

DITCH THE LABEL LTD

England & Wales · Charity number 1156329

Details

Status Registered

Legal form Charitable company

Company number [08387544](#)

Registered 2014-03-24

Register [View on the Charity Commission register](#)

Contact

Address Freedom Works
Barts House
Black Lion Street
Brighton
BN1 1JE

Phone 01273201129

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Website www.DitchtheLabel.org

Activities

Objects: TO PRESERVE AND PROTECT HEALTH AND ADVANCE EDUCATION SURROUNDING YOUTH ISSUES, EQUALITY AND BULLYING FOR THE PUBLIC BENEFIT BY: 1) Operating as a youth charity with a core aim to advance and promote the wellbeing of our beneficiaries; young people aged 12-25. We will work across five key areas: bullying prevention, mental health & wellbeing, digital literacy, healthy relationships and identity (primarily orientated around protected characteristics) by raising awareness of the issues faced by young people to improve outcomes across their lives. 2) Contributing towards the fields of research and innovation within our respective core focal areas (see 1) by carrying out primary and secondary research, in addition to the analysis of big data (i.e. social listening) in collaboration with selected partners. This learning will inform our direct support provision and public campaigns to benefit our youth beneficiaries and wider society. 3) Supporting our youth beneficiaries by providing direct advice and facilitating peer-to-peer support on digital forums for our youth beneficiaries as a means of aiding their navigation through the common challenges associated within our core focal areas (see 1), thereby improving their outcomes across health, mental health, social wellbeing, education and future prospects. 4) Advance education through the research, development and distribution of educational materials in both traditional and digital educational environments to directly benefit our youth beneficiaries and educational practitioners. 5) Raise awareness and positively influence societal attitudes and behaviours towards our five key focal areas (see 1) by using public awareness campaigns and sharing our research and insights publicly to benefit our youth beneficiaries and wider society in order to improve outcomes in their lives. 6) Advocate the needs and challenges of young people to key stakeholder groups and policy makers by monitoring and evaluating the experiences and opinions of young people and amplifying and reflecting their voice in order to positively benefit their lives across wider society. 7) Provide secondary support, advice, information and resources to additional stakeholder groups; such as parents/guardians, educators and industry in order to further benefit our youth beneficiaries and advance the education and future prospects of young people.

Activities: Research Education Interventions Counselling Support Campaigning Training Programs & Systems Creative Content Creation Consultations on Equality and Diversity

Classification

- **How:** Provides Human Resources, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, Disability, Economic/community Development/employment, Human Rights/religious Or Racial Harmony/equality Or Diversity
- **Who:** Children/young People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, Other Defined Groups, The General Public/mankind

Geography

- Mexico
- Northern Ireland
- Scotland
- United States
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-02-28	£601,554	£739,718	£379,122	8
2024-02-29	£609,993	£551,150	£494,382	10
2023-02-28	£593,015	£551,150	£518,131	7
2022-02-28	£659,884	£380,154	£476,266	6
2021-02-28	£303,091	£396,573	-	-

Trustees

Name	Role	Appointed
Alexander David Luff		2024-10-25
Daniella Lily Lebor-Goodman		2026-02-27
Heike Fischer		2025-06-05
Jason Lee Peter Blackman FCA		2025-04-10
Leshmi Kishore		2025-06-05
Raphael Gaetan Denoux		2025-11-18
Rebecca Reynolds Newton		2024-11-05
Shirish Sharma		2026-04-09

DITCH THE LABEL LTD

England & Wales - Charity number 1156329

Accounts

Charity registration number 1156329 (England and Wales)

Company registration number 08387544

DITCH THE LABEL LTD

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2025

DITCH THE LABEL LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	J Blackman	(Appointed 10 April 2025)
	L Kishore	(Appointed 5 June 2025)
	A Luff	(Appointed 25 October 2024)
	R Reynolds Newton	(Appointed 8 November 2024)
	H Fischer	(Appointed 5 June 2025)
	C Callaghan	(Appointed 25 October 2024)
	R Dénoux	(Appointed 18 November 2025)

Charity number (England and Wales) 1156329

Company number 08387544

Registered office
Freedom Works Barts House
Black Lion Street
Brighton
BN1 1JE

Independent examiner
Sedulo London Limited
605 Albert House
256-260 Old Street
London
EC1V 9DD

DITCH THE LABEL LTD

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DITCH THE LABEL LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 28 FEBRUARY 2025

The trustees present their annual report and financial statements for the year ended 28 February 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)".

Objectives and activities

To preserve and protect health and advance education surrounding youth issues, equality and bullying for the Public benefit by:

- 1) Operating as a youth charity with a core aim to advance and promote the wellbeing of our beneficiaries; young people aged 12-25. We will work across five key areas: bullying prevention, mental health & wellbeing, digital literacy, healthy relationships and identity (primarily orientated around protected characteristics) by raising awareness of the issues faced by young people to improve outcomes across their lives.
- 2) Contributing towards the fields of research and innovation within our respective core focal areas (see 1) by carrying out primary and secondary research, in addition to the analysis of big data (i.e. social listening) in collaboration with selected partners. This learning will inform our direct support provision and public campaigns to benefit our youth beneficiaries and wider society.
- 3) Supporting our youth beneficiaries by providing direct advice and facilitating peer-to-peer support on digital forums for our youth beneficiaries as a means of aiding their navigation through the common challenges associated within our core focal areas (see 1), thereby improving their outcomes across health, mental health, social wellbeing, education and future prospects.
- 4) Advance education through the research, development and distribution of educational materials in both traditional and digital educational environments to directly benefit our youth beneficiaries and educational practitioners.
- 5) Raise awareness and positively influence societal attitudes and behaviours towards our five key focal areas (see 1) by using public awareness campaigns and sharing our research and insights publicly to benefit our youth beneficiaries and wider society in order to improve outcomes in their lives.
- 6) Advocate the needs and challenges of young people to key stakeholder groups and policy makers by monitoring and evaluating the experiences and opinions of young people and amplifying and reflecting their voice in order to positively benefit their lives across wider society.
- 7) Provide secondary support, advice, information and resources to additional stakeholder groups; such as parents/guardians, educators and industry in order to further benefit our youth beneficiaries and advance the education and future prospects of young people.

Public benefit

We have referred to the guidance contained in the charitable company Commission's general guidance on public benefit when reviewing our objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

DITCH THE LABEL LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2025

Achievements and performance

Significant activities and achievements against objectives

2024 saw lots of changes at Ditch the Label starting with the exciting news in April 2024 that our Founder and CEO, Liam Hackett was awarded an MBE in the New Year Honours list. The MBE was in recognition of Liam's contribution to the charity sector and supporting young people across the UK to navigate issues such as mental health, identity, bullying and relationships.

We continued to reach young people on our own support platform and through the continued funding from partners such as L'Oreal to provide traditional therapy sessions (by Zoom or in the Metaverse). We are proud to report that to date, 100% of the young people engaged in the program have reported significant progress in their mental health, with 93% achieving recovery on anxiety (GAD) measures and 85% achieving recovery on low mood (PHQ) measures.

We continued to deliver the vital mental health presentation ('Brave Talk') across UK universities; this gives essential skills and tips on what to do and how to support a friend or relative that may be struggling. This hugely successful programme will continue throughout 2025 and into 2026.

Our commitment to our support services for young people has been helped by the recruitment of an additional support mentor, enabling us to respond to demand upon our services. Currently our mentors speak 8 languages in addition to English and is a vital service in removing barriers for young people and helping navigate long waiting times from NHS mental health services which are under increasing pressure.

Our education materials for teachers (Ditch the Label Education) continue to support educators and reach thousands of young people in the classroom. These are completely free to download and ready to deliver by teachers. In 2024, 6,165 educators downloaded our school resources reaching a minimum of 92,475 students.

Further, Ditch the Label, funded by our partner BRP, developed a free and complete Education Module on Intimidation ('Detener La Intimidación') in Mexican Spanish for delivery in schools across Mexico.

The end of 2024, saw us bid a grateful farewell to our Founder and CEO Liam Hackett, who left Ditch the Label after 19 years.

In summary:

- Welcomed 962 young people to our dedicated support community with 19,487 posts.
- Support Mentors responded to 2,057 individual support requests, consisting of hundreds of responses giving support over a few days to several months, plus an additional 640 confidential support requests comprising 3,204 responses. Total number of young people supported was 2,697.
- Support Mentors made and/or recorded 119 safeguarding or welfare concerns, some of which successfully saved the lives of young people who were either in crisis or in a dangerous situation.
- Removed 117 individual pieces of extreme, hateful, abusive or harassing content from social media platforms.
- Provided over 300 hours of 'traditional' therapy over Zoom or in the metaverse

We remain committed to responding to the existing and emerging needs of all young people aged 12-25.

Financial review

The financial year shows a deficit of £138,164 compared to a deficit of £845 in 2024. Income remained similar to last year at £601,554 compared to £615,045 in 2024. Expenditure totalled £739,718 compared to £615,890 in 2024 which is due to incurring additional salary obligations and legal costs.

Reserves policy

It is the policy of the charitable company that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to three month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charitable company's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

DITCH THE LABEL LTD

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2025

Structure, governance and management

The charitable company was established under a Memorandum of Association which established its objects and powers and is governed under its Articles of Association, amended 3 November 2024, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006. The charitable company is also a registered charity with the Charities Commission.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

J Blackman	(Appointed 10 April 2025)
L Kishore	(Appointed 5 June 2025)
A Luff	(Appointed 25 October 2024)
R Reynolds Newton	(Appointed 8 November 2024)
H Fischer	(Appointed 5 June 2025)
MD McCarthy	(Appointed 25 October 2024 and resigned 18 November 2025)
R Barrie	(Resigned 28 October 2024)
SR H Comins	(Resigned 28 October 2024)
VR Miller	(Resigned 24 May 2024)
JJ Diez-Aguirre	(Resigned 28 October 2024)
HR Smith	(Resigned 28 October 2024)
J Afia	(Resigned 28 October 2024)
MG Woodruff	(Resigned 28 October 2024)
AM Benjamin	(Resigned 28 October 2024)
C Callaghan	(Appointed 25 October 2024)
R Dénoux	(Appointed 18 November 2025)

Recruitment and appointment of trustees

New Trustees may be proposed by the CEO, their representative, The Company Secretary or any Trustee and shall be appointed by the appropriate resolution at a meeting of the Board of Trustees.

Trustees are appointed for a term of three years. At the end of that term Trustees may be reappointed subject to a majority vote of the board of Trustees. There is no cap to the number of times an individual can be appointed to the board of Trustees.

Trustees are initially invited on to the board for a probationary period of 3-months at which point the position will be reviewed by both parties before extending the position to a full board member if appropriate.

The trustees' report was approved by the Board of Trustees.

J Blackman
Trustee

24 December 2025

DITCH THE LABEL LTD

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF DITCH THE LABEL LTD

I report to the trustees on my examination of the financial statements of Ditch The Label Ltd (the charitable company) for the year ended 28 February 2025.

Responsibilities and basis of report

As the trustees of the charitable company (and also its directors for the purposes of company law), you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006.

Having satisfied myself that the financial statements of the charitable company are not required to be audited under Part 16 of the Companies Act 2006 and are eligible for independent examination, I report in respect of my examination of the charitable company's financial statements carried out under section 145 of the Charities Act 2011. In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011.

Independent examiner's statement

Since the charitable company's gross income exceeded £250,000, the independent examiner must be a member of a body listed in section 145 of the Charities Act 2011. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charitable company as required by section 386 of the Companies Act 2006.
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the Companies Act 2006 other than any requirement that the financial statements give a true and fair view, which is not a matter considered as part of an independent examination; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Emma Houghton FCCA
Sedulo London Limited
605, Albert House
256-260 Old Street
London
EV1V 9DD

27 December 2025

DITCH THE LABEL LTD

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 28 FEBRUARY 2025

	Notes	Unrestricted funds 2025 £	Unrestricted funds 2024 £ restated
Income from:			
Donations and legacies	2	221,107	240,384
Charitable activities	3	277,902	239,317
Other trading activities	4	100,000	133,071
Investments	5	2,545	2,273
Total income		601,554	615,045
Expenditure on:			
Raising funds	6	19,550	43,489
Charitable activities	7	720,168	572,401
Total expenditure		739,718	615,890
Net expenditure and movement in funds		(138,164)	(845)
Reconciliation of funds:			
Fund balances at 1 March 2024		517,286	518,131
Fund balances at 28 February 2025		379,122	517,286

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 8 to 17 form part of these financial statements.

DITCH THE LABEL LTD

BALANCE SHEET

AS AT 28 FEBRUARY 2025

		2025		2024 as restated	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	12		33,814		44,118
Current assets					
Debtors	13	80,074		128,272	
Cash at bank and in hand		284,986		361,746	
		365,060		490,018	
Creditors: amounts falling due within one year	14	(19,752)		(16,850)	
Net current assets			345,308		473,168
Total assets less current liabilities			379,122		517,286
The funds of the charitable company					
Unrestricted funds	15		379,122		517,286
			379,122		517,286

The notes on pages 8 to 17 form part of these financial statements.

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 28 February 2025.

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

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the trustees on 24 December 2025

J Blackman
Trustee

Company registration number 08387544 (England and Wales)

DITCH THE LABEL LTD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 28 FEBRUARY 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash absorbed by operations	18		(78,379)		(90,395)
Investing activities					
Purchase of tangible fixed assets		(926)		(29,095)	
Proceeds from disposal of tangible fixed assets		-		3,278	
Investment income received		2,545		2,273	
Net cash generated from/(used in) investing activities			1,619		(23,544)
Net cash generated from financing activities			-		-
Net decrease in cash and cash equivalents			(76,760)		(113,939)
Cash and cash equivalents at beginning of year			361,746		475,685
Cash and cash equivalents at end of year			284,986		361,746

The notes on pages 8 to 17 form part of these financial statements.

DITCH THE LABEL LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2025

1 Accounting policies

Charity information

Ditch The Label Ltd is a private company limited by guarantee incorporated in England and Wales. The registered office is Freedom Works Barts House, Black Lion Street, Brighton, BN1 1JE.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the charitable company's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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 charitable company is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income from sponsorship fees is recognised in the year in which it relates and therefore entitled to the income, and net of VAT.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

DITCH THE LABEL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2025

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	25% Reducing Balance
Computers	25% Reducing Balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charitable company 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.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

DITCH THE LABEL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2025

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1.10 Taxation

The charity is a charitable company and is generally exempt from UK corporation tax on income and gains applied for charitable purposes. However, certain non-primary purpose trading and other activities may be subject to UK taxation. Tax charges are recognised in the Statement of Financial Activities (SOFA) within expenditure on raising funds or charitable activities as appropriate, and in the Statement of Financial Position as current tax liabilities.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Income from donations and legacies

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Donations and gifts	221,107	240,384

DITCH THE LABEL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2025

3 Income from charitable activities

	Education and support services 2025 £	Education and support services 2024 £
Education talks	4,250	1,250
BRP - Services expansion	273,652	238,067
	<u>277,902</u>	<u>239,317</u>
Analysis by fund		
Unrestricted funds	<u>277,902</u>	<u>239,317</u>

Charitable trading income

BRP - we are a proud charity partner for BRP, a global leader in the world of power sports vehicles and boats. We work together on their program "Ride Out Intimidation" - a global cause and joint mission to create real and lasting social change and impact to youth in Mexico. This is delivered through direct support and educational resources in the Spanish language.

4 Income from other trading activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Sponsorship fees	100,000	132,000
Merchandise sales	-	1,071
	<u>100,000</u>	<u>133,071</u>

5 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	<u>2,545</u>	<u>2,273</u>

DITCH THE LABEL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2025

6 Expenditure on raising funds

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Fundraising and publicity		
Fundraising agents	19,550	21,934
Staff costs	-	15,945
	<u>19,550</u>	<u>37,879</u>
Trading costs		
Other trading activities	-	5,610
	<u>-</u>	<u>5,610</u>
Total costs	<u>19,550</u>	<u>43,489</u>

7 Expenditure on charitable activities

	Education and support services 2025 £	Education and support services 2024 £
Direct costs		
Staff costs	227,670	243,529
Consultancy fees	58,860	34,077
Travelling expenses	854	17,828
Marketing and social media	23,944	15,801
Website costs	6,811	17,759
Subscriptions	829	2,033
	<u>318,968</u>	<u>331,027</u>
Share of support and governance costs (see note 8)		
Support	305,655	226,086
Governance	95,545	15,288
	<u>720,168</u>	<u>572,401</u>
Analysis by fund		
Unrestricted funds	<u>720,168</u>	<u>572,401</u>

DITCH THE LABEL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2025

8 Support costs allocated to activities

	2025 £	2024 £
Staff costs	167,738	94,925
Depreciation	11,159	5,577
Premises costs	30,952	52,309
HR, training and recruitment	32,339	9,017
Other staff costs	5,509	5,366
Insurance	2,343	2,496
Telephone costs	4,138	2,522
Computer and software	13,763	15,336
Travelling expenses	8,585	13,632
Other office costs	28,518	24,323
Bank charges	611	583
Governance costs	95,545	15,288
	<u>401,200</u>	<u>241,374</u>

Analysed between:

Education and support services	401,200	241,374
	<u>401,200</u>	<u>241,374</u>

	2025 £	2024 £
Governance costs comprise:		
Accountancy	19,192	9,645
Legal and professional	76,353	5,643
	<u>95,545</u>	<u>15,288</u>

9 Net movement in funds

	2025 £	2024 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the independent examination of the charity's financial statements	1,000	1,000
Depreciation of owned tangible fixed assets	11,159	8,855
Loss/(profit) on disposal of tangible fixed assets	-	(3,278)
	<u>12,159</u>	<u>6,577</u>

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the year.

