

THE LABOUR BEHIND THE LABEL TRUST

**REPORT AND ACCOUNTS
FOR THE YEAR ENDED
31 MARCH 2022**

Registered charity number: 1159356

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REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

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Trustees Annual Report for the year ended 31 March 2022

The trustees are pleased to present their annual report together with the accounts of the charity for the year ended 31 March 2022.

The accounts have been prepared in accordance with the accounting policies set out on page 9 and comply with the Charity's governing instrument, The Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard (FRS102) applicable in the UK and Republic of Ireland.

Our Purposes and Activities

The Charity's objects are:

- To advance for the public benefit, and with particular regard to garment workers and their dependents throughout the world:
- The relief of poverty;
- The promotion of human rights (as set out in the Universal Declaration of Human Rights);
- Compliance with the law and ethical standards of conduct.

Achievements and Performance

The Trust's grant making policy provides the basis for its operations in support of the promotion of human rights and ethical and legal work practices for garment workers and their dependents.

In March 2021 the Trust agreed a work programme for 2021/22 building on the achievements of the 2020/21 year, recognising the pressing questions of worker welfare accentuated by the global Covid-19 pandemic while also continuing an internal focus on capacity building and securing income. This programme highlighted **1)** raising issues and support work highlighting the ongoing need for social security as a result of the Covid-19 crisis, **2)** continuation of work accentuating the Living Wage through Transparency campaign, **3)** in the wake of significant developments during 2020, a focus on sustaining campaign work highlighting conditions in Leicester and the UK garment, **4)** extending education campaigns through delivery of the 'Another World is Possible' toolkit in conjunction with the Network for Social Change, alongside work to ensure more secure income through **5)** improvements to LBL's digital campaigning and fundraising work and **6)** continuing to develop LBL's Regular Giving (RG) programme.

Although these were, to a large degree, met, the pandemic-related shifts in global campaigning meant that the international focus shifted from the Living Wage campaign to a focus on compliance with minimum wage requirements that were not being met in many instances. In part this was because the pandemic changed the circumstances globally, while the focus on the UK garment sector continued as a major focus of work.

Grants to Labour Behind the Label focused on these six areas. A key area of continuing work from 2021 was continuing support for and development of the international Clean Clothes Campaign's Fashion Checker website; LBL's work included leading developments towards an international position on identity discrimination and intersectionality in the garment industry as the basis for identifying gaps and enhancing the quality and impact of the data underpinning the Fashion Checker.

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Trustees Annual Report for the year ended 31 March 2022 cont.

Achievements and Performance (continued)

The work on the UK garment industry continued to grow as an area of emphasis with continuing work with community groups, trades unions and NGOs to raise the profile of concerns about worker wellbeing in the industry, and enhancement of community links in areas where the garment industry is a major employer. A key development in this was the employment of staff member within LBL to focus on these community links. A consequence of this work was the reinforcement of the need to continue to work towards greater diversity in both LBL and the Trust.

The third significant outcome was the finalisation and publication of the 'Another World is Possible' toolkit towards the end of 2021 as a vital resource in extending the reach of understanding about workers' rights in the garment industry, and the focus on reaching out to wider audiences for our work.

Alongside this public outreach and education work, there were significant developments enhancing LBL's digital campaigning and fundraising work, with major improvements to the supporter database and fundraising potential, final steps to ensure full compliance with General Data Protection Regulation provisions in that record keeping, and significant website redesign, including infrastructure enhancement.

In terms of capacity development, regular donor numbers to grow although overall income reduced slightly after a spike during the peak of the pandemic, although income remains notably higher than 2019/20. The Trust will continue to monitor income and if these levels continue or grow will continue to work with LBL to ensure the most effective use of funds. This is likely to include a review of policy including but not limited to reserves.

Achievements are monitored by Trustees at quarterly Trust meetings as well as through reports presented by the Labour Behind the Label throughout the year.

Trust Board membership remained static throughout the year.

Public Benefit

Trustees review public benefit annually (in March) when assessing the proposed activities for the forthcoming year. The trustees have had due regard to the Charity Commission guidance on public benefit in deciding what activities the charity should undertake and confirm that all the charity's activities are undertaken to further our charitable purposes for the public benefit.

