

**On the Edge Conservation
Group Reports and Financial Statements**

For the nine months ended 31 December 2021

Charity registration number: 1163124
Company registration number: 09646831

On The Edge Conservation

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For the nine months ended 31 December 2021

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On The Edge Conservation

Details

For the year ended 31 December 2021

Charity registration number	1163124
Company registration number	09646831
Trustees	Beth Blood David Blood Alexander Marshall Lara Legassick Tamara Arnold (resigned 13 May 2022)
Registered office	25 Ives Street Chelsea, London SW3 2ND
Independent Auditor	Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE
Solicitor	Bates Wells and Braithwaite London LLP 10 Queen Street Place London EC4R 1BE
Bankers	Handlesbanken 2 nd Floor 125 Kensington High Street London W8 5SF

On The Edge Conservation

Trustees' Annual Report

For the nine months ended 31 December 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 group and charity for the nine months ended 31 December 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 United Kingdom 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). 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

Our goal is to inspire curiosity, respect, ambition and action for the natural world. We believe a sustainable future for all life on earth is possible but only if we transform the way we treat nature.

On the Edge, is committed to reconnecting the public with the value and importance of biodiversity, as well as bringing about lasting, large-scale change to protect and re-establish species populations and ecosystems across the world.

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 rigour 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 and 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.

On The Edge Conservation

Trustees' Annual Report

For the period ended 31 December 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 organisation that is always willing to adapt any approach based on the best available data.

Key achievements in the period:

- Season two of our YouTube series Hi I'm Endangered launched, and we reached the milestone of 5,000 followers on Instagram.
- Save the Purple Frog mobile game was released and was particularly well received in India where we have simultaneously launched the Western Ghats regional campaign. This entails a series of locally lead mini documentaries highlighting the importance of the Western Ghats as an EDGE Zone and profiling Evolutionarily Distinct and Globally Endangered (EDGE) species that urgently need conservation attention. Our goal is to increase awareness of the Western Ghats as a critical area for biodiversity and ensure at least ten species receive conservation attention.
- We have also made great progress on our scientific objectives. At the IUCN World Conservation Congress, we had a series of well attended presentations highlighting the work of On The Edge. We also presented a country level indicator that will help measure attitudes toward nature through time. We are hoping that this indicator will be adopted by the Convention on Biological Diversity (CBD).

Future Plans

On the Edge balances its activities between nature-promoting media and games, grants and fellowships, and high-impact campaigns that tie together our media and conservation work. Broadly we are focusing on three workstreams:

Storytelling

To help make the case for nature to a digital generation, On the Edge is producing content for different platforms using a variety of storytelling techniques. Efforts are currently focused on:

- Production of short and long form content to shine a light on the awe and wonder of nature using mainstream methods. Audiences are guided on how to explore environmental topics further, including on our website and other trusted sources.
- Growing and evolving our mobile gaming slate. More games and species will be added to our collection, while game play will continue to be refined to ensure they remain entertaining and fun as they inform players about the natural world.
- Supporting social media content creators (#creatorsontheedge) to share their thoughts and feelings for nature with their followers. The first cohort of influencers spoke of how nature and mental health are linked. The second cohort focuses on the intelligence of other forms of life.

Science and conservation

We have a particular interest in EDGE species. They represent the most unique, and threatened lineages on the planet yet are often overlooked by conservationists. On the Edge provides financial support and guidance to local conservationists, organisations and communities, which includes building the capacity of in-country conservationists and promote community co-existence with wildlife and nature.

EDGE Zones is another area of particular interest. Campaign grants for this initiative are aimed at achieving conservation outcomes and raising awareness of EDGE zones as important biodiversity hotspots. These grants support a mixture of storytelling initiatives and local conservation efforts and generally run over a multi-year period.

On The Edge Conservation

Trustees' Annual Report

For the period ended 31 December 2021

Impact measurement

On the Edge has and continues to develop tools and metrics to monitor both project-level impact and trends identifying whether we are achieving our goals of greater empathy towards other species and the willingness of people to take conservation action.