DITCH THE LABEL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2025

11 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
	8	12

Employment costs	2025 £	2024 £
Wages and salaries	350,433	318,209
Social security costs	30,096	25,162
Other pension costs	14,879	11,028
	395,408	354,399

Redundancy and termination payments totalling £30,000 (2024: £Nil) were made in the reporting period to 1 (2024: 0) member of staff.

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2025 Number	2024 Number
£70,000 - £80,000	-	1
£110,000 - £120,000	1	-

Remuneration of key management personnel

The Key Management Personnel is considered to be the Trustees (who are not remunerated) and the Chief Executive Officer (who is remunerated).

	2025 £	2024 £
Aggregate compensation	138,007	92,974

DITCH THE LABEL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2025

12 Tangible fixed assets

	Fixtures and fittings	Computers	Total
	£	£	£
Cost			
At 1 March 2024	24,527	66,659	91,186
Additions	926	-	926
	<u>25,453</u>	<u>66,659</u>	<u>92,112</u>
At 28 February 2025			
Depreciation and impairment			
At 1 March 2024	12,739	34,400	47,139
Depreciation charged in the year	3,076	8,083	11,159
	<u>15,815</u>	<u>42,483</u>	<u>58,298</u>
At 28 February 2025			
Carrying amount			
At 28 February 2025	<u>9,638</u>	<u>24,176</u>	<u>33,814</u>
At 29 February 2024	<u>11,787</u>	<u>32,331</u>	<u>44,118</u>

13 Debtors

	2025	2024
	£	£
Amounts falling due within one year:		
Trade debtors	36,000	98,636
Corporation tax recoverable	23,102	-
Other debtors	19,130	27,181
Prepayments and accrued income	1,842	2,455
	<u>80,074</u>	<u>128,272</u>

14 Creditors: amounts falling due within one year

	2025	2024
	£	£
Trade creditors	14,248	1,910
Other creditors	1,004	3,575
Accruals and deferred income	4,500	11,365
	<u>19,752</u>	<u>16,850</u>

DITCH THE LABEL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2025

15 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 March 2024	Incoming resources	Resources expended	At 28 February 2025
	£	£	£	£
General funds	517,286	601,554	(739,718)	379,122
Previous year:	At 1 March 2023	Incoming resources	Resources expended	At 29 February 2024
	£	£	£	£
General funds	518,131	615,045	(615,890)	517,286

16 Prior Year Restatement

The previous years financial statements contained mis-allocations in respect of unrestricted and restricted funds. During the year, an exercise had been completed to review and re-allocate income and expenditure to the correct funds.

The 2024 financial statements have also been amended to remove the incorrect Corporation Tax liability included.

The net effect of these changes are as follows:

Funds	2024 £	2024 restated	Adjustment
Unrestricted Funds	(382,632)	517,286	900,918
Restricted Funds	877,015	-	(877,015)
Total Funds	494,383	517,286	23,903

The financial statements have also been restated to amend the presentation of costs to show a more accurate reflection on the cost categories and their associated charitable activities. The net effect of this was £nil.

17 Related party transactions

There were no disclosable related party transactions during the year (2024 - none).

DITCH THE LABEL LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 28 FEBRUARY 2025

18	Cash absorbed by operations	2025 £	2024 £
	Deficit for the year	(138,164)	(845)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(2,545)	(2,273)
	Gain on disposal of tangible fixed assets	-	(2,965)
	Depreciation and impairment of tangible fixed assets	11,159	8,855
	Movements in working capital:		
	(Increase)/decrease in stocks	-	5,610
	Decrease/(increase) in debtors	48,269	(110,579)
	Increase in creditors	2,902	11,802
	Cash absorbed by operations	<u>(78,379)</u>	<u>(90,395)</u>

DITCH THE LABEL LTD

England & Wales - Charity number 1156329

Accounts

Company registration number: 08387544

Charity registration number: 1156329

Ditch The Label Ltd

(A company limited by share capital)

Annual Report and Financial Statements

for the Year Ended 29 February 2024

SRC Advisory Ltd
2ND Floor Stanford Gate
South Road
Brighton
East Sussex
BN1 6SB

Ditch The Label Ltd

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Ditch The Label Ltd

Reference and Administrative Details

Trustees

Rebecca Reynolds Newton

Michelle McCarthy

Alexander Luff

Secretary

Susan Marie Jones

Charity Registration Number

1156329

Company Registration Number

08387544

The charity is incorporated in England & Wales .

Registered Office

Freedom Works
Barts House
Black Lion Street
Brighton
BN1 1JE

Independent Examiner

SRC Advisory Ltd
2ND Floor Stanford Gate
South Road
Brighton
East Sussex
BN1 6SB

Ditch The Label Ltd

Strategic Report for the Year Ended 29 February 2024

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 29 February 2024, in compliance with s414C of the Companies Act 2006.

Achievements and performance

2023 was a very busy year for the charity with some exciting developments which enabled us to reach young people in new territories and in innovative ways.

In a partnership with L'Oréal through the Maybelline brand, we significantly invested in our mental health provision and direct support. In addition to funding for our support community and digital mentors, the partnership enabled us to provide 'traditional' therapy over video but also in a pilot project; in the metaverse. One young person told us this had been a lifeline as they would not otherwise have been able to access therapy as they are unable to access face-to-face therapy either in-person or over video.

One of our support mentors joined Maybelline in a tour of universities across the UK delivering a vital mental health presentation called 'Brave Talk' which gives essential skills and tips on what to do and how to support a friend or relative that may be struggling and where to find help from Ditch the Label.

Our commitment to our support services for young people has been helped by the recruitment of 2 new bilingual support mentors. This increases our support provision and removes barriers for young people where English is not their first language.

Through our education materials for teachers (Ditch the Label Education) we refreshed and relaunched our mental health module and further, added a new module on unconscious bias in partnership with ASOS. There is a suite of resources which are completely free to download and ready to deliver by educators, enabling us to reach thousands of young people in the classroom.

In a major move, Ditch the Label, funded by our partner BRP, launched a Spanish speaking brand called Quítate las Etiquetas. In addition to a Spanish language website there is also a Spanish speaking support community with Spanish speaking digital mentors. This provides a vital safe space where Mexican youth can get guidance and support on dealing with bullying and intimidation.

In summary, in 2023, Ditch the Label:

- Welcomed 2,771 young people to our support community
- Support Mentors responded to 5,958 support requests, plus an additional 468 confidential support requests
- Removed 218 individual pieces of extreme, hateful, abusive or 'revenge porn' content from social media platforms
- 8,346 educators downloaded Ditch the Label school resources. This means that in 2023 an estimated 125,190 students were reached in the classroom with our education programs. (Based on a conservative estimate of 50% of the educators downloading the curriculum delivering to a classroom of 30 students. In practice they are usually delivered across multiple classes, year groups and whole schools).

We remain focussed and committed to the continued growth of our support services so we can reach as many young people as possible, breaking down barriers for the most vulnerable in order that they get vital support.

Ditch The Label Ltd

Strategic Report for the Year Ended 29 February 2024

Financial review

The principal funding sources for the Charity are currently by way of donations, grants, corporate sponsorship and partnerships.

The Directors and Trustees have assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

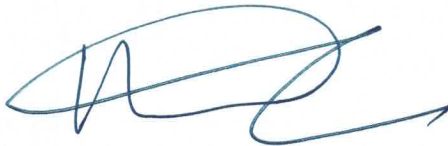
The Charity plans to continue activities as outlined above, engaging with its core market in the forthcoming year subject to satisfactory funding arrangements.

Policy on reserves

It is the policy of the Charity that unrestricted funds which have not been designated for a specific use wherever possible, should be maintained at a level equivalent to three month's expenditure.

The Directors and Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Charity's current activities, while consideration is given to ways in which additional funds may be raised. As part of ongoing risk management, the Charity will review the reserves policy each year or as the result of a significant change or event.

The strategic report was approved by the trustees of the charity on 23/12/24 and signed on its behalf by:



Michelle McCarthy
Trustee

Ditch The Label Ltd

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 29 February 2024.

Objectives and activities

To preserve and protect health and advance education surrounding youth issues, equality and bullying for the Public benefit by:

- 1) Operating as a youth charity with a core aim to advance and promote the wellbeing of our beneficiaries; young people aged 12-25. We will work across five key areas: bullying prevention, mental health & wellbeing, digital literacy, healthy relationships and identity (primarily orientated around protected characteristics) by raising awareness of the issues faced by young people to improve outcomes across their lives.
- 2) Contributing towards the fields of research and innovation within our respective core focal areas (see 1) by carrying out primary and secondary research, in addition to the analysis of big data (i.e. social listening) in collaboration with selected partners. This learning will inform our direct support provision and public campaigns to benefit our youth beneficiaries and wider society.
- 3) Supporting our youth beneficiaries by providing direct advice and facilitating peer-to-peer support on digital forums for our youth beneficiaries as a means of aiding their navigation through the common challenges associated within our core focal areas (see 1), thereby improving their outcomes across health, mental health, social wellbeing, education and future prospects.
- 4) Advance education through the research, development and distribution of educational materials in both traditional and digital educational environments to directly benefit our youth beneficiaries and educational practitioners.
- 5) Raise awareness and positively influence societal attitudes and behaviours towards our five key focal areas (see 1) by using public awareness campaigns and sharing our research and insights publicly to benefit our youth beneficiaries and wider society in order to improve outcomes in their lives.
- 6) Advocate the needs and challenges of young people to key stakeholder groups and policy makers by monitoring and evaluating the experiences and opinions of young people and amplifying and reflecting their voice in order to positively benefit their lives across wider society.
- 7) Provide secondary support, advice, information and resources to additional stakeholder groups, such as parents/guardians, educators and industry in order to further benefit our youth beneficiaries and advance the education and future prospects of young people.

Ditch The Label Ltd

Trustees' Report

Structure, governance and management

The charity is a company limited by guarantee without share capital.

The following director has held office since 1 March 2023:

Mr L D Hackett

The Trustees, who are also the non executive directors for the purpose of company law are:

Ms R Barrie

Mr S R H Comins

Mr A Hughes (resigned 12 October 2023)

Mrs V Miller

Mr J Diez-Aguirre

Mrs H Smith

Mrs J Afia

Mr Mark Woodruff

Mrs A Benjamin (appointed 28 February 2024)

We have Articles of Association and a Governance Document. Joint document registered /filed with Companies House. (11th March 2021)

New Trustees may be appointed at any time with a maximum of ten on the Board.

New Trustees may be proposed by the CEO or any Trustee and shall be appointed by ordinary resolution at a meeting of the Board of Trustees. Special notice is required of a resolution to appoint a Trustee.

Trustees are appointed for a term of three years. At the end of that term Trustees may be reappointed subject to a majority vote of the board of Trustees. There is no cap to the number of times an individual can be appointed to the board of Trustees.

Trustees are initially invited on to the board for a probationary period of 3 months at which point the position will be reviewed by both parties before extending the position to a full board member if appropriate.

The annual report was approved by the trustees of the charity on 23/12/24 and signed on its behalf by:



Michelle McCarthy
Trustee

Ditch The Label Ltd

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Ditch The Label Ltd for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the charity on 23/12/24 and signed on its behalf by:



Michelle McCarthy
Trustee

Ditch The Label Ltd

Independent Examiner's Report to the trustees of Ditch The Label Ltd ("the Company")

I report to the charity trustees on my examination of the accounts of the Company for the year ended 29 February 2024.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of Ditch The Label Ltd are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since Ditch The Label Ltd's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of CTA, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of Ditch The Label Ltd as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



.....
Mr Stephen Crouch
CTA

2ND Floor Stanford Gate
South Road
Brighton
East Sussex
BN1 6SB

Ditch The Label Ltd

Independent Examiner's Report to the trustees of Ditch The Label Ltd ("the Company")

Date: 18/12/24

Ditch The Label Ltd

Statement of Financial Activities for the Year Ended 29 February 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2024 £
Income and Endowments from:				
Donations and legacies	3	216,832	257,817	474,649
Charitable activities	4	1,071	-	1,071
Other trading activities	5	132,000	-	132,000
Investment income	6	2,273	-	2,273
Other income		5,024	28	5,052
Total income		357,200	257,845	615,045
Expenditure on:				
Raising funds	7	(14,729)	-	(14,729)
Charitable activities	8	(561,815)	(33,473)	(595,288)
Trading expenditure		(5,674)		
Income tax		(23,102)	-	(23,102)
Total expenditure		(605,320)	(33,473)	(638,793)
Net (expenditure)/income		(248,120)	224,372	(23,748)
Net movement in funds		(248,120)	224,372	(23,748)
Reconciliation of funds				
Total funds brought forward		(134,512)	652,643	518,131
Total funds carried forward	19	(382,632)	877,015	494,383
	Note	Unrestricted funds £	Restricted funds £	Total 2023 £
Income and Endowments from:				
Donations and legacies	3	260,232	196,961	457,193
Charitable activities	4	573	-	573
Other trading activities	5	-	52,471	52,471
Investment income	6	481	-	481
Other income		3,839	78,458	82,297
Total income		265,125	327,890	593,015
Expenditure on:				
Raising funds	7	(37,245)	-	(37,245)
Charitable activities	8	(352,491)	(158,991)	(511,482)
Other expenditure		(2,423)	-	(2,423)
Total expenditure		(392,159)	(158,991)	(551,150)
Net (expenditure)/income		(127,034)	168,899	41,865
Net movement in funds		(127,034)	168,899	41,865

The notes on pages 13 to 27 form an integral part of these financial statements.

Ditch The Label Ltd

Statement of Financial Activities for the Year Ended 29 February 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £
Reconciliation of funds				
Total funds brought forward		476,266	-	476,266
Total funds carried forward	19	349,232	168,899	518,131
The funds breakdown for 2023 is shown in note 19.				

The notes on pages 13 to 27 form an integral part of these financial statements.

Ditch The Label Ltd

(Registration number: 08387544)

Balance Sheet as at 29 February 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	14	44,119	24,191
Current assets			
Stocks	15	-	5,610
Debtors	16	114,250	17,693
Cash at bank and in hand		365,565	475,685
		479,815	498,988
Creditors: Amounts falling due within one year	17	(29,552)	(5,048)
Net current assets		450,263	493,940
Net assets		494,382	518,131
Funds of the charity:			
Restricted income funds			
Restricted funds	19	877,013	652,643
Unrestricted income funds			
Unrestricted funds		(382,631)	(134,512)
Total funds	19	494,382	518,131

For the financial year ending 29 February 2024 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 9 to 27 were approved by the trustees, and authorised for issue on ~~23/12/24~~ and signed on their behalf by:



.....
Dr Liam Daniel Hackett
Chief executive officer

The notes on pages 13 to 27 form an integral part of these financial statements.

Ditch The Label Ltd

Statement of Cash Flows for the Year Ended 29 February 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash (expenditure)/income		(23,748)	41,865
Adjustments to cash flows from non-cash items			
Depreciation	7	8,856	6,892
Investment income	6	(2,273)	(481)
Loss on disposal of fixed assets held for the charity's own use	10	3,278	169
		<u>(13,887)</u>	<u>48,445</u>
Working capital adjustments			
Decrease in stocks	15	5,610	1,355
(Increase)/decrease in debtors	16	(96,557)	215,550
Increase/(decrease) in creditors	17	24,504	(83,878)
Net cash flows from operating activities		<u>(126,671)</u>	<u>181,472</u>
Cash flows from investing activities			
Interest receivable and similar income	6	2,273	481
Purchase of tangible fixed assets	14	(29,095)	(7,401)
Sale of tangible fixed assets		311	81
Net cash flows from investing activities		<u>(26,511)</u>	<u>(6,839)</u>
Cash flows from financing activities			
Repayment of loans and borrowings	17	-	(106,167)
Net (decrease)/increase in cash and cash equivalents		<u>(129,943)</u>	<u>68,466</u>
Cash and cash equivalents at 1 March		<u>475,685</u>	<u>407,388</u>
Cash and cash equivalents at 29 February		<u>345,742</u>	<u>475,854</u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 13 to 27 form an integral part of these financial statements.

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 29 February 2024

1 Charity status

The charity is limited by share capital, incorporated in England & Wales .