Financial Review

At 31 March 2022 the Charity had funds carried forward of £63,062 (2021 - £48,040), of which £8,000 are held as restricted funds (2021 - £nil).

The Charity's main sources of funding in the year were:

- donations from members of the public of £58,504;
- grants of £42,403.

The trustees are confident that the Charity is financially secure to deliver its programme of activities for 2022/23.

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Trustees Annual Report for the year ended 31 March 2022 cont.

Investment policy

As reserves are currently at a relatively low level, the majority of funds are currently held in a bank current account.

Going Concern

The trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Plans for Future Periods

Our workplan for 2022/23 builds on the 2021/22 programme and successes, and adjusts key work streams to shifts in the global and UK context of production and consumption, with five principal areas of focus, emphasising supply chain transparency, wage fairness and security, and supporter infrastructure:

- 1) Campaign for justice for workers affected by the COVID-19 supply chain crisis, and raise need for ongoing social security improvements, with a focus on Sri Lanka
- 2) Support worker organising in Leicester and campaign on improving the UK garment industry
- 3) Raise awareness of how future changing markets and climate are having an impact on workers' rights
- 4) Campaign for living wages supporting global calls for a wage agreement, and
- 5) Continue to develop LBL's supporter engagement and regular giving (RG) programme.

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Trustees Annual Report for the year ended 31 March 2022 cont.

Reference and Administrative Information

Name & Charity Number:

Labour Behind The Label Trust: Registered Charity No 1159356

Registered Office

The Old Co-Op
38-42 Chelsea Road
Easton
Bristol
BS5 6AF

Trustees:

Malcolm MacLean
Joanna Ewart-James
Thrisa Haldar
Sarah Daly
Rebecca Collins
Sharon Mitcheson

Bankers:

The Co-operative Bank Plc
P.O. Box 101
1 Balloon Street
Manchester
M60 4EP

Independent Examiner:

Burnside
Chartered Accountants
61 Queen Square
Bristol
BS1 4JZ

Structure, Governance and Management

Labour Behind the Label Trust operates in England, Wales and Northern Ireland working closely with Labour Behind the Label Limited. Each organisation is separate and governed as an autonomous entity. They share some resources and a brand, in order to achieve their separate but similar objects as cost-effectively as possible.

Governing Document

The charity was established under a Trust Deed dated 29/08/12 (as amended by a deed dated 13/09/14) which established the objects and powers of the charity.

Recruitment and Appointment of the Trustees

The trustees regularly review their skills and experience base to reflect the needs of the organisation.

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Trustees Annual Report for the year ended 31 March 2022 cont.

Trustee Induction and Training

New trustees are given clear advice and support in relation to their obligations by incumbent trustees. All relevant documentation is made available including details of its resourcing, the current financial position as set out in the latest set of accounts and information about future plans and the strategic development of the charity.

Day to day management

The Trustees have delegated the day to day management of the charity to Caroline Lewis, Director of Fundraising at Labour Behind the Label, who reports formally to the Trustees at meetings.

Key Personnel

Caroline Lewis

Risk Management

The Trustees have assessed the major financial and reputations risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks. Trustees review risk at each quarterly meeting, examining cash flow and any reputational risks due to high profile campaigns or events that Labour Behind the Label is leading on.

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Trustees Annual Report for the year ended 31 March 2022 cont.

Trustees' responsibilities in relation to the financial statements

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable laws and regulations.

The laws applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable regulations). Under that 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 Charity and of the incoming resources and application of resources of the Charity for that year.

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

- a) select suitable accounting policies and then apply them consistently;
- b) observe the methods and principles in the Charities SORP;
- c) make judgements and estimates that are reasonable and prudent;
- d) state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- e) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operational existence.

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 Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the charity and taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the Trustees:



**Malcolm MacLean (Chair)
Trustee**

Date: 16 December 2022

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INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE LABOUR BEHIND THE LABEL TRUST

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31 March 2022.

Responsibilities and basis of report

As the trustees of the Trust, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

- the accounting records were not kept in respect of the Trust as required by section 130 of the Act, or
- the accounts do not accord with those records; or
- the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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



13/01/2023

Name: Mark Pooley

Relevant professional qualification or body: ICAEW

Address: Burnside Chartered Accountants, 61 Queen Square, Bristol, BS1 4JZ.