Part of this work includes the development of an AI-based sentiment tracker capable of monitoring sentiment toward species, ecosystems, and the people that secure them.

Grants

We seek out potential grantees with activities that align with one or more of our thematic aims. This is done through in-house expertise and institutional connections within the philanthropic and conservation sectors. We do not accept unsolicited requests for funding.

A summary of our current grants are as follows:

Organisation/Individual	Total amount	Project duration
Zoological Society of London (ZSL); EDGE of Existence Program (Global)	£500,000	2018-2022
IUCN Species Survival Commission (SSC); EDGE grants (Global)	\$59,530 (USD) \$77,000 (USD)	2020-2021 2021-2022
Australian Wildlife Conservancy (Australia)	£275,000	2020-2023
GERP (Madagascar)	£50,000	2020-2022
Mauri Ora Kākāpō Trust/Department of Conservation (New Zealand)	\$40,000 (NZD)	2021-2022
ZSL – Angel Shark Project: Wales (UK)	£75,000 £40,000	2020-2021 2021-2023
Simon Watts – The Ugly Animal Preservation Society (UK)	£12,824	2019-2022
Nature Conservation Foundation (India)	£180,000	2021-2024
The National Centre for Biological Sciences (India)	£48,000	2022-2023
Tim Flach – world leading nature photographer	£100,000	2021-2022

In addition to our grant-making, we sponsored the IUCN SSC Chair's office in hosting a Reverse the Red Pavilion exhibition space at the IUCN World Conservation Congress in September 2021 (delayed from 2020 due to Covid-19). As part of this, On the Edge chaired three sessions in the Pavilion.

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 the CEO and chair of trustees Beth Blood with the support of the team.

On The Edge Conservation

Trustees' Annual Report

For the period ended 31 December 2021

Risk Review

The Trustees have assessed the major risks to which the charity is exposed, including those relating to financial, operational, compliance and governance issues. The Trustees review risks annually and are satisfied that systems are in place to mitigate exposure to those risks.

The most critical risk to the charity is the loss of funding from David and Beth Blood, which supports the Charity's objectives. If David and Beth are unable or unwilling to provide funding, this will restrict the Foundation's ability to grow further or mean that grants and research activities may need to be scaled back. However, the trustees consider this risk unlikely.

Financial review – Results for the year and reserves

The charity had donation income of £2,175,825 (03/2021: £1,456,288) from Trustee David and Beth Blood (including Gift Aid) and expenditure of £329,750 (03/2021: £441,613) in conservation grants and £1,564,793 (03/2021: £1,580,217) in storytelling, impact analysis, marketing, and operational expenses. The charity's reserves were in surplus by £1,066,033 as at 31 December 2021 (03/2020: £944,751).

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 generation Z 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 9 months ended 31 December 2021, the group had a surplus of £192,442 (03/2021 surplus £55,843).

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 reserve level will provide sufficient funds to respond to applications for grants and ensure that support and governance costs are covered.

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 £1,037,667 (03/2021 £752,180).

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).

On The Edge Conservation

Trustees' Annual Report

For the period ended 31 December 2021

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.

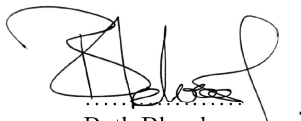
The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding 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 **13 /12/ 2022** and signed on their behalf by:



Beth Blood
Chair of Trustees

On The Edge Conservation

Independent auditor's report to the members

For the period ended 31 December 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 December 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 period ended 31 December 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 period ended 31 December 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. 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

Date 21 December 2022

Chartered Accountants

71 Queen Victoria Street London,
EC4V 4BE

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 period ended 31 December 2021

