>					
Trade and other payables	9	(944,511)	(52,476)	(1,072,320)	(221,200)
<b>Net current assets</b>		(182,425)	752,180	501,309	1,243,643
<b>Net assets</b>		55,843	944,751	549,721	1,381,695
<b>Charity Funds</b>					
Unrestricted funds		55,843	944,751	549,721	1,381,696
<b>Total funds surplus</b>		55,843	944,751	549,721	1,381,696

The financial statements have been prepared in accordance with the special provisions applicable to small companies within Part 15 of the Companies Act 2006.

The financial statements were approved and authorised for issue by the Trustees on 17 December 2021.

Signed on behalf of the board of trustees



Beth Blood  
Trustee

The notes on pages 14 to 21 form part of these financial statements.

Company registration number: 09646831

## On The EDGE Conservation

### Consolidated Cash Flow Statement

As at 31 March 2021

	2021	2020
<b>Cash flows from operating activities:</b>		
Net income/(expenditure) for the reporting period	(493,878)	37,715
Depreciation and amortisation	20,713	1,893
Increase in debtors	(145,591)	(35,991)
Increase/(decrease) in creditors	(130,502)	340,340
Net cash provided by/(used in) operating activities	(749,258)	343,957
<b>Cash flow from investing activities:</b>		
Purchase of office equipment/computers	(22,469)	(18,808)
Purchase of intangible	(188,100)	(30,000)
	(210,569)	(48,808)
Change in cash and cash equivalents in the reporting period	(959,827)	295,149
Cash at bank and in hand at the beginning of the reporting period	1,525,563	1,230,414
Cash at bank and in hand at the end of the reporting period	565,736	1,525,563

#### Analysis of changes in net debt:

	At Start of year	Cash flows	Foreign exchange movements	At end of year
Cash	1,525,563	(922,085)	(37,742)	565,736
<b>Total</b>	<b>1,525,563</b>	<b>(922,085)</b>	<b>(37,742)</b>	<b>565,736</b>

# **On The EDGE Conservation**

## **Notes to the Financial Statements**

### **For the year ended 31 March 2021**

#### **1 Summary of significant accounting policies**

##### **(a) General information and basis of preparation**

On The EDGE Conservation is a charitable company registered in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. Total of such guarantees at 31 March 2021 was £3 (2020: £3). The address of the registered office is given in the charity information on page 2 of these financial statements. The nature of the charity's operations and principal activities are as set out on page 3.

The charity constitutes a public benefit entity as defined by FRS 102. The Trustees confirm that they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties.

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), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

At the time of approving the financial statements, the trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. David and Beth Blood have made a philanthropic commitment to providing funding for On the EDGE Conservation. This commitment has not changed in light of Covid-19. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

The consolidated financial statements include the financial statements of all subsidiaries. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control over the operating and financial decisions is obtained and cease to be consolidated from the date on which control is transferred out of the Group. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain economic benefits from its activities. All intercompany balances and transactions have been eliminated in full.

The significant accounting policies applied in the preparation of these financial statements are set out below.

##### **(b) Funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes. Currently the charity only has unrestricted funds.

##### **(c) Income recognition**

All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

## On The EDGE Conservation

### Notes to the Financial Statements

#### For the year ended 31 March 2021

##### (d) Expenditure recognition

All expenditure is accounted for on an accrual's basis. All costs can be directly attributed to an expense category. Irrecoverable VAT is charged as to the relevant expense as incurred.

##### (e) Critical Estimates and Judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, 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 these are affected.

The Trustees consider the most significant judgement in the accounts to be the estimated useful life of the fixed assets.

##### (f) Employee benefits

###### (i) *Short term benefits*

Short term benefits, including private medical insurance are recognised as an expense in the period in which the service is received.

###### (ii) *Pension schemes*

The contributions to defined contribution plans are recognised as an expense when they are due.

###### (iii) *Termination benefits*

Termination benefits are payable when employment is terminated by charity, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either (i) terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or (ii) providing termination benefits as a result of an offer of voluntary redundancy.

