

Equal and Opposite

Filleted Unaudited Financial Statements
for the Period from 12 March 2019 to 31 March 2020

Equal and Opposite
(Registration number: 11876096)

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Company Information

Director	Mr W Harnden
Registered office	28 Alexandra Terrace Exmouth Devon EX8 1BD
Accountants	Thompson Jenner LLP Chartered Accountants 28 Alexandra Terrace Exmouth Devon EX8 1BD

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Director's Report for the Period from 12 March 2019 to 31 March 2020

The director presents his report and the financial statements for the period from 12 March 2019 to 31 March 2020.

Incorporation

The company was incorporated on 12 March 2019.

Director of the company

The director who held office during the period was as follows:

Mr W Harnden (appointed 12 March 2019)

Principal activity

The principal activity of the company is facilitating international development cooperation.

Small companies provision statement

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

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Director's Report for the Period from 12 March 2019 to 31 March 2020

Introduction

This report covers the first year of activities of Equal & Opposite (E&O) since its registration on March 12th, 2019. The organization is a non-profit foundation, with a mission to make international development cooperation more effective. This year there have been notable successes, particularly in securing grant funding for partner projects through the growing network of E&O and refining down the activities conducted by the foundation following a year of practice, review, and adjustment. There remains some work to be done on the future income streams of the organization, but a strategy is in place to test different business models and work towards financial sustainability over the next year.

Goals of the Organization

The idea behind E&O is to demonstrate a new way of conducting international development cooperation, through hands-on support to existing projects. Rather than campaigning against the problem we seek to change – which is the status quo of fund raising and donating between distant partners, too often resulting in unsustainable, ineffective, or counterproductive attempts to address the problems that lead to poverty – we aim to offer an alternative by supporting partner organisations and sharing the practical outcomes of our work. Alongside this, we take documentary photography of our projects, which tells a story about the everyday lives and aspirations of people who may 'live in poverty' but share more in common with citizens of wealthier countries than many of us perceive from the typical images displayed in the media.

The method we follow is to build closer interaction and exchange between NGOs and grant makers to create development projects that address local needs and are financially sustainable. Prior to registration, from 2017-2019, three field visits were conducted to Cambodia, Myanmar, and Timor-Leste, to investigate different ways of putting this method into practice. Given that the international development sector we aim to contribute to is global, it is important for E&O to be able to conduct its work and demonstrate its impact across different countries and continents. The feasibility visits proved how resource intensive it can be to travel to the project sites in person to provide advice to donors and NGOs, both of whom require ongoing support.

Working with NGOs

We have found that the type of advice and guidance NGOs need is mainly focused around enabling them to communicate their message to clearly engage donors. This may take the form of drafting fundraising applications and reports, public information, or mentorship on donor communication. As part of the support provided to the first NGO partner of E&O, Kick Start Art, we wrote up funding applications and project reports on their behalf in 2018. We later discovered that this support could be provided to more organizations through voluntary interns under the supervision of an E&O advisor. This opened the possibility of working with partners in several countries at once, including with projects encountered on the original feasibility visits from 2017-19.

Current NGO partners are in Myanmar and Thailand, with plans to extend support to organisations in Tanzania and Timor-Leste next.

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Working with Donors

Another key component of the work conducted by E&O will be activities with donors, to alter the mindset that grant-makers ought to remain distant from the people and projects they support. Often to mediate financial risk, most donors prefer to send their funding through intermediaries, whether these are international NGOs, advisory agencies, or other institutions with a presence in their home country. The institutionalization of this method of giving reduces the chances that the giver will ever engage with the activities that they are supporting, whether this is through personal contact or even phone conversations with those who are receiving funding.

We believe that this trend ought to be challenged to improve the quality of projects, by increasing their suitability for local needs through closer consultation with the people and communities directly involved.

Global Poverty

A third activity of E&O is to present a different view of 'global poverty' to the typical public imagery that people engage with in the media. The reason we see this as an important contribution to the goal of making international development more effective is that the stereotypical profile of people living in poverty focuses almost exclusively on the extent of their material needs which has the effect of reinforcing a perception that they are passive recipients of aid, incapable of responding to local problems themselves. This kind of imagery is employed regularly because it is a successful fundraising technique, and yet it begins a process in which the donor expects quick solutions to challenges which are by their nature complex and long term. In the rush to implement funding and prove results, it is the local people living in the situations of 'poverty' who are left out.