		31 December 2021 Unrestricted funds	31 December 2021 Total	31 March 2021 Total
	Note			
Income from charitable activities:				
Donations		2,175,825	2,175,825	1,456,288
Total income		2,175,825	2,175,825	1,456,288
Charitable expenditure:	2			
Conservation and Science		554,060	554,060	762,278
Marketing and Storytelling		1,363,215	1,363,215	1,149,331
Impact Measurement		194,212	194,212	110,220
Total expenditure		2,111,486	2,111,486	2,021,829
Net income/(expenditure) before tax		64,339	64,339	(565,541)
Tax credit	7	72,260	72,260	71,663
Net income/(expenditure)		136,599	136,599	(493,878)
Net movement in funds		136,599	136,599	(493,878)
Reconciliation of funds:				
Total funds brought forward		55,843	55,843	549,721
Total funds carried forward		192,442	192,442	55,843

On The Edge Conservation

Statement of Financial Activities (Including Income and Expenditure Account)

For the period ended 31 December 2021

		31 December 2021 Unrestricted funds	31 December 2021 Total	31 March 2021 Total
	Note			
Income from charitable activities:				
Donations		2,175,825	2,175,825	1,456,288
Total income		2,175,825	2,175,825	1,456,288
Charitable expenditure:	2			
Conservation and Science		551,958	551,958	633,162
Marketing and Storytelling		1,129,181	1,129,181	1,185,522
Impact Measurement		213,404	213,404	74,549
Total expenditure		1,894,543	1,894,543	1,893,233
Loss on Investment	8	(160,000)	(160,000)	-
Net income/(expenditure)		121,282	121,282	(436,945)
Net movement in funds		121,282	121,282	(436,945)
Reconciliation of funds:				
Total funds brought forward		944,751	944,751	1,381,696
Total funds carried forward		1,066,033	1,066,033	944,751

All income and expenditure derive from continuing activities.

On The Edge Conservation

Balance Sheets

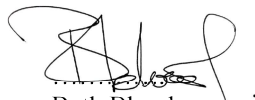
As at 31 December 2021

		31 December 2021		31 March 2021	
	Note	Group £	Charity £	Group £	Charity £
Fixed assets					
Fixed Assets	5	28,365	28,365	32,598	32,570
Intangible Assets	5	-	-	205,670	-
Investments	8	-	1	-	160,001
		28,365	28,366	238,268	192,571
Current assets					
Trade and other receivables	9	184,205	185,162	196,351	248,815
Cash at bank and in hand		919,867	918,492	565,736	555,841
		1,104,072	1,103,654	762,087	804,656
Current Liabilities					
Trade and other payables	10	(939,995)	(65,987)	(944,511)	(52,476)
Net current assets		164,077	1,037,667	(182,425)	752,180
Net assets		192,442	1,066,033	55,843	944,751
Charity Funds					
Unrestricted funds		192,442	1,066,033	55,843	944,751
Total funds surplus		192,442	1,066,033	55,843	944,751

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 13/12/ 2022.

Signed on behalf of the board of trustees


Beth Blood
Trustee

The notes on pages 14 to 22 form part of these financial statements.

Company registration number: 09646831

On The Edge Conservation

Consolidated Cash Flow Statement

As at 31 December 2021

	31 December 2021	31 March 2021
Cash flows from operating activities:		
Net income/(expenditure) for the reporting period	136,599	(493,878)
Depreciation and amortisation	36,509	20,713
Impairment of intangible asset	263,631	-
(Increase)/decrease in debtors	12,146	(145,591)
Increase/(decrease) in creditors	(4,516)	(130,502)
Net cash provided by/(used in) operating activities	444,369	(749,258)
Cash flow from investing activities:		
Purchase of office equipment/computers	(6,088)	(22,469)
Purchase of intangible asset	(84,150)	(188,100)
	(90,238)	(210,569)
Change in cash and cash equivalents in the reporting period	354,131	(959,827)
Cash at bank and in hand at the beginning of the reporting period	565,736	1,525,563
Cash at bank and in hand at the end of the reporting period	919,867	565,736

Analysis of changes in net debt:

	At Start of the period	Cash inflows	At end of the period
Cash	565,736	354,131	919,867
Total	565,736	354,131	919,867

On The Edge Conservation

Notes to the Financial Statements

For the period ended 31 December 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 December 2021 was £3 (03/2021: £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 trustees elected during the period to change the financial year end to a calendar year (1 January to 31 December) to align with production planning. These financial statements have been prepared for a 9-month period to align to 31 December 2021. The comparative is a 12-month period.