Date:

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STATEMENT OF FINANCIAL ACTIVITIES **FOR THE YEAR ENDED 31 MARCH 2022**

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
INCOME FROM:					
Donations and legacies					
Donations		58,504	-	58,504	59,212
Charitable activities					
Grants receivable	2	26,903	15,500	42,403	48,500
TOTAL INCOME		85,407	15,500	100,907	107,712
EXPENDITURE ON:					
Raising funds					
Costs of applying for grants		7,176	-	7,176	7,258
Charitable activities – promoting human rights and ethical and legal work practices for garment workers					
Grants payable		68,903	7,500	76,403	51,900
Finance and book-keeping		1,148	-	1,148	1,148
Independent examination		1,044	-	1,044	1,008
Bank charges		4	-	4	4
Sundry expenses		110	-	110	39
TOTAL EXPENDITURE		78,385	7,500	85,885	61,357
Net income/(expenditure) and net movement in funds for the year		7,022	8,000	15,022	46,355
Reconciliation of funds					
Total funds brought forward		48,040	-	48,040	1,685
Total funds carried forward		55,062	8,000	63,062	48,040

All income and expenditure in the previous year was unrestricted.

The notes on pages 11 to 12 form part of these accounts

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BALANCE SHEET **AS AT 31 MARCH 2022**

	Note	2022 £	2021 £
CURRENT ASSETS			
Debtors	4	6,156	-
Cash at bank and in hand		61,114	68,414
		67,270	68,414
LIABILITIES			
Creditors: amounts falling due within one year	5	(4,208)	(20,374)
NET CURRENT ASSETS/(LIABILITIES)		63,062	48,040
NET ASSETS		63,062	48,040
THE FUNDS OF THE CHARITY			
Restricted funds		8,000	-
Unrestricted funds		55,062	48,040
TOTAL CHARITY FUNDS		63,062	48,040

These financial statements were approved by the trustees and authorised for issue on, and are signed on their behalf by:



.....
Malcolm Maclean
TRUSTEE

16 December 2022

Date

Charity No 1159356

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

1. Accounting policies

a) Basis of preparation and assessment of going concern

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by 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), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

b) Income recognition

Donations and grants

Income from donations and grants, including capital grants, is included in incoming resources when these are receivable, except as follows:

- when donors specify that donations and grants given to the charity must be used in future accounting periods, the income is deferred until those periods.
- when donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for use have been met.

When donors specify that donations and grants, including capital grants, are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

Interest receivable

Interest is included when receivable by the charity.

c) Expenditure and irrecoverable VAT

Expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

d) Fund accounting

Funds held by the charity are:

Unrestricted general funds – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022 (cont).

2. Grants receivable	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Network for Social Change	17,219	-	17,219	-
Joffe Trust	-	7,500	7,500	20,000
Scurrah Wainwright Trust	-	5,000	5,000	-
Solomons Trust	4,500	-	4,500	4,500
Southall Trust	-	3,000	3,000	-
Thresholds Ltd	2,184	-	2,184	20,000
The Big Give Trust	3,000	-	3,000	2,000
Other grants receivable	-	-	-	2,000
	26,903	15,500	42,403	48,500

3. Net income/(expenditure) for the year

This is stated after charging:	2022 £	2021 £
Independent examiner's fees	1,044	1,008

4. Debtors	2022 £	2021 £
Prepayments and accrued income	6,156	-
	6,156	-

5. Creditors	2022 £	2021 £
Creditors and accruals	1,708	971
Deferred income	2,500	19,403
	4,208	20,374

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022 (cont).

6. Unrestricted funds

	Balance 1 April 2021	Movement in resources		Transfers between funds	Balance 31 March 2022
	£	Incoming £	Outgoing £	£	£
General Funds	48,040	85,407	78,385	-	55,062
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

7. Restricted funds

	Balance 1 April 2021	Movement in resources		Transfers between funds	Balance 31 March 2022
	£	Incoming £	Outgoing £	£	£
Joffe Trust	-	7,500	7,500	-	-
Scurrah Wainwright	-	5,000	-	-	5,000
Southall Trust	-	3,000	-	-	3,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	-	15,500	7,500	-	8,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

5. Related party transactions and trustees' expenses

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2021: £nil).

There were no related party transactions in the year.