We aim to present a different view to the public by facilitating documentary photography work which shows the everyday lives of people living in poverty, their personalities, and aspirations.

Key Achievements

- Training and mentoring for Kick Start Art, in the areas of governance, proposal writing, reporting, strategy, finance, budget management, and communications.
- Training and mentoring for Minmahaw School, in proposal writing and fundraising.
- Feedback for Teacher Focus Myanmar and PlayOnside on proposal writing.
- A meeting of grant-makers to discuss giving methods and to meet grassroots projects in Mae Sot, Thailand.
- Facilitation of a \$5,000 USD grant to Kick Start Art.
- Facilitation of a \$40,000 USD grant to Teacher Focus Myanmar.
- Facilitation of a \$10,000 USD grant to Play Onside.
- Professional experience provided for 4 voluntary interns on placements with E&O and its NGO partners.

Financial Statements

The financial statements in this document demonstrate that we have started operations, with the main costs covering the facilitation of one internship in Thailand, travel to Cambodia for a field visit, and essential startup costs including company registration, governance and IT costs.

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Though the company has filed its first year of accounts at a minor loss, further seed funding has been received post year end, and with costs remaining low, the financial viability of the company remains positive. Next year more time will be spent on building a sustainable growth strategy, including securing a regular income stream.

Acknowledgements

Special thanks to Robert Salamon for his advice throughout the process of setting up the foundation, Teresa Orr for accompanying E&O on two of the feasibility visits to Timor-Leste and Cambodia, Helen Bilton for her recommendations on E&O's structure and support to NGO partners, Ole Michelsen for his creative ideas and website building skills, and Ian Wright for his thoughtful guidance on the uses of documentary photography.

Approved by the director on 13 October 2020 and signed on its behalf by:

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Mr W Harnden
Director

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Balance Sheet as at 31 March 2020

	Note	2020 £
Fixed assets		
Tangible assets	<u>4</u>	226
Current assets		
Debtors	<u>5</u>	673
Cash at bank and in hand		<u>28</u>
		701
Creditors: Amounts falling due within one year	<u>6</u>	<u>(1,440)</u>
Net current liabilities		<u>(739)</u>
Net liabilities		<u>(513)</u>
Capital and reserves		
Profit and loss account		<u>(513)</u>
Total equity		<u>(513)</u>

For the financial period ending 31 March 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its accounts for the period in question in accordance with section 476; and
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the director on 13 October 2020

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Mr W Harnden
Director

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**Notes to the Unaudited Financial Statements for the Period from 12 March 2019 to 31
March 2020**

1 General information

The company is a company limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

The address of its registered office is:

28 Alexandra Terrace
Exmouth
Devon
EX8 1BD
England

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The directors have considered the impact of COVID-19 and do not consider it to have a material impact on the balances included within the financial statements.

In addition, the Directors do not consider it to cast any significant doubt upon the company's ability to continue to trade as a going concern.

The directors have taken both reactive and proactive measures in order to mitigate any risks associated with COVID-19 including managing cash flow to ensure that debts can be paid when they fall due, managing staffing levels and monitoring key customer and supplier activity.

The directors have implemented a robust system of procedures and controls in order to deal with any associated risks.

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Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Other grants

Grant income is recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Office equipment	Over 3 years

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

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Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

3 Staff numbers

The average number of persons employed by the company (including the director) during the period, was 1.

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4 Tangible assets

	Furniture, fittings and equipment £	Total £
Cost or valuation		
Additions	339	339
At 31 March 2020	339	339
Depreciation		
Charge for the period	113	113
At 31 March 2020	113	113
Carrying amount		
At 31 March 2020	226	226

5 Debtors

	2020 £
Other debtors	673
Total current trade and other debtors	673

6 Creditors

	2020 £
Due within one year	
Accrued expenses	1,440

7 Related party transactions

Transactions with directors

	Advances to directors £	Repayments by director £	At 31 March 2020 £
2020			
Interest free loan repayable on demand	3,486	(2,813)	673
	3,486	(2,813)	673

The company did not have a bank account as at the year end and so funds were held personally by the director.

Exmouth

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the Companies Act 2006.