The address of its registered office is:

Freedom Works
Barts House
Black Lion Street
Brighton
BN1 1JE

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

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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

Ditch The Label Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations and legacies

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 29 February 2024

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 29 February 2024

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment of assets.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Fixtures, fittings and equipment	25% reducing balance
Computers	25% reducing balance

Stock

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost.

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 charity will not be able to collect all amounts due according to the original terms of the receivables.

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 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 charity 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.

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 29 February 2024

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 29 February 2024

Debt instruments

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

(a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.

(b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.

(c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).

(d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.

(e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

(f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 29 February 2024

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total funds £
Grants, including capital grants;			
Grants from companies	28,355	-	28,355
Regular giving and capital donations	188,477	257,817	446,294
Total for 2024	216,832	257,817	474,649
Total for 2023	260,232	196,961	457,193

4 Income from charitable activities

	Unrestricted General £	Total 2024 £	Total 2023 £
Sales within charitable activities	1,071	1,071	573
		Unrestricted funds General £	Total funds £
		1,071	1,071
Total for 2024		1,071	1,071
Total for 2023		573	573

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 29 February 2024

5 Income from other trading activities

	Unrestricted funds General £	Restricted funds £	Total funds £
Other income from other trading activities	132,000	-	132,000
Total for 2024	132,000	-	132,000
Total for 2023	-	52,471	52,471

6 Investment income

	Unrestricted funds General £	Total funds £
Interest receivable and similar income; Other interest receivable	2,273	2,273
Total for 2024	2,273	2,273
Total for 2023	481	481

7 Expenditure on raising funds

Costs of generating donations and legacies

a)

	Note	Unrestricted funds General £	Total funds £
Marketing and publicity		14,729	14,729
Total for 2024		14,729	14,729
Total for 2023		37,245	37,245

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 29 February 2024

8 Expenditure on charitable activities

	Note	Unrestricted funds General £	Restricted funds £	Total funds £
		32,869	2,219	35,088
		(141)	-	(141)
Governance costs	9	549,576	31,254	580,830
Total for 2024		582,304	33,473	615,777
Total for 2023		349,014	158,991	508,005

In addition to the expenditure analysed above, there are also governance costs of £339,056 (2023 - £160,152) which relate directly to charitable activities. See note 9 for further details.

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 29 February 2024

9 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Restricted funds £	Total funds £
Staff costs			
Wages and salaries	354,399	-	354,399
Other staff costs	29	381	410
Legal fees	9,377	1,825	11,202
Marketing and publicity	3,113	-	3,113
Depreciation, amortisation and other similar costs	5,012	564	5,576
Other governance costs	28,834	22,591	51,425
Allocated support costs	148,812	5,893	154,705
Total for 2024	549,576	31,254	580,830
Total for 2023	345,038	11,235	356,273

10

Net (outgoing)/incoming resources for the year include:

	2024 £	2023 £
Loss on disposal of fixed assets held for the charity's own use	(3,278)	(169)
Depreciation of fixed assets	8,854	6,892

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 29 February 2024

11 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

12 Staff costs

The aggregate payroll costs were as follows:

	2024 £	2023 £
Staff costs during the year were:		
Wages and salaries	236,686	68,522
Staff NIC (Employers)	15,515	11,032
Directors remuneration	81,523	77,454
Directors NIC	9,647	10,058
Staff pensions (Defined contribution) - pension scheme 1	7,274	3,926
Directors pension	3,754	2,550
Wages and salaries	-	103,346
Entertainment-100% business	381	-
Entertainment-100% business	29	1,027
	<u>354,809</u>	<u>277,915</u>

During the year, one employee received emoluments falling within the band of £85,000 to £85,000.

13 Taxation

The charity is a registered charity and is therefore exempt from taxation, other than on trading activities.
£23,102 (2023 - £Nil).

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 29 February 2024

14 Tangible fixed assets

	Furniture and equipment £	Other tangible fixed asset £	Total £
Cost			
At 1 March 2023	23,424	39,589	63,013
Additions	20,609	8,486	29,095
Disposals	(849)	-	(849)
At 29 February 2024	43,184	48,075	91,259
Depreciation			
At 1 March 2023	14,557	24,265	38,822
Charge for the year	4,018	4,838	8,856
Eliminated on disposals	(538)	-	(538)
At 29 February 2024	18,037	29,103	47,140
Net book value			
At 29 February 2024	25,147	18,972	44,119
At 28 February 2023	8,867	15,324	24,191

15 Stock

	2024 £	2023 £
Finished goods	-	5,610

16 Debtors

	2024 £	2023 £
Trade debtors	98,635	-
Prepayments	2,457	4,574
Other debtors	13,158	13,119
	114,250	17,693

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 29 February 2024

17 Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	1,910	9,540
Other taxation and social security	23,102	6,496
VAT grant repayable	(14,023)	(16,219)
Other creditors	7,198	3,761
Accruals	11,365	1,470
	29,552	5,048

18 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £11,028. (2023: £6,477)

19 Funds

	Balance at 1 March 2023 £	Incoming resources £	Resources expended £	Balance at 29 February 2024 £
Unrestricted funds				
<i>General</i>				
Unrestricted - general	(134,512)	357,200	(605,320)	(382,632)
Restricted funds				
Lottery Funding	1,090	-	(146)	944
The Clothworkers Foundation Fund	935	-	(124)	811
Unilever Fund	1,714	-	(1,251)	463
Electronic Arts	80,919	-	-	80,919
Paul Hamlyn Foundation	60,299	-	-	60,299
Highway One Foundation	10,000	-	-	10,000
River Island	20,500	-	-	20,500
The Schuh Trust	5,000	-	-	5,000
Barclays	15,244	-	-	15,244
Oath (UK) Ltd	4,050	-	-	4,050
People's Postcode Lottery	20,000	-	-	20,000
Tumblr	(295)	-	(108)	(403)
Rathbone Trust	2,000	-	-	2,000
The David + Ruth	22,065	-	-	22,065
Simple	(1,000)	-	-	(1,000)
DTL US Fund	(300)	-	-	(300)

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 29 February 2024

	Balance at 1 March 2023 £	Incoming resources £	Resources expended £	Balance at 29 February 2024 £
BRP	414,521	238,095	(23,345)	629,271
ASOS	(207)	-	(2,413)	(2,620)
Citi e for education	(431)	-	-	(431)
Citibank	(35)	-	(31)	(66)
Dylan Nsbuga Salary	3,000	-	-	3,000
EA Games	(4,225)	-	-	(4,225)
Fruitworks	(1,222)	-	-	(1,222)
Maybelline	(358)	19,750	(5,756)	13,636
TikTok	(58)	-	-	(58)
Schwarzkopf / Got2be	(562)	-	-	(562)
FiFAe	-	-	(290)	(290)
MNY	-	-	(11)	(11)
Total restricted funds	652,644	257,845	(33,475)	877,014
Total funds	518,132	615,045	(638,795)	494,382

The specific purposes for which the funds are to be applied are as follows:

2023 PARTNERS

BRP - we are a proud charity partner for BRP, a global leader in the world of power sports vehicles and boats. We work together on their program "Ride Out Intimidation" - a global cause and joint mission to create real and lasting social change and impact. This is delivered through direct support and education in the Spanish language.

Citi e for Education - our third year as a proud charity partner with the campaign supporting our work with young people. Citi e for Education has a focus on education globally.

Henkel - through the got2b brand, their support funded our Self-Expression hub which provides a place for young people to explore their most authentic self. It includes toolkits, articles and tips from therapists and influencers.

L'Oreal - through the Maybelline brand, their support funded our direct support services, a pilot programme delivering therapy in the metaverse, an education module on mental health and a university tour delivering 'Brave Talk', which aims to equip people with the tools to support others in a crisis and guide them to help.

ASOS - their funding enabled Ditch the Label to produce an education module on unconscious bias, so that educators can download it; free, complete and ready to deliver in the classroom.

'OLD' PARTNERS

Spotify - Ditch the Label produced the signposting resources for their trust and safety channel.

TikTok - Ditch the Label collaborated with TikTok to produce an education module with a series of lessons aimed at reducing harmful online challenges. This is available completely, free to all secondary schools across the UK.

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 29 February 2024

20 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 29 February 2024 £
Tangible fixed assets	42,735	1,695	44,430
Current assets	479,815	-	479,815
Current liabilities	(6,448)	(2)	(6,450)
Total net assets	516,102	1,693	517,795
	Unrestricted funds General £	Restricted funds £	Total funds at 28 February 2023 £
Tangible fixed assets	21,930	2,261	24,191
Current assets	498,988	-	498,988
Current liabilities	(5,048)	-	(5,048)
Total net assets	515,870	2,261	518,131

21 Analysis of net funds

	At 1 March 2023 £	Financing cash flows £	At 29 February 2024 £
Cash at bank and in hand	475,685	(110,126)	365,559
Net debt	475,685	(110,126)	365,559
	At 1 March 2022 £	Financing cash flows £	At 28 February 2023 £
Cash at bank and in hand	301,221	174,458	475,679
Net debt	301,221	174,458	475,679

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 29 February 2024

22 Related party transactions

During the year the charity made the following related party transactions:

Key management personnel

Remuneration of key management personnel

Aggregate compensation:

2024: £85,000

2023: £85,000

At the balance sheet date the amount due from Key management personnel was £701 (2023 - £662).

Ditch The Label Ltd

Statement of Financial Activities by fund for the Year Ended 29 February 2024

Unrestricted Funds

	Total Unrestricted Funds 2024 £	Total Unrestricted Funds 2023 £
Income and Endowments from:		
Donations and legacies	216,832	260,232
Charitable activities	1,071	573
Other trading activities	132,000	-
Investment income	2,273	481
Other income	5,024	3,839
Total income	357,200	265,125
Expenditure on:		
Raising funds	(14,729)	(37,245)
Charitable activities	(561,815)	(352,491)
Trading expenditure	(5,674)	-
Income Tax	(23,102)	-
Other expenditure	-	(2,423)
Total expenditure	(605,320)	(392,159)
Net expenditure	(248,120)	(127,034)
Net movement in funds	(248,120)	(127,034)
Reconciliation of funds		
Total funds brought forward	(134,512)	476,266
Total funds carried forward	(382,632)	349,232

Ditch The Label Ltd

Statement of Financial Activities by fund for the Year Ended 29 February 2024

Restricted Funds

	Total Restricted Funds 2024 £	Total Restricted Funds 2023 £
Income and Endowments from:		
Donations and legacies	257,817	196,961
Other trading activities	-	52,471
Other income	28	78,458
Total income	257,845	327,890
Expenditure on:		
Charitable activities	(33,473)	(158,991)
Total expenditure	(33,473)	(158,991)
Net income	224,372	168,899
Net movement in funds	224,372	168,899
Reconciliation of funds		
Total funds brought forward	652,643	-
Total funds carried forward	877,015	168,899

Ditch The Label Ltd

Detailed Statement of Financial Activities for the Year Ended 29 February 2024

	Total 2024 £	Total 2023 £
Income and Endowments from:		
Donations and legacies (analysed below)	474,649	457,193
Charitable activities (analysed below)	1,071	573
Other trading activities (analysed below)	132,000	52,471
Investment income (analysed below)	2,273	481
Other income (analysed below)	5,052	82,297
Total income	615,045	593,015
Expenditure on:		
Raising funds (analysed below)	(14,729)	(37,245)
Charitable activities (analysed below)	(624,064)	(511,482)
Other expenditure (analysed below)	-	(2,423)
Total expenditure	(638,793)	(551,150)
Net (expenditure)/income	(23,748)	41,865
Net movement in funds	(23,748)	41,865
Reconciliation of funds		
Total funds brought forward	518,131	476,266
Total funds carried forward	494,383	518,131

Ditch The Label Ltd

Detailed Statement of Financial Activities for the Year Ended 29 February 2024

	Total 2024 £	Total 2023 £
<i>Donations and legacies</i>		
Donations and gifts	257,817	196,961
Donations and gifts	188,477	218,532
Grants	28,355	41,700
	<u>474,649</u>	<u>457,193</u>
<i>Charitable activities</i>		
Website merchandise	1,071	573
	<u>1,071</u>	<u>573</u>
<i>Other trading activities</i>		
Fee income	-	52,471
Fee income	132,000	-
	<u>132,000</u>	<u>52,471</u>
<i>Investment income</i>		
Other interest receivable	2,273	481
	<u>2,273</u>	<u>481</u>
<i>Other income</i>		
Other income	28	78,458
Other income	5,024	3,839
	<u>5,052</u>	<u>82,297</u>
<i>Raising funds</i>		
Advertising	(14,729)	(37,245)
	<u>(14,729)</u>	<u>(37,245)</u>
<i>Charitable activities</i>		
Advertising - CA	(1,072)	(569)
Opening finished goods	(5,610)	(6,965)
Direct costs	(15,622)	(325)
Closing finished goods	-	5,610
Website running costs - CA	(1,147)	(36,295)
Website costs	(11,634)	(1,980)
Trade subscriptions	(8,287)	(3,477)
Shopify Fees - CA RES	141	(316)
Other interest payable	(3)	-
Wages and salaries	-	(103,346)
Directors remuneration	-	(7,546)
Computer and software expenses - GOV	(1,010)	-

This page does not form part of the statutory financial statements.

Ditch The Label Ltd

Detailed Statement of Financial Activities for the Year Ended 29 February 2024

	Total 2024 £	Total 2023 £
Computer software and maintenance costs	(4,704)	(3,038)
Postage, Freight & Courier - GOV	(1,755)	-
Printing, postage and stationery	(4,170)	(2,180)
Trade subscriptions	-	(421)
Domain and web hosting - GOV	(1,459)	-
Domain and web hosting - GOV	(2,420)	(2,920)
Cleaning - GOV	(789)	(44)
Motor Vehicle Expenses - GOV	(1,447)	(1,484)
Travel and accommodation - CA RES	(18,367)	(5,959)
Travel and subsistence	(4,590)	(16,895)
Advertising	(3,113)	-
Entertainment-100% business	(381)	-
Entertainment-100% business	(29)	(1,027)
Accountancy fees	(9,645)	(8,666)
Professional Fees	(1,825)	(3,056)
Legal and professional fees	(9,377)	(2,552)
Bank Fees - GOV	(1,069)	-
Depreciation of fixtures and fittings	(2,285)	(2,543)
Depreciation of office equipment	(52)	(70)
Depreciation of office equipment	(1,680)	(342)
Depreciation of computer equipment	(512)	(572)
Depreciation of computer equipment	(4,325)	(3,365)
(Profit)/loss on sale of tangible fixed assets held for charity's own use	3,278	169
Wages and salaries	(236,686)	(68,522)
Staff NIC (Employers)	(15,515)	(11,032)
Directors remuneration	(81,523)	(77,454)
Directors NIC	(9,647)	(10,058)
Staff pensions (Defined contribution) - pension scheme 1	(7,274)	(3,926)
Directors pension	(3,754)	(2,550)
Casual wages	(626)	(2,269)
Staff training	-	(15)
Staff Training - GOV	(2,493)	(341)
Staff welfare - GOV	(161)	(133)
Staff welfare	(3,628)	(3,970)
Rent and rates	(43,833)	(53,504)
Rates	(3,156)	(2,042)
Light, Power, Heating - GOV	(3,980)	(3,925)
Insurance	(2,495)	(3,172)
Repairs and maintenance - GOV	(552)	(102)
Repairs and maintenance	(11,090)	(3,640)

This page does not form part of the statutory financial statements.

Ditch The Label Ltd

Detailed Statement of Financial Activities for the Year Ended 29 February 2024

	Total 2024 £	Total 2023 £
Telephone & Internet - GOV	(2,522)	(2,971)
Office refreshments - GOV	(29)	-
Office expenses	(3,308)	(2,697)
Sundry expenses	(435)	(2,057)
Car hire and leasing expense	(6,596)	-
Entertainment - GOV	(48)	(624)
Entertainment - GOV	(65)	(800)
Corporation tax	(23,102)	-
Consulting - GOV	(5,103)	(704)
Consulting	(41,483)	(44,800)
	(624,064)	(511,482)
<i>Other expenditure</i>		
Bank interest payable	-	(2,423)
	-	(2,423)

DITCH THE LABEL LTD

England & Wales - Charity number 1156329

Accounts

Company registration number: 08387544

Charity registration number: 1156329

Ditch The Label Ltd

(A company limited by share capital)

Annual Report and Financial Statements

for the Year Ended 28 February 2023

SRC Advisory Ltd
2nd Floor
Stanford Gate
South Road
Brighton
East Sussex
BN1 6SB

Ditch The Label Ltd

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Ditch The Label Ltd

Reference and Administrative Details

Chief Executive Officer

Dr Liam Hackett

Trustees

Simon Richard Henry Comins

Rebecca Barrie

Victoria Miller

Jenny Afia

Jesus Javier Diez-Aguirre

Hanna Smith

Mark Woodruff

Secretary

Susan Marie Jones

Charity Registration Number

1156329

Company Registration Number

08387544

The charity is incorporated in England & Wales.

