

THE LABOUR BEHIND THE LABEL TRUST

**REPORT AND ACCOUNTS
FOR THE YEAR ENDED
31 MARCH 2023**

Registered charity number: 1159356

THE LABOUR BEHIND THE LABEL TRUST

REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023

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Trustees Annual Report for the year ended 31 March 2023

The trustees are pleased to present their annual report together with the accounts of the charity for the year ended 31 March 2023.

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 2022 the Trust agreed a work programme for 2022/23 building on the achievements of the 2021/22 year, recognising the pressing questions of worker welfare accentuated by the global Covid-19 pandemic and a growing awareness of and emphasis on conditions in the UK clothing industry while also continuing an internal focus on capacity building and securing income. This programme highlighted 1) the continuing work focusing on workers affected by the COVID-19 supply chain crisis, especially the need for ongoing social security improvements, with a focus on Sri Lanka, 2) in the wake of significant developments since 2020, continuing to support campaign work highlighting conditions in Leicester and the UK garment industry, 3) work to raise awareness of how future changing markets and climate are having an impact on workers' rights 4) extending work in support of demands for living wages, and work to ensure more secure income to the Trust through 5) continuing to develop LBL's supporter engagement and build LBL's Regular Giving (RG) programme.

In a rapidly shifting global environment, these objectives were ambitious and while several were met, efforts to enhance engagement with the effects especially of climate change proved difficult, and the Living Wage work was preparatory in anticipation of a higher profile over the next few years. These circumstances are reflected in the objectives developed for 2023/24.

Grants to Labour Behind the Label focused on the first four areas. These grants supported innovative outreach activities including 'subvertising' campaigns and a 'real cost of fashion' walking tour of a major fashion retail district alongside more conventional educational activities including petitions and social media work. The emerging focus on the UK garment industry continued to grow especially through the enhancement of community links in areas where the garment industry is a major employer. These community have been vital for the growth and sustenance of this work, enriching outreach and social justice advocacy work while providing direct support for those local efforts to build a more just garment industry. Outreach activities in this context including supporting the availability of a documentary film exploring the issues, as well as supporting its translation into Hindi enhancing its value to those communities for

Trustees Annual Report for the year ended 31 March 2023 cont.

Achievements and Performance (continued)

whom the industry is a major employer. These activities, as well as work with industry suppliers, resulted in considerable publicity and media coverage, further enhancing the outreach about and profile of these issues. For the Trust, this included commitments to continue to support LBL staff focusing on these community links, and to continue to work towards greater diversity in both LBL and the Trust.

This push to diversifying engagement and outreach is also reflected in support for work on changing markets and climate that has resulted in an on-line photo exhibition exploring the effects of climate change on garment workers, principally in Bangladesh. Other outputs include a zine in both hard copy and digital focusing in the experiences of LGBT garment workers in Cambodia and Indonesia, with plans to highlight these questions during future pride activities. The third aspect of this work has been valuable media coverage of the impacts of the rapid rise of e-retailing on working conditions in the sector. Elsewhere there was also work to enhance the usefulness of the Fashion Checker site developed during 2021/22 with a linked quiz as a way to continue to raise the issues around supply chain transparency.

In terms of capacity development, regular donor numbers continue to grow although overall income seems to have levelled out after a spike during the peak of the pandemic, although income remains higher than 2019/20. The Trust will continue to monitor income and note that it may become necessary to explore with LBL ways to ensure the most effective and timely use of funds without threatening overall sustainability of work in the area. This is likely to include a review of policy and practice.

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 was unchanged 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 2023 the Charity had funds carried forward of £65,034 (2022 - £63,062), of which £nil are held as restricted funds (2022 - £8,000).

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

- donations from members of the public of £57,576;
- grants of £20,461.

The trustees are confident that the Charity is financially secure to deliver its programme of activities for 2023/24.