##### (g) Financial Instruments

The charity 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. The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

##### (h) Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and impairment losses. Depreciation is provided to write off the cost or valuation less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives, over the following periods.

Plant and machinery	5 years
Fixtures, fittings and equipment	5 years
Computer equipment	3 years

The assets' residual values, useful lives and depreciation methods are reviewed and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.



## On The EDGE Conservation

### Notes to the Financial Statements

#### For the year ended 31 March 2021

##### (i) Intangibles

Intangible assets are stated at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the depreciable amount of the assets to their residual values over their estimated useful lives. Intangible assets comprise software and are amortised between three and five years.

The carrying values of intangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

##### (j) Investments

The investment in the subsidiary undertaking is shown at cost on the charity balance sheet.

The charity also invests in a mixed motive investment via the subsidiary undertaking meaning assets that both further the charity's objects and generate a financial return.

##### (k) Tax

The tax credit represents the sum of the tax currently receivable.

The tax currently recoverable is based on relievable losses arising in the year as a result of film tax relief legislation. Relievable losses differ from net losses as reported in the profit and loss account because they include an additional deduction relating to qualifying film development expenditure and exclude items of income or expense that are taxable or deductible in other years, as well as items that are never taxable or deductible. The company's tax position is calculated using tax rates that have been enacted or substantively enacted at the reporting date.

As a registered charity income derived from wholly charitable activities is exempt from corporation tax.

#### 2. Expenditure on Charitable activities

##### Group:

	<b>Total 2021</b>	<b>Activities undertaken Directly</b>	<b>Grant funding of activities</b>	<b>Governance</b>	<b>Support costs</b>	<b>Total 2020</b>
Conservation and Science	601,475	-	441,613	-	159,862	214,662
Marketing and Storytelling	908,484	763,681	-	-	144,803	594,614
Impact Measurement	86,969	27,360	-	-	59,609	4,427
Operations	424,901	-	-	190,828	236,106	236,170
	<b>2,021,829</b>	<b>791,041</b>	<b>441,613</b>	<b>190,828</b>	<b>598,347</b>	<b>1,049,873</b>

## On The EDGE Conservation

### Notes to the Financial Statements

#### For the year ended 31 March 2021

#### 2. Expenditure on Charitable activities (continued)

##### Charity:

	<b>Total 2021</b>	<b>Activities undertaken Directly</b>	<b>Grant funding of activities</b>	<b>Governance</b>	<b>Support costs</b>	<b>Total 2020</b>
Conservation and Science	538,173	-	441,613	-	96,560	213,795
Marketing and Storytelling	1,007,666	920,201	-	-	87,465	493,619
Impact Measurement	63,365	27,360	-	-	36,005	4,390
Operations	284,029	-	-	91,740	192,288	183,047
	<b>1,893,233</b>	<b>947,561</b>	<b>441,613</b>	<b>91,740</b>	<b>412,318</b>	<b>894,851</b>

All grants are made to institutions. Significant grants in the year included £275,000 to the Zoological Society of London (ZSL) (2020: £100,000 to ZSL).

#### 3 Auditors remuneration

	<b>2021</b>		<b>2020</b>	
	Group	Charity	Group	Charity
	£	£	£	£
Audit of financial statements	12,500	12,500	11,988	11,988
Other assurance services	-	-	-	-
Tax advisory services	14,838	-	5,490	1,000
Other non-audit services	1,020	232	363	363
<b>Total</b>	<b>28,358</b>	<b>12,732</b>	<b>17,841</b>	<b>13,351</b>

#### 4 Employees

	<b>2021</b>		<b>2020</b>	
	Group	Charity	Group	Charity
	£	£	£	£
Wages and salaries	353,466	170,664	109,970	109,970
Social security costs	34,078	34,078	9,614	9,614
Pension contributions	50,453	50,453	16,936	16,936
Medical Insurance	5,398	5,399	2,292	2,292
Other HR costs	19,550	19,036	2,103	903
<b>Staff costs</b>	<b>462,946</b>	<b>279,630</b>	<b>140,915</b>	<b>139,715</b>

The average number of persons employed by the group during the year is 7.5 (2020: 5). One employee, earned between £70,000 and £80,000 in the year (2020: 1).