Registered Office

Phoenix House, 3rd Floor
32 West Street
Brighton
BN1 2RT

Independent Examiner

SRC Advisory Ltd
2nd Floor
Stanford Gate
South Road
Brighton
East Sussex
BN1 6SB

Ditch The Label Ltd

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 28 February 2023.

Objectives and activities

To preserve and protect health and advance education surrounding youth issues, equality and bullying for the Public benefit by:

- 1) Operating as a youth charity with a core aim to advance and promote the wellbeing of our beneficiaries; young people aged 12-25. We will work across five key areas: bullying prevention, mental health & wellbeing, digital literacy, healthy relationships and identity (primarily orientated around protected characteristics) by raising awareness of the issues faced by young people to improve outcomes across their lives.
- 2) Contributing towards the fields of research and innovation within our respective core focal areas (see 1) by carrying out primary and secondary research, in addition to the analysis of big data (i.e. social listening) in collaboration with selected partners. This learning will inform our direct support provision and public campaigns to benefit our youth beneficiaries and wider society.
- 3) Supporting our youth beneficiaries by providing direct advice and facilitating peer-to-peer support on digital forums for our youth beneficiaries as a means of aiding their navigation through the common challenges associated within our core focal areas (see 1), thereby improving their outcomes across health, mental health, social wellbeing, education and future prospects.
- 4) Advance education through the research, development and distribution of educational materials in both traditional and digital educational environments to directly benefit our youth beneficiaries and educational practitioners.
- 5) Raise awareness and positively influence societal attitudes and behaviours towards our five key focal areas (see 1) by using public awareness campaigns and sharing our research and insights publicly to benefit our youth beneficiaries and wider society in order to improve outcomes in their lives.
- 6) Advocate the needs and challenges of young people to key stakeholder groups and policy makers by monitoring and evaluating the experiences and opinions of young people and amplifying and reflecting their voice in order to positively benefit their lives across wider society.
- 7) Provide secondary support, advice, information and resources to additional stakeholder groups; such as parents/guardians, educators and industry in order to further benefit our youth beneficiaries and advance the education and future prospects of young people.

These objectives are delivered across 4 key areas:

Support: we deliver direct online support and support articles from digital youth mentors

Research: we produce new, innovative research surrounding bullying, mental health and other issues such as gender stereotypes

Education: our free educational resources are delivered in classrooms across the country

Campaigns: we produce innovative content to generate societal shifts in attitudes and behaviours

Ditch the Label confirms that the trustees have given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011.

Ditch The Label Ltd

Trustees' Report

Achievements and performance

Ditch the Label is a global youth charity that helps vulnerable young people aged 12-25 navigate the issues that affect them the most. The young people who come to us for help struggle with issues such as bullying, online abuse, mental health, coming out, anxiety and self-esteem.

Our charitable aims are delivered through four key areas:

- Support: online support community from clinically trained support mentors, web resources, social networking platforms, online gaming channels and facilitated peer support;
- Research: in collaboration with students, schools and colleges, social networks and others, we produce new, innovative research surrounding bullying, mental health and the many other issues in the realms of youth;
- Education: our educational resources are delivered in classrooms across the country, tackling subjects such as gender stereotypes, bullying, mental health, online challenges, digital literacy and unconscious bias;
- Campaigns: we produce innovative content to generate societal shifts in attitudes and behaviours surrounding the issues affecting young people.

2022 gave us the opportunity to refine our thinking in terms of the value Ditch the Label provides to the life of children and young people aged 12-25. As a digital-first charity, our role is constantly evolving in line with breakthroughs in technology and expansions of the challenges young people face today.

In 2021 against a backdrop of the pandemic and an enormous squeeze in our funding, we were forced to economise and downsize our programs and impact. Now that our funding is improving and we're seeing a return to healthy levels, we are able to think differently about our modes of delivery and the ways we want to support young people today.

Our commitment to the provision of high-quality clinical support to young people with varied and often complex needs has never wavered and we have been able to consistently provide this, helped by the recruitment of 3 new support mentors. We provide support primarily in English, but should it be helpful or required, our mentors are able to provide support in the following additional languages: German, Spanish, Hindi, Urdu, Arabic, Swedish and Norwegian.

Evidence overwhelmingly shows that the global need for Ditch the Label is growing exponentially as mental wellbeing is in decline with increasing rates of anxiety and depression among young people and a 67% rise in teenage suicides since 2010. Hate is surging and while these issues can affect all young people it is clear that those from disadvantaged backgrounds or marginalised communities who may not have access to other support are particularly vulnerable to these challenges.

Our focus for 2022 was to sustain our direct support for young people and build the organisation. We are delighted to report that we have managed to secure a number of partnerships that have enabled us to invest in new infrastructure; such as a new Web 3.0 website and an expansion into Spanish language so we remain responsive to the needs of young people.

We remain focussed on our continued growth, and committed to supporting children and young people globally to ensure they are able to thrive.

Ditch The Label Ltd

Trustees' Report

TESTIMONIALS

From young people we supported:

“I have a safety plan for when I’m suicidal, which was really the biggest problem for me. When I get those intrusive thoughts, it’s debilitating. But now I feel equipped and empowered enough to fight even if it’s just for one more day.”

“They gave me courage and told me what I was feeling was normal.”

“It was really helpful to be able to talk to someone about my issue and it has relieved me of a lot of mental stress.”

“The support, community, and friends I have made on DTL, have gotten me through the loss of two family members and two close friends. Ya’ll have gotten me through the pandemic and helped me keep from retreating completely into myself. There are no words to describe how much ya’ll have helped me.”

“How caring everybody is. Not just the digital mentors, but the other people participating could have only met you an hour ago, but they’re ready to offer any advice they can and help. It’s seriously the best.”

From educators:

“I would consider this resource as both a standalone lesson and as part of the larger topic. I think this is engaging. It’s sometimes difficult to make these sorts of ambiguous sessions engaging but these resources will help.”

“Very usable resources. Relevant and uses role play to keep the pupils active and involved. Scenario cards are very real, based on life experiences”

“I think it is engaging with a wide variety of activities. It contains lots of facts, which is great, also includes paired tasks and not just teacher-led or whole class work.”

From students:

“A great active learning environment that enhances the awareness of problems in society.”

“An engaging series of lessons that expanded our knowledge on a prevalent threat to an equal society.”

Ditch The Label Ltd

Trustees' Report

Financial review

The principal funding sources for the Charity are currently by way of donations, grants, corporate sponsorship, merchandise sales and events.

The Directors and Trustees have assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The Charity plans to continue activities as outlined above, engaging with its core market in the forthcoming year subject to satisfactory funding arrangements.

Policy on reserves

It is the policy of the Charity that unrestricted funds which have not been designated for a specific use wherever possible, should be maintained at a level equivalent to three month's expenditure.

The Directors and Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Charity's current activities, while consideration is given to ways in which additional funds may be raised. As part of ongoing risk management, the Charity will review the reserves policy each year or as the result of a significant change or event.

Ditch The Label Ltd

Trustees' Report

Structure, governance and management

The charity is a company limited by guarantee without share capital.

The following director has held office since 1 March 2018:

Mr L D Hackett

The Trustees, who are also the non executive directors for the purpose of company law are:

Ms S C Baines (resigned 2 March 2022)

Mr H A J Morris (resigned 10 March 2022)

Ms R Barrie

Mr S R H Comins

Mr A Hughes (resigned 12 October 2023)

Mrs V Miller

Mr J Diez-Aguirre

Mrs H Smith (appointed 1 March 2022)

Mrs J Afia (appointed 1 March 2022)

Mr Mark Woodruff (appointed 16 January 2023)

We have Articles of Association and a Governance Document. Joint document registered /filed with Companies House. (11th March 2021)

New Trustees may be appointed at any time with a maximum of ten on the Board.

New Trustees may be proposed by the CEO or any Trustee and shall be appointed by ordinary resolution at a meeting of the Board of Trustees. Special notice is required of a resolution to appoint a Trustee.

Trustees are appointed for a term of three years. At the end of that term Trustees may be reappointed subject to a majority vote of the board of Trustees. There is no cap to the number of times an individual can be appointed to the board of Trustees.

Trustees are initially invited on to the board for a probationary period of 3 months at which point the position will be reviewed by both parties before extending the position to a full board member if appropriate.

The annual report was approved by the trustees of the charity on 19 December 2023. and signed on its behalf by:



Victoria Miller
Trustee

Ditch The Label Ltd

Statement of Trustees' Responsibilities

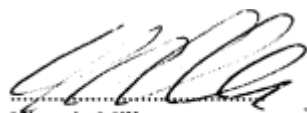
The trustees (who are also the directors of Ditch The Label Ltd for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the charity on 19 December 2023 and signed on its behalf by:



Victoria Miller
Trustee

Ditch The Label Ltd

Independent Examiner's Report to the trustees of Ditch The Label Ltd ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 28 February 2023.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of Ditch The Label Ltd are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since Ditch The Label Ltd's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of CTA, which is one of the listed bodies.

Since Ditch The Label Ltd's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of CTA, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of Ditch The Label Ltd as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Ditch The Label Ltd

Independent Examiner's Report to the trustees of Ditch The Label Ltd ("the Company")



.....
Mr Stephen Crouch
CTA

2nd Floor
Stanford Gate
South Road
Brighton
East Sussex
BN1 6SB

Date 19 December 2023

Ditch The Label Ltd

Statement of Financial Activities for the Year Ended 28 February 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £
Income and Endowments from:				
Donations and legacies	3	260,232	196,961	457,193
Charitable activities	4	573	-	573
Other trading activities	5	-	52,471	52,471
Investment income	6	481	-	481
Other income		3,839	78,458	82,297
Total income		265,125	327,890	593,015
Expenditure on:				
Raising funds	7	(37,245)	-	(37,245)
Charitable activities	8	(352,491)	(158,991)	(511,482)
Other expenditure	9	(2,423)	-	(2,423)
Total expenditure		(392,159)	(158,991)	(551,150)
Net (expenditure)/income		(127,034)	168,899	41,865
Net movement in funds		(127,034)	168,899	41,865
Reconciliation of funds				
Total funds brought forward		476,266	-	476,266
Total funds carried forward	20	349,232	168,899	518,131
	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
Income and Endowments from:				
Donations and legacies	3	227,572	269,953	497,525
Charitable activities	4	753	-	753
Other trading activities	5	144,195	-	144,195
Investment income	6	26	-	26
Other income		17,385	-	17,385
Total income		389,931	269,953	659,884
Expenditure on:				
Raising funds	7	(6,693)	(8,840)	(15,533)
Charitable activities	8	(296,429)	(67,717)	(364,146)
Total expenditure		(303,122)	(76,557)	(379,679)
Net income		86,809	193,396	280,205
Transfers between funds		(93,813)	-	(93,813)
Net movement in funds		(7,004)	193,396	186,392

The notes on pages 14 to 28 form an integral part of these financial statements.

Ditch The Label Ltd

Statement of Financial Activities for the Year Ended 28 February 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
Reconciliation of funds				
Total funds brought forward		289,874	-	289,874
Total funds carried forward	20	282,870	193,396	476,266
The funds breakdown for 2022 is shown in note 20.				

The notes on pages 14 to 28 form an integral part of these financial statements.

Ditch The Label Ltd

(Registration number: 08387544) Balance Sheet as at 28 February 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	15	24,191	23,763
Current assets			
Stocks	16	5,610	6,965
Debtors	17	17,693	233,243
Cash at bank and in hand		475,685	407,388
		498,988	647,596
Creditors: Amounts falling due within one year	18	(5,048)	(195,093)
Net current assets		493,940	452,503
Net assets		518,131	476,266
Funds of the charity:			
Restricted income funds			
Restricted funds	20	652,643	483,745
Unrestricted income funds			
Unrestricted funds		(134,512)	(7,479)
Total funds	20	518,131	476,266

For the financial year ending 28 February 2023 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 10 to 28 were approved by the trustees, and authorised for issue on 19 December 2023 and signed on their behalf by:


.....
Dr Liam Hackett
Chief executive officer

The notes on pages 14 to 28 form an integral part of these financial statements.

Ditch The Label Ltd

Statement of Cash Flows for the Year Ended 28 February 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash income		41,865	279,730
Adjustments to cash flows from non-cash items			
Depreciation	7, 9	6,892	6,006
Investment income	6	(481)	(26)
Loss on disposal of fixed assets held for the charity's own use	11	169	-
		<u>48,445</u>	<u>285,710</u>
Working capital adjustments			
Decrease in stocks	16	1,355	1,868
Decrease/(increase) in debtors	17	215,550	(199,563)
(Decrease)/increase in creditors	18	(83,878)	84,294
Net cash flows from operating activities		<u>181,472</u>	<u>172,309</u>
Cash flows from investing activities			
Interest receivable and similar income	6	481	26
Purchase of tangible fixed assets	15	(7,401)	(12,135)
Sale of tangible fixed assets		81	-
Net cash flows from investing activities		<u>(6,839)</u>	<u>(12,109)</u>
Cash flows from financing activities			
Repayment of loans and borrowings	18	<u>(106,167)</u>	<u>106,167</u>
Net increase in cash and cash equivalents		68,466	266,367
Cash and cash equivalents at 1 March		<u>407,388</u>	<u>141,021</u>
Cash and cash equivalents at 28 February		<u><u>475,854</u></u>	<u><u>407,388</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 28 February 2023

1 Charity status

The charity is limited by share capital, incorporated in England & Wales .

The address of its registered office is:

Phoenix House, 3rd Floor

32 West Street

Brighton

BN1 2RT

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

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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

Ditch The Label Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations and legacies

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 28 February 2023

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 28 February 2023

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment of assets.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Fixtures, fittings and equipment	25% reducing balance
Computers	25% reducing balance

Stock

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost.

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 charity will not be able to collect all amounts due according to the original terms of the receivables.

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 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 charity 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.

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 28 February 2023

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 28 February 2023

Debt instruments

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

(a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.

(b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.

(c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).

(d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.

(e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

(f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 28 February 2023

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total funds £
Grants, including capital grants;			
Grants from companies	41,700	-	41,700
Regular giving and capital donations	218,532	196,961	415,493
Total for 2023	260,232	196,961	457,193
Total for 2022	227,572	269,953	497,525

4 Income from charitable activities

	Unrestricted General £	Total 2023 £	Total 2022 £
Sales within charitable activities	573	573	753
	Unrestricted funds General £	Total funds £	
	573	573	
Total for 2023	573	573	
Total for 2022	753	753	

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 28 February 2023

5 Income from other trading activities

	Unrestricted funds General £	Restricted funds £	Total funds £
Other income from other trading activities	-	52,471	52,471
Total for 2023	-	52,471	52,471
Total for 2022	144,195	-	144,195

6 Investment income

	Unrestricted funds General £	Total funds £
Interest receivable and similar income; Other interest receivable	481	481
Total for 2023	481	481
Total for 2022	26	26

7 Expenditure on raising funds

Costs of generating donations and legacies

a)

Note	Unrestricted funds General £	Restricted funds £	Total funds £
Marketing and publicity	37,245	-	37,245
Total for 2023	37,245	-	37,245
Total for 2022	6,693	8,840	15,533

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 28 February 2023

8 Expenditure on charitable activities

	Note	Unrestricted funds General £	Restricted funds £	Total funds £
		3,660	36,864	40,524
		316	-	316
Staff costs		-	103,346	103,346
Directors remuneration	10	-	7,546	7,546
Governance costs	10	345,038	11,235	356,273
Total for 2023		349,014	158,991	508,005
Total for 2022		296,006	67,717	363,723

**Total
expenditure
£**

In addition to the expenditure analysed above, there are also governance costs of £160,152 (2022 - £177,461) which relate directly to charitable activities. See note 10 for further details.

9 Other expenditure

	Note	Total funds £
Total for 2023		2,423

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 28 February 2023

10 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Restricted funds £	Total funds £
Staff costs			
Wages and salaries	173,542	-	173,542
Other staff costs	1,027	-	1,027
Legal fees	2,552	3,056	5,608
Depreciation, amortisation and other similar costs	6,081	642	6,723
Other governance costs	35,648	5,959	41,607
Allocated support costs	126,188	1,578	127,766
Total for 2023	345,038	11,235	356,273
Total for 2022	284,351	67,717	352,068

11 Net incoming/outgoing resources

Net incoming resources for the year include:

	2023 £	2022 £
Loss on disposal of fixed assets held for the charity's own use	(169)	-
Depreciation of fixed assets	6,892	6,006

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 28 February 2023

12 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

13 Staff costs

The aggregate payroll costs were as follows:

	2023 £	2022 £
Staff costs during the year were:		
Wages and salaries	-	61,797
Wages and salaries	68,522	165,909
Staff NIC (Employers)	11,032	-
Directors remuneration	77,454	-
Directors NIC	10,058	-
Staff pensions (Defined contribution) - pension scheme 1	3,926	-
Directors pension	2,550	-
Wages and salaries	103,346	-
Staff entertaining (allowable for tax)	1,027	91
	277,915	227,797

During the year, one employee received emoluments falling within the band of £75,000 to £85,000.

14 Taxation

The charity is a registered charity and is therefore exempt from taxation.