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.

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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.

(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 and intangible assets.

Following the launch of the two mobile games, the trustees were advised that revenue streams from the games would take more time and investment in the game play. Therefore, the trustees resolved to impair the intangible game assets at 31 December 2021.

(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.

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(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.

(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.

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Notes to the Financial Statements

For the period ended 31 December 2021

2. Expenditure on Charitable activities

Group:

	Total 31 Dec 21	Activities undertaken Directly	Grant funding of activities	Governance	Support costs	Total 31 Mar 21
Conservation and Science	554,060	159,662	329,750	13,309	51,339	762,278
Marketing and Storytelling	1,363,215	1,204,155	-	32,745	126,315	1,149,331
Impact Measurement	194,212	171,551	-	4,665	17,996	110,220
	2,111,486	1,535,368	329,750	50,719	195,649	2,021,829

Charity:

	Total 31 Dec 21	Activities undertaken Directly	Grant funding of activities	Governance	Support costs	Total 31 Mar 21
Conservation and Science	551,958	150,237	329,750	9,807	62,164	633,162
Marketing and Storytelling	1,129,181	996,118	-	18,131	114,932	1,185,522
Impact Measurement	213,404	185,578	-	3,792	24,035	74,549
	1,894,543	1,331,933	329,750	31,729	201,131	1,893,233

3 Auditors remuneration

	31 December 2021		31 March 2021	
	Group	Charity	Group	Charity
Audit of financial statements	19,200	19,200	12,500	12,500
Tax advisory services	10,250	-	14,838	-
Other non-audit services	700	-	1,020	232
Total	30,150	19,200	28,358	12,732

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For the period ended 31 December 2021

4 Employees

	31 December 2021		31 March 2021	
	Group	Charity	Group	Charity
Wages and salaries	484,282	427,544	353,466	170,664
Redundancy	18,750	-	-	-
Social security costs	59,291	49,856	34,078	34,078
Pension contributions	72,630	64,192	50,453	50,453
Medical Insurance	7,810	7,324	5,398	5,399
Other HR costs	62,617	62,240	19,550	19,036
Staff costs	705,380	611,156	462,946	279,630

The number of persons employed by the group during the period is 11 (03/2021: 7.5). Two employees, earned between £70,000 and £80,000 in the period (03/2021: 1). The key management personnel is the Chief Strategy Officer together with the Trustees. Key management personnel received benefits totalling £83,853 during the 9-month period.

The Trustees were not paid nor received any other benefits from the charity or its subsidiary companies in the year (03/2021: £nil). They were not reimbursed for any expenses during the year (03/2021: £nil). No charity trustee received payment for professional or other services supplied to the charity (03/2021: £nil).

5 Property, Plant & Equipment

	Group Fixtures, fittings and equipment	Charity Fixtures, fittings and equipment
Cost		
At 1 April 2021	43,179	42,180
Additions	6,088	6,087
At 31 December 2021	49,267	48,267
Depreciation		
At 1 April 2021	10,581	9,610
Charges for the period	10,321	10,292
At 31 December 2021	20,902	19,902
Net book value		
At 31 March 2021	32,598	32,570
At 31 December 2021	28,365	28,365

On The Edge Conservation

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For the period ended 31 December 2021

6 Intangibles

	Group
Cost	
At 1 April 2021	218,100
Additions	84,150
At 31 December 2021	302,250
Amortisation/Impairment	
At 1 April 2021	12,430
Amortisation for the period	26,189
Impairment for the period	263,631
At 31 December 2021	302,250
Net book value	
At 31 March 2021	205,670
At 31 December 2021	-

The intangible asset relates to two mobile gaming apps Kakapo Run and Save Purple Frog. Both games were launched on Google and Apple Store on the following dates:

- Kakapo Run: 30 October 2020; and
- Save Purple Frog: November 2021.