## On The EDGE Conservation

### Notes to the Financial Statements

#### For the year ended 31 March 2021

The key management personnel are the Trustees together with the newly appointed CEO Jonathan Baillie. The CEO was appointed on 1 February 2021 but did not receive any remuneration for his services from the Group during the financial year whilst Charity Commission consent was obtained given Mr Baillie was a former trustee.

The Trustees were not paid nor received any other benefits from the charity or its subsidiary companies in the year (2020: £nil). They were not reimbursed for any expenses during the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

#### 5 Property, Plant & Equipment

	Group	Charity
	Fixtures, fittings and equipment	Fixtures, fittings and equipment
<b>Cost</b>		
At 1 April 2020	20,710	19,711
Additions	22,469	22,469
<b>At 31 March 2021</b>	<b>43,179</b>	<b>42,180</b>
<b>Depreciation</b>		
At 1 April 2020	2,298	1,660
Charges for the year	8,283	7,950
<b>At 31 March 2021</b>	<b>10,581</b>	<b>9,610</b>
<b>Net book value</b>		
At 31 March 2020	18,412	18,051
<b>At 31 March 2021</b>	<b>32,598</b>	<b>32,570</b>

#### 6 Intangibles

	Group	Charity
	Intangible asset	Intangible asset
At 1 April 2020	30,000	-
Additions	188,100	-
Less Amortisation	(12,430)	-
<b>At 31 March 2021</b>	<b>205,670</b>	<b>-</b>

The intangible asset relates to two mobile gaming apps Kakapo Run and Save Purple Frog (asset under construction). Kakapo Run launched on 30 October 2020. Save Purple Frog launched in November 2021.

#### Financial Commitments

Under the second game development contract for Save the Purple Frog, On the Edge Productions is committed to a further £59,200 at the year-end for the development of the gaming app. This will be fully satisfied by 31 March 2022.

On the 26 March 2021, On the Edge Conservation signed a services agreement with Conservation Science Partners to develop an AI-based sentiment tracker capable of monitoring sentiment toward species, ecosystems, and the people that secure them. This is a two-year contract with a value of USD 247,250.

## On The EDGE Conservation

### Notes to the Financial Statements

#### For the year ended 31 March 2021

#### 7 Taxation

The tax credit during the year relates to a creative industries film tax credit due to OTEP 2 Ltd.

#### 8 Investments

Investments at fair value compromise:

	Shares	Mixed Motive Investment	Total Investments in subsidiary companies £
<b>Cost or valuation</b>			
At 31 March 2020	1	120,000	120,001
Additions	-	40,000	40,000
<b>At 31 March 2021</b>	<b>1</b>	<b>160,000</b>	<b>160,001</b>

#### Subsidiary undertakings

The following were subsidiary undertakings of the charity:

Name	Company Registration No.	Class of Shares	Holding
On The Edge Productions Ltd	09660075	Ordinary	100%
OTEP Ltd	09714151	Wholly owned subsidiary of On The Edge Productions Ltd	
OTEP 2 Ltd	12736225	Wholly owned subsidiary of On The Edge Productions Ltd	

All entities in the group are located at registered office 152A Walton Street, London SW3 2JJ.

The aggregate of the share capital and reserves as at 31 March 2021 and of the profit or loss for the period then ended on that date for the subsidiary undertakings were as follows:

	On The Edge Productions Ltd 2021 Total £	OTEP 2 Ltd 2021 Total £	OTEP Ltd 2021 Total £
Income	508,849	566,372	-
Cost of sales	(409,747)	(481,995)	-
Administrative expenses	(102,060)	(156,040)	(8,500)
Tax credit		71,663	
Net profit/(loss)	(2,959)	-	(8,500)
Total assets as at 31 March	365,464	71,663	178,064
Total liabilities as at 31 March	(531,140)	(71,662)	(855,816)
Net assets held as at 31 March	(165,676)	1	(677,753)