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 28 February 2023

15 Tangible fixed assets

	Furniture and equipment £	Other tangible fixed asset £	Total £
Cost			
At 1 March 2022	23,172	33,247	56,419
Additions	252	7,149	7,401
Disposals	-	(807)	(807)
At 28 February 2023	23,424	39,589	63,013
Depreciation			
At 1 March 2022	11,602	21,054	32,656
Charge for the year	2,955	3,937	6,892
Eliminated on disposals	-	(726)	(726)
At 28 February 2023	14,557	24,265	38,822
Net book value			
At 28 February 2023	8,867	15,324	24,191
At 28 February 2022	11,570	12,193	23,763

16 Stock

	2023 £	2022 £
Finished goods	5,610	6,965

17 Debtors

	2023 £	2022 £
Trade debtors	-	220,872
Prepayments	4,574	1,225
Other debtors	13,119	11,146
	17,693	233,243

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 28 February 2023

18 Creditors: amounts falling due within one year

	2023 £	2022 £
Bank loans	-	106,167
Trade creditors	9,540	3,325
Other taxation and social security	6,496	25,090
VAT grant repayable	(16,219)	8,586
Other creditors	3,761	2,890
Accruals	1,470	49,035
	5,048	195,093

19 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £6,477. (2022: £3,980)

20 Funds

	Balance at 1 March 2022 £	Incoming resources £	Resources expended £	Balance at 28 February 2023 £
Unrestricted funds				
<i>General</i>				
Unrestricted - general	(7,479)	265,124	(392,158)	(134,513)
Restricted funds				
Lottery Funding	1,281	-	(192)	1,089
The Clothworkers Foundation Fund	1,100	-	(165)	935
Unilever Fund	2,783	-	(1,069)	1,714
Electronic Arts	80,919	-	-	80,919
Paul Hamlyn Foundation	60,299	-	-	60,299
Highway One Foundation	10,000	-	-	10,000
River Island	20,500	-	-	20,500
The Schuh Trust	5,000	-	-	5,000
Barclays	15,244	-	-	15,244
Oath (UK) Ltd	4,050	-	-	4,050
People's Postcode Lottery	20,000	-	-	20,000
Tumblr	(149)	-	(146)	(295)
Rathbone Trust	2,000	-	-	2,000
The David + Ruth	22,065	-	-	22,065
Simple	(1,000)	-	-	(1,000)

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 28 February 2023

	Balance at 1 March 2022 £	Incoming resources £	Resources expended £	Balance at 28 February 2023 £
DTL US Fund	(300)	-	-	(300)
BRP	239,953	196,961	(22,393)	414,521
ASOS	-	-	(207)	(207)
Citi e for education	-	-	(431)	(431)
Citibank	-	-	(35)	(35)
Dylan Nsbuga Salary	-	3,000	-	3,000
EA Games	-	-	(4,225)	(4,225)
Fruitworks	-	-	(1,222)	(1,222)
Maybelline	-	-	(358)	(358)
TikTok	-	-	(58)	(58)
Schwarzkopf / Got2be	-	75,458	(76,020)	(562)
Spotify	-	8,471	(8,471)	-
Development of educational resources for schools	-	44,000	(44,000)	-
Total restricted funds	483,745	327,890	(158,992)	652,643
Total funds	476,266	593,014	(551,150)	518,130

The specific purposes for which the funds are to be applied are as follows:

BRP - we are a proud charity partner for BRP, a global leader in the world of power sports vehicles and boats. We work together on their program "Ride Out Intimidation" - a global cause and joint mission to create real and lasting social change and impact. This is delivered through direct support and education.

Citi e for Education - our second year as a proud charity partner with the campaign supporting our work with young people. 2022 celebrated the 10th year of the initiative and raised £10.15M for education focused nonprofits globally.

Henkel - through the got2b brand, their support funded our 'Report Online Abuse' tool which enables Ditch the Label to work with all the leading social networks to remove abusive, bullying or offensive content from their platforms.

Spotify - Ditch the Label produced the signposting resources for their trust and safety channel.

TikTok - Ditch the Label collaborated with TikTok to produce an education module with a series of lessons aimed at reducing harmful online challenges. This is available completely, free to all secondary schools across the UK.

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 28 February 2023

21 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 28 February 2023 £
Tangible fixed assets	21,930	2,261	24,191
Current assets	498,988	-	498,988
Current liabilities	(5,048)	-	(5,048)
Total net assets	515,870	2,261	518,131
	Unrestricted funds General £	Restricted funds £	Total funds at 28 February 2022 £
Tangible fixed assets	21,193	2,570	23,763
Current assets	647,596	-	647,596
Current liabilities	(195,093)	-	(195,093)
Total net assets	473,696	2,570	476,266

22 Analysis of net funds

	At 1 March 2022 £	Financing cash flows £	At 28 February 2023 £
Cash at bank and in hand	301,221	174,458	475,679
Net debt	301,221	174,458	475,679
	At 1 March 2021 £	Financing cash flows £	At 28 February 2022 £
Cash at bank and in hand	141,021	160,200	301,221
Net debt	141,021	160,200	301,221

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 28 February 2023

23 Related party transactions

During the year the charity made the following related party transactions:

Key management personnel

Remuneration of key management personnel

Aggregate compensation:

2023: £85,000

2022: £79,522

At the balance sheet date the amount due from Key management personnel was £662 (2022 - £Nil).

Ditch The Label Ltd

Statement of Financial Activities by fund for the Year Ended 28 February 2023

Unrestricted Funds

	Total Unrestricted Funds 2023 £	Total Unrestricted Funds 2022 £
Income and Endowments from:		
Donations and legacies	260,232	227,572
Charitable activities	573	753
Other trading activities	-	144,195
Investment income	481	26
Other income	3,839	17,385
Total income	265,125	389,931
Expenditure on:		
Raising funds	(37,245)	(6,693)
Charitable activities	(352,491)	(296,429)
Other expenditure	(2,423)	-
Total expenditure	(392,159)	(303,122)
Net (expenditure)/income	(127,034)	86,809
Transfers between funds	-	(93,813)
Net movement in funds	(127,034)	(7,004)
Reconciliation of funds		
Total funds brought forward	476,266	289,874
Total funds carried forward	349,232	476,266

Ditch The Label Ltd

Statement of Financial Activities by fund for the Year Ended 28 February 2023

Restricted Funds

	Total Restricted Funds 2023 £	Total Restricted Funds 2022 £
Income and Endowments from:		
Donations and legacies	196,961	269,953
Other trading activities	52,471	-
Other income	78,458	-
Total income	327,890	269,953
Expenditure on:		
Raising funds	-	(8,840)
Charitable activities	(158,991)	(67,717)
Total expenditure	(158,991)	(76,557)
Net income	168,899	193,396
Reconciliation of funds		
Total funds carried forward	168,899	193,396

Ditch The Label Ltd

Detailed Statement of Financial Activities for the Year Ended 28 February 2023

	Total 2023 £	Total 2022 £
Income and Endowments from:		
Donations and legacies (analysed below)	457,193	497,525
Charitable activities (analysed below)	573	753
Other trading activities (analysed below)	52,471	144,195
Investment income (analysed below)	481	26
Other income (analysed below)	82,297	17,385
Total income	593,015	659,884
Expenditure on:		
Raising funds (analysed below)	(37,245)	(15,533)
Charitable activities (analysed below)	(511,482)	(364,146)
Other expenditure (analysed below)	(2,423)	-
Total expenditure	(551,150)	(379,679)
Net income	41,865	280,205
Transfers between funds (analysed below)	-	(93,813)
Net movement in funds	41,865	186,392
Reconciliation of funds		
Total funds brought forward	476,266	289,874
Total funds carried forward	518,131	476,266

Ditch The Label Ltd

Detailed Statement of Financial Activities for the Year Ended 28 February 2023

	Total 2023 £	Total 2022 £
<i>Donations and legacies</i>		
Donations and gifts	196,961	239,953
Donations and gifts	218,532	203,772
Grants	-	30,000
Grants	41,700	23,800
	<u>457,193</u>	<u>497,525</u>
<i>Charitable activities</i>		
Merchandise sales	573	753
	<u>573</u>	<u>753</u>
<i>Other trading activities</i>		
Fee income	52,471	-
Fee income	-	144,195
	<u>52,471</u>	<u>144,195</u>
<i>Investment income</i>		
Other interest receivable	481	26
	<u>481</u>	<u>26</u>
<i>Other income</i>		
Other income	78,458	-
Other income	3,839	17,385
	<u>82,297</u>	<u>17,385</u>
<i>Raising funds</i>		
Advertising	(37,245)	(6,693)
Direct costs	-	(8,840)
	<u>(37,245)</u>	<u>(15,533)</u>
<i>Charitable activities</i>		
Advertising	(569)	-
Opening finished goods	(6,965)	(8,833)
Purchases	-	(1,636)
Direct costs	(325)	(152)
Closing finished goods	5,610	6,965
Website costs	(36,295)	-
Website costs	(1,980)	(4,523)
Staging fundraising events	-	(778)
Trade subscriptions	(3,477)	(423)
Bank charges	(316)	53

Ditch The Label Ltd

Detailed Statement of Financial Activities for the Year Ended 28 February 2023

	Total 2023 £	Total 2022 £
Loan interest	-	(2,725)
Other interest payable	-	(26)
Wages and salaries	(103,346)	-
Directors remuneration	(7,546)	-
Computer software and maintenance costs	-	(5,064)
Computer software and maintenance costs	(3,038)	(1,740)
Printing, postage and stationery	(2,180)	(1,567)
Trade subscriptions	(421)	(355)
Domain and web hosting	(2,920)	(1,581)
Cleaning	(44)	(29)
Motor expenses	(1,484)	(1,192)
Travel and subsistence	(5,959)	-
Travel and subsistence	(16,895)	(5,064)
Advertising	-	(5,012)
Staff entertaining (allowable for tax)	(1,027)	(91)
Accountancy fees	(8,666)	(7,259)
Legal and professional fees	(3,056)	-
Legal and professional fees	(2,552)	(141)
Bank charges	-	(723)
Depreciation of fixtures and fittings	-	(856)
Depreciation of fixtures and fittings	(2,543)	(2,703)
Depreciation of office equipment	(70)	-
Depreciation of office equipment	(342)	-
Depreciation of computer equipment	(572)	-
Depreciation of computer equipment	(3,365)	(2,447)
(Profit)/loss on sale of tangible fixed assets held for charity's own use	169	-
Wages and salaries	-	(61,797)
Wages and salaries	(68,522)	(165,909)
Staff NIC (Employers)	(11,032)	-
Directors remuneration	(77,454)	-
Directors NIC	(10,058)	-
Staff pensions (Defined contribution) - pension scheme 1	(3,926)	-
Directors pension	(2,550)	-
Casual wages	(2,269)	-
Staff training	(15)	-
Staff training	(341)	-
Staff welfare	(133)	-
Staff welfare	(3,970)	(2,083)
Rent and rates	(53,504)	(56,875)
Rates	(2,042)	(3,055)

This page does not form part of the statutory financial statements.

Ditch The Label Ltd

Detailed Statement of Financial Activities for the Year Ended 28 February 2023

	Total 2023 £	Total 2022 £
Light, heat and power	(3,925)	(957)
Insurance	(3,172)	(2,232)
Repairs and maintenance	(102)	-
Repairs and maintenance	(3,640)	(1,295)
General maintenance	-	(914)
Telephone and fax	(2,971)	(2,907)
Office expenses	(2,697)	-
Sundry expenses	(2,057)	(1,867)
Customer entertaining (disallowable for tax)	(624)	-
Customer entertaining (disallowable for tax)	(800)	-
Consulting	(704)	-
Consulting	(44,800)	(16,353)
	<u>(511,482)</u>	<u>(364,146)</u>
<i>Other expenditure</i>		
Bank interest payable	(2,423)	-
	<u>(2,423)</u>	<u>-</u>
<i>Transfers between funds</i>		
Funds - b/fwd	-	(93,813)

DITCH THE LABEL LTD

England & Wales - Charity number 1156329

Accounts

Ditch The Label Limited

(A company limited by guarantee)

Charity No. 1156329

Company No. 08387544

Trustees' Report and Unaudited Accounts

28 February 2022

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Trustees' Annual Report	2 to 6
Independent Examiner's Report	7
Statement of Financial Activities	8
Balance Sheet	9
Statement of Cash flows	10
Notes to the Accounts	11 to 23

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the unaudited financial statements of the charity for the year ended 28 February 2022.

REFERENCE AND ADMINISTRATIVE DETAILS

Company No. 08387544

Charity No. 1156329

Registered Office

Phoenix House 3rd Floor
32 West Street
Brighton
East Sussex
BN1 2RT

Directors and Trustees

The Directors of the charitable company are its Trustees for the purposes of charity law.

The following Directors and Trustees served during the year:

S.C. Baines

R. Barrie

S.R.H. Comins

J.J. Diez-Aguirre

L.D. Hackett (Chief Executive Officer)

A. Hughes

J.K. Koomson

D.T. Levine

V.R. Miller

H.A.J. Morris

Company Secretary

S.M. Jones

Accountants

Time Accounts Limited
Room 34
Basepoint Business Centre
Little High Street
Shoreham-by-sea
BN43 5EG

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity is a company limited by guarantee without share capital.

The following director has held office since 1 March 2018:

Mr L D Hackett (Chief Executive Officer)

The Trustees, who are also the non-executive directors for the purpose of company law are:

J K Koomson (resigned 26 June 2021)

S C Baines

H A J Morris

R Barrie

S R H Comins

D T Levine (resigned 29 August 2021)

A Hughes

J J Diez-Aguirre (Appointed 9 December 2021)

V R Miller (Appointed 20 October 2021)

New Trustees may be appointed at any time with a maximum of ten on the Board.

New Trustees may be proposed by the CEO or any Trustee and shall be appointed by ordinary resolution at a meeting of the Board of Trustees. Special notice is required of a resolution to appoint a Trustee.

Trustees are appointed for a term of three years. At the end of that term Trustees may be reappointed subject to a majority vote of the board of Trustees. There is no cap to the number of times an individual can be appointed to the board of Trustees.

Trustees are initially invited on to the board for a probationary period of 3 months at which point the position will be reviewed by both parties before extending the position to a full board member if appropriate.

OBJECTIVES AND ACTIVITIES

To preserve and protect health and advance education surrounding youth issues, equality and bullying for the Public benefit by:

- 1) Operating as a youth charity with a core aim to advance and promote the wellbeing of our beneficiaries; young people aged 12-25. We will work across five key areas: bullying prevention, mental health & wellbeing, digital literacy, healthy relationships and identity (primarily orientated around protected characteristics) by raising awareness of the issues faced by young people to improve outcomes across their lives.
- 2) Contributing towards the fields of research and innovation within our respective core focal areas (see 1) by carrying out primary and secondary research, in addition to the analysis of big data (i.e. social listening) in collaboration with selected partners. This learning will inform our direct support provision and public campaigns to benefit our youth beneficiaries and wider society.
- 3) Supporting our youth beneficiaries by providing direct advice and facilitating peer-to-peer support on digital forums for our youth beneficiaries as a means of aiding their navigation through the common challenges associated within our core focal areas (see 1), thereby improving their outcomes across health, mental health, social wellbeing, education and future prospects.
- 4) Advance education through the research, development and distribution of educational materials in both traditional and digital educational environments to directly benefit our youth beneficiaries and educational practitioners.
- 5) Raise awareness and positively influence societal attitudes and behaviours towards our five key focal areas (see 1) by using public awareness campaigns and sharing our research and insights publicly to benefit our youth beneficiaries and wider society in order to improve outcomes in their lives.
- 6) Advocate the needs and challenges of young people to key stakeholder groups and policy makers by monitoring and evaluating the experiences and opinions of young people and amplifying and reflecting their voice in order to positively benefit their lives across wider society.
- 7) Provide secondary support, advice, information and resources to additional stakeholder groups; such as parents/guardians, educators and industry in order to further benefit our youth beneficiaries and advance the education and future prospects of young people.

These objectives are delivered across 4 key areas:

Support: we deliver direct online support and support articles from digital youth mentors

Research: we produce new, innovative research surrounding bullying, mental health and other issues such as gender stereotypes

Education: our free educational resources are delivered in classrooms across the country

Campaigns: we produce innovative content to generate societal shifts in attitudes and behaviours

Ditch the Label confirms that the trustees have given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011.

ACHIEVEMENTS AND PERFORMANCE

Ditch the Label is a global youth charity that helps young people aged 12-25 navigate the issues that affect them the most. The young people who come to us for help struggle with issues such as mental health, bullying, online abuse, coming out, self-esteem and identity.

As the world continues to move forward post- global pandemic, young people are facing significant challenges surrounding their health and wellbeing. All too often, young people and their voices are forgotten as their struggles with mental health, bullying, identity and relationships are further compounded by the stress, anxiety and uncertainty surrounding their futures.