In late 2021, a games strategy specialist was engaged to advise on commercialising the games with in app purchases and/or advertising. Based on their advise, the trustees decided to impair the games because there are no current plans to monetize the games,

The charity does not hold any intangible assets.

Financial Commitments

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. The project is ongoing and a minimal viable product is due to be launched at the UN Biodiversity Conference (COP 15) in late 2022.

7 Taxation

The tax credit during the period 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
Cost or valuation			£
At 31 March 2021	1	160,000	160,001
Additions	-	-	-
Impairment		(160,000)	(160,000)
At 31 December 2021	1	-	1

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For the period ended 31 December 2021

The mixed motive investment funded the development of the initial mobile gaming app Kakapo Run. As detailed at Note 6, Kakapo Run has been fully impaired whilst further work is conducted to commercialise the game. When impairing the game, the trustees also resolved to impair the mixed motive investment.

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 25 Ives Street, Chelsea SW3 2ND.

The aggregate of the share capital and reserves as at 31 December 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	OTEP 2 Ltd	OTEP Ltd
Income	419,849	218,967	-
Cost of sales	(365,592)	(227,953)	-
Administrative expenses	(89,480)	(63,274)	(2)
Impairment	(103,631)	-	-
Tax refund	-	72,260	-
Net profit/(loss)	(138,854)	-	(2)
Total assets as at 31 Dec 21	139,083	143,923	185,742
Total liabilities as at 31 Dec 21	(443,614)	(143,922)	(863,497)
Net assets held as at 31 Dec 21	(304,531)	1	(677,755)

9 Trade and other receivables

	31 December 2021		31 March 2021	
	Group	Charity	Group	Charity
Other debtors	149,041	610	156,114	40,209
Amounts owed by associated undertakings	-	150,000	2,694	174,328
Deposits	20,000	20,000	20,257	20,000
Prepayments	15,164	14,552	17,286	14,278
	184,205	185,162	196,351	248,815

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For the period ended 31 December 2021

10 Trade and other payables

	31 December 2021		31 March 2021	
	Group	Charity	Group	Charity
Accruals	30,150	18,500	21,420	32,322
Accounts payable	47,748	47,079	68,674	20,154
Directors loan account	862,097	-	854,417	-
	939,995	65,579	944,511	52,476

11 Operating lease commitments

	Land and Buildings			
	31 December 2021		31 March 2021	
	Group	Charity	Group	Charity
Operating leases which expire:				
Within one year	26,666	26,666	40,000	40,000
Within two to five years	-	-	16,667	16,667
	26,666	26,666	56,667	56,667

Lease expenditure of £40,000 (03/2021: £40,000) is included in support costs in note 2.

12 Analysis of net assets between funds

	31 December 2021	31 December 2021	31 March 2021
Group:	Unrestricted funds	Total	Total
Fixed assets	28,365	28,365	32,598
Intangible asset	-	-	205,670
Cash	919,867	919,867	565,736
Debtors	184,205	184,205	196,351
Other current liabilities	(939,995)	(939,995)	(944,511)
Total	192,442	192,442	55,843
Charity:			
Fixed assets	28,365	28,365	32,570
Investment	1	1	160,001
Cash	918,492	918,492	555,841
Debtors	185,162	185,162	248,815
Other current liabilities	(65,987)	(65,987)	(52,476)
Total	1,066,033	1,066,033	944,751

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13 Related party transactions

Trustee David Blood made donations to On the Edge Conservation totalling £1,740,681 (03/2021: £1,166,288). 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 (03/2021: £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 £150,000 (03/2021 £171,634). This will be repaid once the film tax credit is reimbursed by HMRC. During the year a bad debt provision was made against the intercompany of £108,700.

During the course of the year Beth and David Blood, who are also trustees of the charity, loaned £7,680 (03/2021: £20,417) to OTEP Ltd. OTEP Ltd owed £862,097 (03/2021: £854,417) to the directors at year end as reflected in note 10.

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.