## On The EDGE Conservation

### Notes to the Financial Statements

#### For the year ended 31 March 2021

##### 9 Trade and other receivables

	2021		2020	
	Group	Charity	Group	Charity
	£	£	£	£
Other debtors	156,114	40,209	9,945	-
Amounts owed by associated undertakings	2,694	174,328	2,245	11,844
Deposits	20,257	20,000	20,257	20,000
Prepayments	17,286	14,278	15,619	15,619
	<b>196,351</b>	<b>248,815</b>	<b>48,066</b>	<b>47,463</b>

##### 10 Trade and other payables

	2021		2020	
	Group	Charity	Group	Charity
	£	£	£	£
Accruals	21,420	32,322	61,730	53,330
Accounts payable	68,674	20,154	176,590	167,870
Directors loan account	854,417	-	834,000	-
	<b>944,511</b>	<b>52,476</b>	<b>1,072,320</b>	<b>221,200</b>

##### 11 Operating lease commitments

	Land and Buildings			
	2021		2020	
	Group	Charity	Group	Charity
	£	£	£	£
Operating leases which expire:				
Within one year	40,000	40,000	40,000	40,000
Within two to five years	16,667	16,667	70,685	70,685
	<b>56,667</b>	<b>56,667</b>	<b>110,685</b>	<b>110,685</b>

Lease expenditure is included in support costs in note 2.

##### 12 Analysis of net assets between funds

Group:	2021	2021	2020
	Unrestricted funds	Total	Total
	£	£	£
Fixed assets	32,598	32,598	18,412
Intangible asset	205,670	205,670	30,000
Debtors	196,351	196,351	48,066
Cash	565,736	565,736	1,525,562
Other current liabilities	(944,511)	(944,511)	(1,072,320)
Total	<b>55,843</b>	<b>55,843</b>	<b>549,721</b>

## On The EDGE Conservation

### Notes to the Financial Statements

#### For the year ended 31 March 2021

Charity:	2021	2021	2020
	Unrestricted funds	Total	Total
	£	£	£
Fixed assets	32,570	32,570	18,051
Investment	160,001	160,001	120,001
Debtors	248,815	248,815	47,463
Cash	555,841	555,841	1,417,381
Other current liabilities	(52,476)	(52,476)	(221,200)
Total	<b>944,751</b>	<b>944,751</b>	<b>1,381,696</b>

#### 13 Related party transactions

Trustee David Blood made donations to On the Edge Conservation totalling £1,166,288 (2020: £879,370). As noted above (note 4) none of the Trustees in On the EDGE Conservation had expenses reimbursed in the period.

At year-end, the charity does not have any amount owing to subsidiary companies (2020: £nil). The charity had intracompany transactions during the year with On the Edge Productions Ltd. At year end, On the Edge Productions Ltd owed the charity £171,634 (2020 £9,605).

During the course of the year Beth and David Blood, who are also trustees of the charity, loaned £20,417 (2020: £133,937) to OTEP Ltd. OTEP Ltd owed £854,417 (2020: £834,000) to the directors at year end as reflected in note 9.

OTEP Ltd paid nil (2020 £21,500) to Jacabo Ltd in respect of consultancy services. The director of Jacabo Ltd is also a director of On The Edge Productions Ltd, the parent company of OTEP Ltd. There are no loans owing to Jacabo Ltd at year end (2020: £ nil).

On 28 March 2017, Friends of On the Edge Foundation was established as a not-for-profit entity incorporated in Delaware USA. The Charity is connected to On the Edge Conservation by virtue of having representation on its Board of Directors. During the year, the following served as members of the Board of Friends of On the Edge Foundation: David Blood, Barry Zubrow and Richard Sabo.

There was minimal activity in Friends of On the Edge Foundation during the financial year. At year end, Friends of On the Edge Foundation owed £2,694 (2020 £2,245) to On the Edge Conservation as reflected in note 8. This amount was fully repaid to On the Edge Conservation before signing.