We continued to see huge growth in the demand for our digital support services on our dedicated Support Community and responded swiftly by increasing the number of highly skilled, clinically trained support mentors on the team. They are able to directly help young people make sense of, and navigate their mental health, friendships and relationships, sexuality, online abuse or any other prominent issue in their lives. Although support is primarily provided in English, we also have bi-lingual and multilingual mentors meaning we are able to offer this same high-quality support in German, Hindi, Urdu and Arabic.

In addition to supporting thousands of young people online, we continued to lead the way with our research and education programmes. We released The Wireless Survey which took an updated look at how young people are using smartphone technology and how they engage with the internet and social media. We also partnered with Brandwatch on two vital reports; the first being Online Hate Speech in the Covid Era where we looked at 263 million online conversations around hate speech online to see how it had changed since the start of the pandemic. Secondly, to mark World AIDS Day, we analysed 239 thousand online conversations globally to understand how Serophobia has evolved online in Understanding Online Serophobia.

In recognition of the unique challenges faced by teachers and their inevitable role in the wide range of support that schools often provide, we have developed and made freely available even more ready to deliver resources. These now cover: Bullying, Mental Health, Gender Stereotypes, Digital Literacy and Online Challenges. These evidence-based resources are delivered in UK classrooms and equip young people from aged 12+ with the skills and tools that they need in order to understand, evaluate, articulate and improve their understanding and lives.

Within weeks of the first lockdown, we launched the first youth Coronavirus support hub on the Ditch the Label website. This year we partnered with ASOS to develop a Stop Asian Hate hub to directly address the unique challenges facing the Asian community. This hub pulls together essential information, support for those impacted, real stories and toolkits for the prevention of Asian hate.

The challenges of running any organisation are vast but through sound planning and strategy, Ditch the Label saw a significant uplift in finances post-pandemic, bringing us back to our usual levels of funding. We're delighted that thanks to amazing corporate partners and vital funding from Trusts and Foundations, our finances continue to strengthen and build.

Ditch the Label's focus is continued growth and diversification in support delivery and building on our financial sustainability to safeguard our future as an essential youth support service. We are keenly aware that the young people we serve need us more than ever before.

FINANCIAL REVIEW

The principal funding sources for the Charity are currently by way of donations, grants, corporate sponsorship, merchandise sales and events.

The Directors and Trustees have assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The Charity plans to continue activities as outlined above, engaging with its core market in the forthcoming year subject to satisfactory funding arrangements.

POLICY ON RESERVES

It is the policy of the Charity that unrestricted funds which have not been designated for a specific use wherever possible, should be maintained at a level equivalent to three month's expenditure.

The Directors and Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Charity's current activities, while consideration is given to ways in which additional funds may be raised. As part of ongoing risk management, the Charity will review the reserves policy each year or as the result of a significant change or event.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Trustees are initially invited on to the board for a probationary period of 3 months at which point the position will be reviewed by both parties before extending the position to a full board member if appropriate. Trustees are appointed for a term of three years. At the end of that term Trustees may be reappointed subject to a majority vote of the board of Trustees. There is no cap to the number of times an individual can be appointed to the board of Trustees. New Trustees may be proposed by the CEO or any Trustee and shall be appointed by ordinary resolution at a meeting of the Board of Trustees. Special notice is required of a resolution to appoint a Trustee. New Trustees may be appointed at any time with a maximum of ten on the Board. V R Miller (Appointed 20 October 2021) J J Diez-Aguirre (Appointed 9 December 2021) A Hughes D T Levine (resigned 29 August 2021) S R H Comins R Barrie H A J Morris S C Baines J K Koomson (resigned 26 June 2021). The Trustees, who are also the non-executive directors for the purpose of company law are: Mr L D Hackett (Chief Executive Officer). The following director has held office since 1 March 2018: The charity is a company limited by guarantee without share capital.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The above report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime as set out in Part 15 of the Companies Act 2006 and in accordance with the Charities SORP (FRS 102).

Signed on behalf of the board
A. Hughes
Trustee

Independent Examiner's Report to the trustees of Ditch The Label Limited

I report to the charity trustees on my examination of the financial statements of Ditch The Label Limited for the year ended 28 February 2022 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's financial statements as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

As the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of Institute of Chartered Accountants England & Wales.

I have completed my examination. I can confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that:

- accounting records were not kept in accordance with section 386 of the 2006 Act ; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the accounting requirements under section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the financial statements have not been prepared in accordance with the Charities SORP (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Mrs Hannah Thatcher, FCA LLB
Institute of Chartered Accountants England & Wales
Time Accounts Limited
Room 34
Basepoint Business Centre
Little High Street
Shoreham-by-sea
BN43 5EG

Ditch The Label Limited
Statement of Financial Activities
for the year ended 28 February 2022

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
	Notes				
Income and endowments from:					
Donations and legacies	4	227,572	269,953	497,525	280,112
Charitable activities	5	144,948	-	144,948	12,055
Other trading activities	6	200	-	200	5,953
Investments	7	26	-	26	182
Other	8	17,185	-	17,185	4,789
Total		389,931	269,953	659,884	303,091
Expenditure on:					
Raising funds	9	6,693	-	6,693	1,675
Charitable activities	10	289,004	75,701	364,705	389,575
Other	11	7,900	856	8,756	5,323
Total		303,597	76,557	380,154	396,573
Net gains on investments		-	-	-	-
Net income/(expenditure)	12	86,334	193,396	279,730	(93,482)
Transfers between funds		-	-	-	-
Net income/(expenditure) before other gains/(losses)		86,334	193,396	279,730	(93,482)
Other gains and losses					
Net movement in funds		86,334	193,396	279,730	(93,482)
Reconciliation of funds:					
Total funds brought forward		(93,813)	290,349	196,536	290,018
Total funds carried forward		(7,479)	483,745	476,266	196,536

Ditch The Label Limited

Balance Sheet

at 28 February 2022

Company No. 08387544	Notes	2022 £	2021 £
Fixed assets			
Tangible assets	14	23,763	17,634
		<u>23,763</u>	<u>17,634</u>
Current assets			
Stocks	15	6,965	8,833
Debtors	16	233,243	33,680
Cash at bank and in hand		407,388	141,021
		<u>647,596</u>	<u>183,534</u>
Creditors: Amount falling due within one year	17	(195,093)	(4,632)
Net current assets		<u>452,503</u>	<u>178,902</u>
Total assets less current liabilities		<u>476,266</u>	<u>196,536</u>
Net assets excluding pension asset or liability		<u>476,266</u>	<u>196,536</u>
Total net assets		<u><u>476,266</u></u>	<u><u>196,536</u></u>
The funds of the charity			
Restricted funds	18		
Restricted income funds		483,745	290,349
		<u>483,745</u>	<u>290,349</u>
Unrestricted funds	18		
General funds		(7,479)	(93,813)
		<u>(7,479)</u>	<u>(93,813)</u>
Reserves	18		
Total funds		<u><u>476,266</u></u>	<u><u>196,536</u></u>

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

For the year ended 28 February 2022 the charitable company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the charitable company to obtain an audit in accordance with section 476 of the Companies Act 2006.

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

Approved by the board on

And signed on its behalf by:

L.D. Hackett
Director

Ditch The Label Limited
Statement of Cash flows
for the year ended 28 February 2022

	2022 £	2021 £
Cash flows from operating activities		
Net income/(expenditure) per Statement of Financial Activities	279,730	(93,482)
Adjustments for:		
Depreciation of property, plant and equipment	6,006	5,227
Grants, interest and incentives	(17,211)	(182)
Decrease/(Increase) in stocks	1,868	(4,785)
(Increase)/Decrease in trade and other receivables	(199,563)	59,809
Increase/(Decrease) in trade and other payables	36,911	(1,387)
Net cash provided by/(used in) operating activities	<u>107,741</u>	<u>(34,800)</u>
Cash flows from investing activities		
Payments for property, plant and equipment	(12,135)	(2,745)
Grants, interest and incentives	17,211	182
Net cash from/(used in) investing activities	<u>5,076</u>	<u>(2,563)</u>
Cash flows from financing activities		
Repayment of borrowings	106,167	-
Net cash from financing activities	<u>106,167</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents	218,984	(37,363)
Cash and cash equivalents at the beginning of the year	141,021	178,383
Cash and cash equivalents at the end of the year	<u>360,005</u>	<u>141,020</u>
Components of cash and cash equivalents		
Cash and bank balances	407,388	141,021
	<u>407,388</u>	<u>141,021</u>

for the year ended 28 February 2022

1 Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Change in basis of accounting or to previous accounts

There has been no change to the accounting policies (valuation rules and method of accounting) since last year and no changes have been made to accounts for previous years.

Fund accounting

Unrestricted funds	These are available for use at the discretion of the trustees in furtherance of the general objects of the charity.
Designated funds	These are unrestricted funds earmarked by the trustees for particular purposes.
Revaluation funds	These are unrestricted funds which include a revaluation reserve representing the restatement of investment assets at their market values.
Restricted funds	These are available for use subject to restrictions imposed by the donor or through terms of an appeal.

Income

Recognition of income	Income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.
-----------------------	---

Income with related expenditure	Where income has related expenditure the income and related expenditure is reported gross in the SoFA.
---------------------------------	--

Donations and legacies	Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income.
------------------------	--

Tax reclaims on donations and gifts	Income from tax reclaims is included in the SoFA at the same time as the gift/donation to which it relates.
-------------------------------------	---

Donated services and facilities	These are only included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably quantifiable, measurable and material.
---------------------------------	--

Volunteer help	The value of any volunteer help received is not included in the accounts.
----------------	---

Investment income	This is included in the accounts when receivable.
-------------------	---

Gains/(losses) on revaluation of fixed assets	This includes any gain or loss resulting from revaluing investments to market value at the end of the year.
---	---

Gains/(losses) on investment assets	This includes any gain or loss on the sale of investments.
-------------------------------------	--

Expenditure

Recognition of expenditure	Expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.
Expenditure on raising funds	These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.
Expenditure on charitable activities	These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs.
Grants payable	All grant expenditure is accounted for on an actual paid basis plus an accrual for grants that have been approved by the trustees at the end of the year but not yet paid.
Governance costs	These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.
Other expenditure	These are support costs not allocated to a particular activity.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Tangible fixed assets and depreciation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Computer equipment	25% reducing balance
Furniture and equipment	25% reducing balance

Freehold investment property

Investment properties are measured initially at cost and subsequently at fair value at each balance sheet date and are not depreciated. All gains or losses are taken to the Statement of Financial Activities as they arise.

Stocks

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

Trade and other debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

Trade and other creditors

Short term creditors are measured at the transaction price. Other creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

Monetary assets and liabilities denominated in currencies other than the functional currency of the charity are translated at the rates of exchange prevailing at the end of the reporting period.

Transactions in currencies other than the functional currency of the charity are recorded at the rate of exchange on the date that the transaction occurred.

All exchange differences are taken into account in arriving at net income/expenditure.

Leased assets

Where the charity enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease.

Leases which do not transfer substantially all the risks and rewards of ownership to charity are classified as operating leases.

Assets held under finance leases are initially recognised as assets of the charity at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet date as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the charity's policy on borrowing costs.

Assets held under finance leases are depreciated in the same way as owned assets.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

Pension costs

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations. The contributions are recognised as expenses when they fall due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

Receipt of donated goods, facilities and services

All donated goods, facilities and services received are recognised within incoming resources and expenditure at an estimate of the value to the charity.

2 Company status

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

The address of its registered office is:

Phoenix House 3rd Floor
32 West Street
Brighton
East Sussex
BN1 2RT

3 Statement of Financial Activities - prior year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Income and endowments from:			
Donations and legacies	139,137	140,975	280,112
Charitable activities	12,055	-	12,055
Other trading activities	5,953	-	5,953
Investments	182	-	182
Other	4,789	-	4,789
Total	162,116	140,975	303,091
Expenditure on:			
Raising funds	1,675	-	1,675
Charitable activities	298,127	96,771	394,898
Total	299,802	96,771	396,573
Net income	(137,686)	44,204	(93,482)
Net income before other gains/(losses)	(137,686)	44,204	(93,482)
Other gains and losses:			
Net movement in funds	(137,686)	44,204	(93,482)
Reconciliation of funds:			
Total funds brought forward	43,873	246,145	290,018
Total funds carried forward	(93,813)	290,349	196,536

4 Income from donations and legacies

	Unrestricted	Restricted	Total 2022	Total 2021
	£	£	£	£
Grants	23,800	30,000	53,800	213,965
Regular giving and capital donations	203,772	239,953	443,725	66,147
	<u>227,572</u>	<u>269,953</u>	<u>497,525</u>	<u>280,112</u>

5 Income from charitable activities

	Unrestricted	Total 2022	Total 2021
	£	£	£
Sales within charitable activities	753	753	12,055
Campaign income	144,195	144,195	-
	<u>144,948</u>	<u>144,948</u>	<u>12,055</u>

Included in Charitable activity income is £144,195 in relation to campaign income received from ASOS, Halpern and Kao Ltd for various campaigns the charity ran.

6 Income from other trading activities

	Unrestricted	Total 2022	Total 2021
	£	£	£
Other income from other trading activities	200	200	5,953
	<u>200</u>	<u>200</u>	<u>5,953</u>

7 Income from investments

	Unrestricted	Total 2022	Total 2021
	£	£	£
Other interest receivable	26	26	182
	<u>26</u>	<u>26</u>	<u>182</u>

8 Other income

	Unrestricted	Total 2022	Total 2021
	£	£	£
Other income	14,460	14,460	4,789
Government grants	2,725	2,725	-
	<u>17,185</u>	<u>17,185</u>	<u>4,789</u>

Included in Other income is £11,300 in relation to funded internship in association with The University of Sussex received for placement of students

9 Expenditure on raising funds

	Unrestricted	Total 2022	Total 2021
	£	£	£
<i>Costs of generating voluntary income</i>			
Marketing and publications	6,693	6,693	1,675
	<u>6,693</u>	<u>6,693</u>	<u>1,675</u>

10 Expenditure on charitable activities

	Unrestricted	Restricted	Total 2022	Total 2021
	£	£	£	£
<i>Expenditure on charitable activities</i>				
General direct costs	9,803	8,840	18,643	54,539
Staff costs	-	-	-	177,159
<i>Governance costs</i>				
Computer expenses, printing & stationery, telephone, advertising, accountancy and legal fees	36,825	5,064	41,889	23,355
Travelling and entertainment	6,347	-	6,347	1,906
Salaries & wages, NI, training costs, staff welfare and subcontractor costs	165,909	61,797	227,706	51,747
Rent, rates, insurance, repair, cleaning, bank charges and other expenses	70,120	-	70,120	80,869
	<u>289,004</u>	<u>75,701</u>	<u>364,705</u>	<u>389,575</u>

11 Other expenditure

	Unrestricted	Restricted	Total 2022	Total 2021
	£	£	£	£
Bank loan and overdraft interest payable	2,725	-	2,725	96
Other interest payable	25	-	25	-
Amortisation, depreciation, impairment, profit/loss on disposal of fixed assets	5,150	856	6,006	5,227
	<u>7,900</u>	<u>856</u>	<u>8,756</u>	<u>5,323</u>

12 Net income/(expenditure) before transfers

	2022	2021
This is stated after charging:	£	£
Depreciation of owned fixed assets	6,006	5,227

13 Staff costs

	2022	2021
Salaries and wages	225,848	226,911
Other staff costs	91	48
	<u>225,939</u>	<u>226,959</u>

During the year one employee received emoluments within £70,000 to £80,000.

The average monthly number of full time equivalent employees during the year was as follows:

	2022	2021
	Number	Number
Employees	6	8
	<u>6</u>	<u>8</u>

14 Tangible fixed assets

	Computer equipment	Furniture and equipment	Total
	£	£	£
Cost or revaluation			
At 1 March 2021	28,186	16,098	44,284
Additions	5,061	7,074	12,135
At 28 February 2022	<u>33,247</u>	<u>23,172</u>	<u>56,419</u>
Depreciation and impairment			
At 1 March 2021	18,607	8,043	26,650
Depreciation charge for the year	2,447	3,559	6,006
At 28 February 2022	<u>21,054</u>	<u>11,602</u>	<u>32,656</u>
Net book values			
At 28 February 2022	<u>12,193</u>	<u>11,570</u>	<u>23,763</u>
At 28 February 2021	<u>9,579</u>	<u>8,055</u>	<u>17,634</u>

15 Stocks

	2022	2021
	£	£
Finished goods	6,965	8,833
	<u>6,965</u>	<u>8,833</u>

16 Debtors

	2022	2021
	£	£
Trade debtors	220,872	-
Amounts owed by group undertakings	9,640	9,640
Other debtors	1,506	21,947
Prepayments and accrued income	1,225	2,093
	<u>233,243</u>	<u>33,680</u>

17 Creditors:

amounts falling due within one year

	2022	2021
	£	£
Bank loans and overdrafts	106,167	-
Trade creditors	3,325	900
Other taxes and social security	33,676	804
Other creditors	2,891	1,277
Accruals	49,034	1,651
	<u>195,093</u>	<u>4,632</u>

18 Movement in funds

	At 1 March 2021	Incoming resources (including other gains/losses)	Resources expended	At 28 February 2022
	£	£	£	£
Restricted funds:				
Restricted income funds:				
Lottery Funding	1,539		(257)	1,282
The Clothworkers				
Foundation Fund	1,320		(220)	1,100
Unilever Fund	2,968		(185)	2,783
Electronic Arts	80,919			80,919
Paul Hamlyn Foundation	106,000	30,000	(75,701)	60,299
Highway One Foundation	10,000			10,000
River Island	20,500	-	-	20,500
The Schuh Trust	5,000			5,000
Barclays	15,244	-	-	15,244
Oath (UK) Ltd	4,050			4,050
People's Postcode Lottery	20,000	-	-	20,000
Tumblr	44		(194)	(150)
Rathbone Trust	2,000	-	-	2,000
David & Ruth Foundation	22,065			22,065
Simple	(1,000)	-	-	(1,000)
DTL US Fund	(300)			(300)
BRP		239,953		239,953
<i>Total</i>	<u>290,349</u>	<u>269,953</u>	<u>(76,557)</u>	<u>483,745</u>
Unrestricted funds:				
General funds	(93,813)	389,931	(303,597)	(7,479)
Total funds	<u><u>196,536</u></u>	<u><u>659,884</u></u>	<u><u>(380,154)</u></u>	<u><u>476,266</u></u>

	At 1 March 2020	Incoming resources (including other gain/losses) £	Resources expended £	At 28 February 2021 £
Restricted funds:				
Lottery Funding	1,825	-	(286)	1,539
The Clothworkers Foundation Fund	1,566	-	(246)	1,320
Unilever Fund	57,040	25,000	(79,072)	2,968
Electronic Arts	80,919	-	-	80,919
Paul Hamlyn Foundation	30,000	76,000	-	106,000
Highway One Foundation	10,000	-	-	10,000
River Island	20,500	-	-	20,500
The Schuh Trust	5,000	-	-	5,000
Barclays	15,244	-	-	15,244
Oath (UK) Ltd	4,050	-	-	4,050
People's Postcode Lottery	20,000	-	-	20,000
Tumblr	-	15,910	(15,866)	44
Rathbone Trust	-	2,000	-	2,000
David & Ruth Foundation	-	22,065	-	22,065
Simple	-	-	(1,000)	(1,000)
DTL US Fund	-	-	(300)	(300)
<i>Total</i>	<u>246,144</u>	<u>140,975</u>	<u>(96,770)</u>	<u>290,349</u>
Unrestricted funds:				
General funds	43,873	162,116	(299,802)	(93,813)
Total funds	<u><u>290,017</u></u>	<u><u>303,091</u></u>	<u><u>(396,572)</u></u>	<u><u>196,536</u></u>

Electronic Arts

Funds received from EA Games were directed into direct support services for young people and towards the creation of new articles and support guides around bullying and abuse on gaming platforms. In addition, Ditch the Label supported EA Games campaign to fight for acceptance within gaming and to encourage positive cultural changes.

BRP

We were excited to begin a collaboration with BRP, a global leader in the world of powersports vehicles and boats. Their program "Ride Out Intimidation" is a global cause and joint mission to create real and lasting societal impact with direct support, education to positively influence culture and behaviour and promote inclusivity.

Citibank

New charity partner for Citibank's Citi e for education fundraising campaign. The 2021 campaign was the ninth year of the campaign and raised \$9.4M for education focused nonprofits around the world. Ditch the Label's donation will support our work with young people.

ASOS

We partnered with ASOS to create a #StopAsianHate hub on our website which offers support and resources for anyone affected by the issue of Asian hate. New resources for educators and students are due to launch in January 2023.

Goodloop / Reebok

Through the platform Good-Loop, Reebok ran a successful fundraising activity with Ditch the Label as the recipient charity.

Got2b

We partnered with got2b to create support resources on cyberbullying and to directly support young people affected by the issues of cyberbullying and online abuse.

Paul Hamlyn Foundation

Ditch the Label received a grant towards the CEO's salary and a grant to fund our direct support services for young people.

Bioré

We created resources on Skin Esteem which offer support for anyone affected by issues around their skin.

Unilever

Through their brand Simple, they ran a short fundraising activity on their Instagram page with Ditch the Label as the recipient charity.

Restricted funds:

Lottery Funding

Unilever Fund

Paul Hamlyn Foundation

River Island

Barclays

People's Postcode Lottery

Rathbone Trust
Simple

19 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fixed assets	21,192	2,571	23,763
Current assets	647,596	-	647,596
Current liabilities	(195,093)	-	(195,093)
	<u>473,608</u>	<u>2,571</u>	<u>671,359</u>

	Unrestricted funds £	Restricted funds £	At 28 February 2021 £
Fixed assets	14,208	3,426	17,634
Current assets	183,534	-	183,534
Current liabilities	(4,632)	-	(4,632)
	<u>193,110</u>	<u>3,426</u>	<u>196,536</u>

20 Reconciliation of net debt

	At 1 March 2021 £	Cash flows £	At 28 February 2022 £
Cash and cash equivalents	141,021	266,367	407,388
	<u>141,021</u>	<u>266,367</u>	<u>407,388</u>
Bank loans	-	(106,167)	(106,167)
	<u>-</u>	<u>(106,167)</u>	<u>(106,167)</u>
Net debt	<u>141,021</u>	<u>160,200</u>	<u>301,221</u>

	At 1 March 2020 £	Cash flows £	At 28 February 2021 £
Cash and cash equivalents	178,383	(37,362)	141,021
	<u>178,383</u>	<u>(37,362)</u>	<u>141,021</u>
Bank loans	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Net debt	<u>178,383</u>	<u>(37,362)</u>	<u>141,021</u>

21 Commitments

Operating lease commitments

Annual commitments under non-cancellable operating leases are as follows:

	2022	2022	2021	2021
	Land and	Other	Land and	Other
	buildings		buildings	
	£	£	£	£
Operating leases with expiry date:				

Pension commitments

	2022	2021
	£	£
The pension cost charge to the company amounted to:	<u>3,980</u>	<u>4,879</u>
Unpaid contributions due to the fund are included in other creditors and amounted to:	<u>1,340</u>	<u>832</u>

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £3,980 (2021: £4,879).

22 Related party disclosures

Controlling party

Remuneration to key management personnel is of £79,522 (2021: £75,000). At the balance sheet date amount due from Key management personnel was of £1,084 (2021: £1,098).

DITCH THE LABEL LTD

England & Wales - Charity number 1156329

Accounts

Company registration number: 08387544

Charity registration number: 1156329

Ditch The Label Ltd

(A company limited by share capital)

Annual Report and Financial Statements

for the Year Ended 28 February 2021

SRC-Time Ltd
2nd Floor
Stanford Gate
South Road
Brighton
East Sussex
BN1 6SB

Ditch The Label Ltd

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Ditch The Label Ltd

Reference and Administrative Details

Chief Executive Officer

Dr Liam Hackett

Trustees

Simon Richard Henry Comins,

Rebecca Barrie

Susan Carole Baines

David Tobias Levine

Jarah Koomson

Huw Aidan John Morris

Adam Hughes

Secretary

Susan Marie Jones

Charity Registration Number

1156329

Company Registration Number

08387544

The charity is incorporated in England and Wales.

Registered Office

Phoenix House, 3rd Floor

32 West Street

Brighton

BN1 2RT

Independent Examiner

SRC-Time Ltd

2nd Floor

Stanford Gate

South Road

Brighton

East Sussex

BN1 6SB

Ditch The Label Ltd

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 28 February 2021.

Objectives and activities

To preserve and protect health and advance education surrounding youth issues, equality and bullying for the Public benefit by:

- 1) Operating as a youth charity with a core aim to advance and promote the wellbeing of our beneficiaries; young people aged 12-25. We will work across five key areas: bullying prevention, mental health & wellbeing, digital literacy, healthy relationships and identity (primarily orientated around protected characteristics) by raising awareness of the issues faced by young people to improve outcomes across their lives.
- 2) Contributing towards the fields of research and innovation within our respective core focal areas (see 1) by carrying out primary and secondary research, in addition to the analysis of big data (i.e. social listening) in collaboration with selected partners. This learning will inform our direct support provision and public campaigns to benefit our youth beneficiaries and wider society.
- 3) Supporting our youth beneficiaries by providing direct advice and facilitating peer-to-peer support on digital forums for our youth beneficiaries as a means of aiding their navigation through the common challenges associated within our core focal areas (see 1), thereby improving their outcomes across health, mental health, social wellbeing, education and future prospects.
- 4) Advance education through the research, development and distribution of educational materials in both traditional and digital educational environments to directly benefit our youth beneficiaries and educational practitioners.
- 5) Raise awareness and positively influence societal attitudes and behaviours towards our five key focal areas (see 1) by using public awareness campaigns and sharing our research and insights publicly to benefit our youth beneficiaries and wider society in order to improve outcomes in their lives.
- 6) Advocate the needs and challenges of young people to key stakeholder groups and policy makers by monitoring and evaluating the experiences and opinions of young people and amplifying and reflecting their voice in order to positively benefit their lives across wider society.
- 7) Provide secondary support, advice, information and resources to additional stakeholder groups; such as parents/guardians, educators and industry in order to further benefit our youth beneficiaries and advance the education and future prospects of young people.

These objectives are delivered across 4 key areas:

Support: we deliver direct online support and support articles from digital youth mentors

Research: we produce new, innovative research surrounding bullying, mental health and other issues such as gender stereotypes

Education: our free educational resources are delivered in classrooms across the country

Campaigns: we produce innovative content to generate societal shifts in attitudes and behaviours

Ditch the Label confirms that the trustees have given due consideration to the Charity Commission's published guidance on the Public Benefit requirement under the Charities Act 2011.

Ditch The Label Ltd

Trustees' Report

Achievements and performance

Ditch the Label is a global youth charity that helps vulnerable young people aged 12-25 navigate the issues that affect them the most. The young people who come to us for help struggle with issues such as bullying, online abuse, mental health, coming out, anxiety, depression, self-esteem and body image problems.

Through 2019 - 2020, Ditch the Label continued to prioritise the needs of our beneficiaries with 5.1M young people accessing the support website and with over 3,000 one-to-one confidential support mentor sessions delivered. During the first lockdown of March 2020 as the world began to navigate the global pandemic, demand upon our support services surged by over 150% and remained high as young people struggled to cope and were left feeling anxious and fearful for the future. This especially impacted the most vulnerable youth, as in-person contact stopped and they struggled to navigate domestic issues and advocacy of their safety. In response we were proud to partner with Tumblr to produce a Coronavirus hub which reached 6.8M young people with a suite of vital support resources.

Using our dedicated reporting tool for cyberbullying and online abuse, we removed over 9,000 pieces of abusive and harmful content from social media platforms bringing vital relief to so many people including those who had already reported with no success. Through *Ditch the Label Education*, 30,600 educators used our free and complete school resources covering bullying, digital literacy and gender stereotypes - we were pleased to add new resources covering mental health. We published our flagship research report *The Annual Bullying Survey 2020* which studied loneliness and poor mental health, revealing the biggest contributors to depression and anxiety in over 13,000 young people's lives.

While support services remained our top priority, we continued to be involved in policy work where it had pivoted to online meetings. Most notably we consulted to The Law Commission on a Department of Digital, Culture, Media and Sport ('DCMS') funded initiative on the Reforms of the Communications Offences and Intimate Image Abuse, both of which continue to make good progress.

All non-essential activities were scaled down with our direct support services prioritised above all other charitable activities to ensure that young people's safety and wellbeing was at the forefront. As a digital first organisation, we were able to respond swiftly as we did not have to pivot our support services, having been pioneers of digital support for over a decade. On the expiration of the lease and mindful of budgets, the charity moved offices within Brighton during January 2021.

Finally, there were significant financial challenges to contend with as along with many other charities, revenue was severely impacted. Traditional funders shifted priorities to respond to the pandemic and CSR budgets were halted, diverted or delayed. Ditch the Label rose to the challenge and worked incredibly hard with new and existing funders to respond. We are proud to report that the delivery of support services continued to be a lifeline for young people across the globe.

Ditch The Label Ltd

Trustees' Report

Financial review

The principal funding sources for the Charity are currently by way of donations, grants, corporate sponsorship, merchandise sales and events.

The Directors and Trustees have assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The Charity plans to continue activities as outlined above, engaging with its core market in the forthcoming year subject to satisfactory funding arrangements.

Policy on reserves

It is the policy of the Charity that unrestricted funds which have not been designated for a specific use wherever possible, should be maintained at a level equivalent to three month's expenditure.

The Directors and Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Charity's current activities, while consideration is given to ways in which additional funds may be raised. As part of ongoing risk management, the Charity will review the reserves policy each year or as the result of a significant change or event.

Structure, governance and management

The charity is a company limited by guarantee without share capital.

The following director has held office since 1 March 2018:

Mr L D Hackett

The Trustees, who are also the non executive directors for the purpose of company law are:

Mrs J K Koomson

Dr C Spencer (resigned 31 May 2020)

Ms S C Baines

Mr H A J Morris

Ms R Barrie

Mr S R H Comins

Mr D T Levine (Appointed 17 April 2019)

Mr A Hughes (Appointed 7 October 2019)

New Trustees may be appointed at any time with a maximum of ten on the Board.

New Trustees may be proposed by the CEO or any Trustee and shall be appointed by ordinary resolution at a meeting of the Board of Trustees. Special notice is required of a resolution to appoint a Trustee.

Ditch The Label Ltd

Trustees' Report

Trustees are appointed for a term of three years. At the end of that term Trustees may be reappointed subject to a majority vote of the board of Trustees. There is no cap to the number of times an individual can be appointed to the board of Trustees.

Trustees are initially invited on to the board for a probationary period of 3 months at which point the position will be reviewed by both parties before extending the position to a full board member if appropriate.

The annual report was approved by the trustees of the charity on 26/11/21..... and signed on its behalf by:



Adam Hughes
Trustee

Ditch The Label Ltd

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Ditch The Label Ltd for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the charity on 26/11/21 and signed on its behalf by:


.....
Adam Hughes
Trustee

Ditch The Label Ltd

Statement of Financial Activities for the Year Ended 28 February 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2021 £
Income and Endowments from:				
Donations and grants	3	139,137	140,975	280,112
Charitable activities	4	12,055	-	12,055
Other trading activities	5	5,953	-	5,953
Investment income	6	182	-	182
Other income (Google & Stock movement)		4,789	-	4,789
Total income		162,116	140,975	303,091
Expenditure on:				
Raising funds	7	(1,675)	-	(1,675)
Charitable activities	8	(298,127)	(96,771)	(394,898)
Total expenditure		(299,802)	(96,771)	(396,573)
Net (expenditure)/income		(137,686)	44,204	(93,482)
Net movement in funds		(137,686)	44,204	(93,482)
Reconciliation of funds				
Total funds brought forward		43,873	246,145	290,018
Total funds carried forward	19	(93,813)	290,349	196,536
	Note	Unrestricted funds £	Restricted funds £	Total 2020 £
Income and Endowments from:				
Donations and grants	3	140,144	405,434	545,578
Charitable activities	4	7,571	-	7,571
Other trading activities	5	2,125	-	2,125
Investment income	6	766	-	766
Total income		150,606	405,434	556,040
Expenditure on:				
Raising funds	7	(1,217)	-	(1,217)
Charitable activities	8	(351,696)	(195,865)	(547,561)
Total expenditure		(352,913)	(195,865)	(548,778)
Net (expenditure)/income		(202,307)	209,569	7,262
Net movement in funds		(202,307)	209,569	7,262
Reconciliation of funds				
Total funds brought forward		246,180	36,575	282,755

The notes on pages 11 to 25 form an integral part of these financial statements.

Ditch The Label Ltd

Statement of Financial Activities for the Year Ended 28 February 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2020 £
Total funds carried forward	19	43,873	246,144	290,017
The funds breakdown for 2020 is shown in note 19.				

The notes on pages 11 to 25 form an integral part of these financial statements.

Ditch The Label Ltd

(Registration number: 08387544)
Balance Sheet as at 28 February 2021

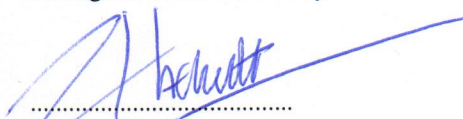
	Note	2021 £	2020 £
Fixed assets			
Tangible assets	14	17,634	20,116
Current assets			
Stocks	15	8,833	4,048
Debtors	16	33,680	93,489
Cash at bank and in hand		141,021	178,383
		<u>183,534</u>	<u>275,920</u>
Creditors: Amounts falling due within one year	17	<u>(4,632)</u>	<u>(6,019)</u>
Net current assets		<u>178,902</u>	<u>269,901</u>
Net assets		<u>196,536</u>	<u>290,017</u>
Funds of the charity:			
Restricted income funds			
Restricted funds	19	290,349	246,144
Unrestricted income funds			
Unrestricted funds		<u>(93,813)</u>	<u>43,873</u>
Total funds	19	<u>196,536</u>	<u>290,017</u>

For the financial year ending 28 February 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 7 to 25 were approved by the trustees, and authorised for issue on and signed on their behalf by:


.....
Dr Liam Hackett
Chief Executive Officer

The notes on pages 11 to 25 form an integral part of these financial statements.

Ditch The Label Ltd

Statement of Cash Flows for the Year Ended 28 February 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash (expenditure)/income		(93,482)	7,262
Adjustments to cash flows from non-cash items			
Depreciation	7	5,227	6,589
Investment income	6	(182)	(766)
		(78,549)	13,085
Working capital adjustments			
(Increase)/decrease in stocks	15	(4,785)	167
Decrease/(increase) in debtors	16	59,809	(59,220)
Decrease in creditors	17	(1,387)	(24,342)
Decrease in deferred income		-	(20,000)
Net cash flows from operating activities		(24,912)	(90,310)
Cash flows from investing activities			
Interest receivable and similar income	6	182	766
Purchase of tangible fixed assets	14	(2,745)	(3,545)
Net cash flows from investing activities		(2,563)	(2,779)
Net decrease in cash and cash equivalents		(27,475)	(93,089)
Cash and cash equivalents at 1 March		178,383	271,472
Cash and cash equivalents at 28 February		141,016	178,383

All of the cash flows are derived from continuing operations during the above two periods.

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 28 February 2021

1 Charity status

The charity is limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Phoenix House, 3rd Floor

32 West Street

Brighton

BN1 2RT

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

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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

Ditch The Label Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Donations and legacies

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 28 February 2021

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 28 February 2021

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment of assets.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Fixtures, fittings and equipment	25% reducing balance
Computers	25% reducing balance

Stock

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost.

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 charity will not be able to collect all amounts due according to the original terms of the receivables.

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 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 charity 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.

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 28 February 2021

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 28 February 2021

Debt instruments

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

(a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.

(b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.

(c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).

(d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.

(e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

(f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 28 February 2021

3 Income from donations and legacies

	Unrestricted funds Designated £	General £	Restricted funds £	Total funds £
Donations and legacies;				
Legacies	-	22,490	-	22,490
Grants, including capital grants;				
Grants from companies	-	50,500	140,975	191,475
Regular giving and capital donations	-	66,147	-	66,147
Total for 2021	-	139,137	140,975	280,112
Total for 2020	22,354	117,790	405,434	545,578

4 Income from charitable activities

	Unrestricted General £	Total 2021 £	Total 2020 £
Sales within charitable activities	12,055	12,055	7,571
	Unrestricted funds General £	Total funds £	
	12,055	12,055	
Total for 2021	12,055	12,055	
Total for 2020	7,571	7,571	

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 28 February 2021

5 Income from other trading activities

	Unrestricted funds General £	Total funds £
Other income from other trading activities	5,953	5,953
Total for 2021	5,953	5,953
Total for 2020	2,125	2,125

6 Investment income

	Unrestricted funds General £	Total funds £
Interest receivable and similar income; Other interest receivable	182	182
Total for 2021	182	182
Total for 2020	766	766

7 Expenditure on raising funds

a) Costs of generating donations and legacies

	Note	Unrestricted funds General £	Total funds £
Marketing and publicity		1,675	1,675
Total for 2021		1,675	1,675
Total for 2020		1,217	1,217

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 28 February 2021

8 Expenditure on charitable activities

	Note	Unrestricted funds General £	Restricted funds £	Total funds £
General direct costs		3,627	28,395	32,022
Staff costs		131,701	45,459	177,160
Governance costs	9	144,380	15,772	160,152
Total for 2021		279,708	89,626	369,334
Total for 2020		351,696	195,865	547,561

In addition to the expenditure analysed above, there are also governance costs of £160,152 (2020 - £177,461) which relate directly to charitable activities. See note 9 for further details.

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 28 February 2021

9 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Restricted funds £	Total funds £
Staff costs			
Wages and salaries	37,193	12,558	49,751
Other staff costs	48	-	48
Other fees paid to auditors	-	300	300
Legal fees	521	325	846
Marketing and publicity	2,224	925	3,149
Depreciation, amortisation and other similar costs	4,132	1,095	5,227
Other governance costs	18,098	306	18,404
Allocated support costs	82,164	263	82,427
Total for 2021	144,380	15,772	160,152
Total for 2020	150,043	27,418	177,461

Included within governance costs of £18,098 is £1,650 in relation to accountancy and independent examination services provided.

10 Net incoming/outgoing resources

Net (outgoing)/incoming resources for the year include:

	2021 £	2020 £
Depreciation of fixed assets	5,227	6,590

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 28 February 2021

11 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

12 Staff costs

The aggregate payroll costs were as follows:

	2021	2020
	£	£
Staff costs during the year were:		
Wages and salaries	226,911	344,201
Other Staff Costs	48	460
	<u>226,959</u>	<u>344,661</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2021	2020
	No	No
Employees	<u>8</u>	<u>9</u>

During the year, one employee received emoluments falling within the band of £70,000 to £80,000.

13 Taxation

The charity is a registered charity and is therefore exempt from taxation.

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 28 February 2021

14 Tangible fixed assets

	Furniture and equipment £	Other tangible fixed asset £	Total £
Cost			
At 1 March 2020	14,465	27,074	41,539
Additions	1,633	1,112	2,745
At 28 February 2021	16,098	28,186	44,284
Depreciation			
At 1 March 2020	5,943	15,480	21,423
Charge for the year	2,100	3,127	5,227
At 28 February 2021	8,043	18,607	26,650
Net book value			
At 28 February 2021	8,055	9,579	17,634
At 29 February 2020	8,522	11,594	20,116

15 Stock

	2021 £	2020 £
Finished goods	8,833	4,048

16 Debtors

	2021 £	2020 £
Trade debtors	-	56,175
Prepayments	2,093	6,432
Other debtors	31,587	30,882
	33,680	93,489

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 28 February 2021

17 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	900	1,294
Other taxation and social security	4,886	8,012
VAT grant repayable	(4,082)	(11,215)
Other creditors	1,279	6,279
Accruals	1,650	1,649
	4,632	6,019

18 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £4,879. (2020: £6,471)

19 Funds

	Balance at 1 March 2020 £	Incoming resources £	Resources expended £	Balance at 28 February 2021 £
Unrestricted funds				
<i>General</i>				
Unrestricted - general	43,873	162,116	(299,802)	(93,813)
Restricted funds				
Lottery Funding	1,825	-	(287)	1,538
The Clothworkers Foundation Fund	1,566	-	(246)	1,320
Unilever Fund	57,040	25,000	(79,072)	2,968
Electronic Arts	80,919	-	-	80,919
Paul Hamlyn Foundation	30,000	76,000	-	106,000
Highway One Foundation	10,000	-	-	10,000
River Island	20,500	-	-	20,500
The Schuh Trust	5,000	-	-	5,000
Barclays	15,244	-	-	15,244
Oath (UK) Ltd	4,050	-	-	4,050
People's Postcode Lottery	20,000	-	-	20,000
Tumblr	-	15,910	(15,866)	44
Rathbone Trust	-	2,000	-	2,000
The David + Ruth	-	22,065	-	22,065
Simple	-	-	(1,000)	(1,000)
DTL US Fund	-	-	(300)	(300)

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 28 February 2021

	Balance at 1 March 2020 £	Incoming resources £	Resources expended £	Balance at 28 February 2021 £
Total restricted funds	246,144	140,975	(96,771)	290,348
Total funds	290,017	303,091	(396,573)	196,536

The specific purposes for which the funds are to be applied are as follows:

Eleanor Rathbone Charitable Trust – Ditch the Label was awarded a £2,000 grant to provide student booklets across schools in Merseyside. These booklets are used alongside our free Mental Health Education programme.

Garfield Weston - A 12-month grant of £25,000 towards funding our core costs. Such vital funding enables us to focus less on fundraising for those costs and more on reaching young people who need us.

The David + Ruth Lewis Family Charitable Trust – Ditch the label received vital funding that gave us the opportunity to respond swiftly to the COVID crisis which saw a significant increase in both the number and severity and urgency of support requests we received from vulnerable young people. This allowed us to provide additional support over a 6-month period.

Paul Hamlyn Foundation - The Paul Hamlyn Foundation supported Ditch the Label with a grant of £30,000 towards the CEO's salary and a vital emergency grant of £46,000. This emergency funding enabled us to respond swiftly to the COVID crisis in employing additional support mentors to deal with the increase in the numbers of young people accessing our services.

Unilever - Working in partnership through their Simple brand, Ditch the Label collaborated on a campaign involving Little Mix which encouraged people to choose kindness online.

Tumblr Inc - Tumblr sponsored a Coronavirus hub on the Ditch the Label website when the pandemic first hit. This hub provided vital help and resources to people struggling through lockdown among many other challenges.

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 28 February 2021

20 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 28 February 2021 £
Tangible fixed assets	14,208	3,426	17,634
Current assets	183,536	-	183,536
Current liabilities	(4,632)	-	(4,632)
Total net assets	193,110	3,426	196,536
	Unrestricted funds General £	Restricted funds £	Total funds at 29 February 2020 £
Tangible fixed assets	16,584	3,532	20,116
Current assets	275,920	-	275,920
Current liabilities	(6,019)	-	(6,019)
Total net assets	286,485	3,532	290,017

21 Analysis of net funds

	At 1 March 2020 £	Financing cash flows £	At 28 February 2021 £
Cash at bank and in hand	178,383	(37,367)	141,016
Net debt	178,383	(37,367)	141,016
	At 1 March 2019 £	Financing cash flows £	At 29 February 2020 £
Cash at bank and in hand	271,472	(93,089)	178,383
Net debt	271,472	(93,089)	178,383

Ditch The Label Ltd

Notes to the Financial Statements for the Year Ended 28 February 2021

22 Related party transactions

During the year the charity made the following related party transactions:

Key management personnel

Remuneration of key management personnel

Aggregate compensation:

2021: £75,000

2020: £74,963

At the balance sheet date the amount due from Key management personnel was £1,098 (2020 - £392).

Ditch The Label Ltd

Statement of Financial Activities by fund for the Year Ended 28 February 2021

Unrestricted Funds

	Total Unrestricted Funds 2021 £	Total Unrestricted Funds 2020 £
Income and Endowments from:		
Donations and legacies	139,137	140,144
Charitable activities	12,055	7,571
Other trading activities	5,953	2,125
Investment income	182	766
Other income	4,789	-
Total income	<u>162,116</u>	<u>150,606</u>
Expenditure on:		
Raising funds	(1,675)	(1,217)
Charitable activities	<u>(298,127)</u>	<u>(351,696)</u>
Total expenditure	<u>(299,802)</u>	<u>(352,913)</u>
Net expenditure	<u>(137,686)</u>	<u>(202,307)</u>
Net movement in funds	(137,686)	(202,307)
Reconciliation of funds		
Total funds brought forward	<u>43,873</u>	<u>246,180</u>
Total funds carried forward	<u>(93,813)</u>	<u>43,873</u>

Ditch The Label Ltd

Statement of Financial Activities by fund for the Year Ended 28 February 2021

Restricted Funds

	Total Restricted Funds 2021 £	Total Restricted Funds 2020 £
Income and Endowments from:		
Donations and legacies	140,975	405,434
Total income	140,975	405,434
Expenditure on:		
Charitable activities	(96,771)	(195,865)
Total expenditure	(96,771)	(195,865)
Net income	44,204	209,569
Net movement in funds	44,204	209,569
Reconciliation of funds		
Total funds brought forward	246,145	36,575
Total funds carried forward	290,349	246,144

Ditch The Label Ltd

Detailed Statement of Financial Activities for the Year Ended 28 February 2021

	Total 2021 £	Total 2020 £
Income and Endowments from:		
Donations and legacies (analysed below)	280,112	545,578
Charitable activities (analysed below)	12,055	7,571
Other trading activities (analysed below)	5,953	2,125
Investment income (analysed below)	182	766
Other income (analysed below)	4,789	-
Total income	303,091	556,040
Expenditure on:		
Raising funds (analysed below)	(1,675)	(1,217)
Charitable activities (analysed below)	(394,898)	(547,561)
Total expenditure	(396,573)	(548,778)
Net (expenditure)/income	(93,482)	7,262
Net movement in funds	(93,482)	7,262
Reconciliation of funds		
Total funds brought forward	290,017	282,755
Total funds carried forward	196,536	290,017

Ditch The Label Ltd

Detailed Statement of Financial Activities for the Year Ended 28 February 2021

	Total 2021 £	Total 2020 £
<i>Donations and legacies</i>		
Donations and gifts	-	22,354
Donations and gifts	66,147	64,875
Grants	22,490	-
Grants	140,975	405,434
Grants	50,500	52,915
	<u>280,112</u>	<u>545,578</u>
<i>Charitable activities</i>		
Merchandise sales	12,055	7,571
	<u>12,055</u>	<u>7,571</u>
<i>Other trading activities</i>		
Fee income	5,953	2,125
	<u>5,953</u>	<u>2,125</u>
<i>Investment income</i>		
Other interest receivable	182	766
	<u>182</u>	<u>766</u>
<i>Other income</i>		
Other income	4,789	-
	<u>4,789</u>	<u>-</u>
<i>Raising funds</i>		
Fundraising costs	-	(1,217)
Advertising	(1,675)	-
	<u>(1,675)</u>	<u>(1,217)</u>
<i>Charitable activities</i>		
Advertising	-	(826)
Education services	-	(1,318)
Education and awareness promotions	(2,250)	(1,428)
Opening finished goods	(4,048)	(4,215)
Direct costs	(3,161)	(4,389)
Closing finished goods	8,833	4,048
Social Media	(10,390)	(70,626)
Public relations	(3,000)	(3,960)
Website costs	(24,895)	-
Website costs	(1,443)	(10,633)
Courier services	-	(128)

Ditch The Label Ltd

Detailed Statement of Financial Activities for the Year Ended 28 February 2021

	Total 2021 £	Total 2020 £
Commissions payable	(1,558)	(874)
Staging fundraising events	-	(7,334)
Trade subscriptions	(403)	-
Consultancy fees	(12,225)	-
Wages and salaries	(40,789)	(85,013)
Wages and salaries	(57,293)	(97,800)
Staff NIC (Employers)	(3,738)	(8,022)
Staff NIC (Employers)	(5,939)	(6,876)
Directors remuneration	(58,500)	(58,471)
Directors NIC (Employers)	(7,131)	(7,247)
Staff pensions (Defined contribution) - pension scheme 1	(932)	-
Staff pensions (Defined contribution) - pension scheme 1	(1,814)	(4,055)
Directors pensions (Defined contribution) - pension scheme 1	(1,024)	(933)
Computer software and maintenance costs	(2,302)	(513)
Printing, postage and stationery	(4,834)	(2,112)
Domain and web hosting	(801)	(2,887)
Cleaning	(28)	(1,195)
Travel and subsistence	(306)	-
Travel and subsistence	(1,552)	(15,660)
Advertising	(925)	-
Advertising	(2,224)	(3,641)
Staff entertaining (allowable for tax)	(48)	(460)
Customer entertaining (disallowable for tax)	-	(973)
Accountancy fees	(300)	-
Accountancy fees	(8,238)	(8,818)
Consultancy fees	(325)	-
Consultancy fees	(120)	-
Legal and professional fees	(401)	(746)
Bank charges	(248)	(357)
Bank interest payable	(76)	-
Other interest payable	(19)	-
Depreciation of fixtures and fittings	(104)	-
Depreciation of fixtures and fittings	(1,698)	(2,349)
Depreciation of office equipment	(20)	(166)
Depreciation of office equipment	(278)	(232)
Depreciation of computer equipment	(971)	(1,012)
Depreciation of computer equipment	(2,156)	(2,831)
Wages and salaries	(11,504)	(23,978)
Wages and salaries	(16,159)	(27,585)
Staff NIC (Employers)	(1,054)	(2,262)

This page does not form part of the statutory financial statements.

Ditch The Label Ltd

Detailed Statement of Financial Activities for the Year Ended 28 February 2021

	Total 2021 £	Total 2020 £
Staff NIC (Employers)	(1,676)	(1,939)
Directors remuneration	(16,500)	(16,492)
Directors NIC (Employers)	(2,011)	(2,044)
Staff pensions (Defined contribution) - pension scheme 1	(263)	-
Staff pensions (Defined contribution) - pension scheme 1	(558)	(1,144)
Directors pensions (Defined contribution) - pension scheme 1	(289)	(340)
Subcontract cost	-	(347)
Staff training	(426)	(3,367)
Staff welfare	(1,307)	(5,775)
Rent and rates	(49,183)	(39,918)
Rates	(7,390)	-
Insurance	(3,911)	(3,123)
Repairs and maintenance	(16,212)	(1,693)
Telephone and fax	(2,885)	(3,469)
Office expenses	(850)	-
Sundry expenses	(4,721)	(33)
	<u>(396,573)</u>	<u>(547,561)</u>