Trustees Annual Report for the year ended 31 March 2023 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 2023/24 builds on the 2022/23 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 to commemorate the victims of Rana Plaza on the 10th Anniversary of the disaster
- 2) Continue work supporting social security through a focus on the #PayYourWorkers campaign
- 3) Build work to raise awareness of how online markets and consumer buying habits are having an impact on worker' rights
- 4) Develop a climate change campaign and its impact on garment workers
- 5) Continue to develop LBL's and regular giving (RG) programme, and
- 6) Build a legacy fundraising programme.

THE LABOUR BEHIND THE LABEL TRUST

Trustees Annual Report for the year ended 31 March 2023 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.

Trustees Annual Report for the year ended 31 March 2023 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.

Trustees Annual Report for the year ended 31 March 2023 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: 19 January 2024

THE LABOUR BEHIND THE LABEL TRUST

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 2023.

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").

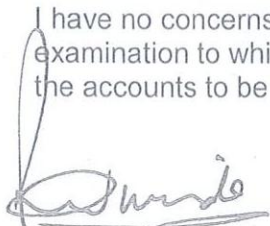
I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

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.



Name: Stephen Burnside

Relevant professional qualification or body: ICAEW

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

Date:

19/1/24

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STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
INCOME FROM:					
Donations and legacies					
Donations		57,576	-	57,576	58,504
Charitable activities					
Grants receivable	2	7,500	12,961	20,461	42,403
TOTAL INCOME		65,076	12,961	78,037	100,907
EXPENDITURE ON:					
Raising funds					
Costs of applying for grants		7,176	-	7,176	7,176
Charitable activities – promoting human rights and ethical and legal work practices for garment workers					
Grants payable		45,000	20,961	65,961	76,403
Finance and book-keeping		1,148	-	1,148	1,148
Independent examination		1,776	-	1,776	1,044
Bank charges		4	-	4	4
Sundry expenses		-	-	-	110
TOTAL EXPENDITURE		55,104	20,961	76,065	85,885
Net income/(expenditure) and net movement in funds for the year		9,972	(8,000)	1,972	15,022
Reconciliation of funds					
Total funds brought forward		55,062	8,000	63,062	48,040
Total funds carried forward		65,034	-	65,034	63,062

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 2023**

	Note	2023 £	2022 £
CURRENT ASSETS			
Debtors	4	10,950	6,156
Cash at bank and in hand		80,141	61,114
		91,091	67,270
LIABILITIES			
Creditors: amounts falling due within one year	5	(26,057)	(4,208)
NET CURRENT ASSETS/(LIABILITIES)		65,034	63,062
NET ASSETS		65,034	63,062
THE FUNDS OF THE CHARITY			
Restricted funds		-	8,000
Unrestricted funds		65,034	55,062
TOTAL CHARITY FUNDS		65,034	63,062

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



.....
Malcolm Maclean
TRUSTEE

19 January 2024

Date

Charity No 1159356

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023**

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.

**NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023 (cont).**

2. Grants receivable	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Network for Social Change	-	2,961	2,961	17,219
Joffe Trust	-	10,000	10,000	7,500
Scurrah Wainwright Trust	-	-	-	5,000
Solomons Trust	4,500	-	4,500	4,500
Southall Trust	-	-	-	3,000
Thresholds Ltd	-	-	-	2,184
The Big Give Trust	3,000	-	3,000	3,000
	7,500	12,961	20,461	42,403

3. Net income/(expenditure) for the year

This is stated after charging:

Independent examiner's fees

2023 £	2022 £
1,776	1,044

4. Debtors

Prepayments and accrued income

2023 £	2022 £
10,950	6,156
10,950	6,156

5. Creditors

Creditors and accruals
Deferred income

2023 £	2022 £
1,440	1,708
24,617	2,500
26,057	4,208

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023 (cont).

6. Unrestricted funds

	Balance 1 April 2022	Movement in resources		Transfers between funds	Balance 31 March 2023
	£	Incoming	Outgoing	£	£
General Funds	55,062	65,076	55,104	-	65,034
	<u>55,062</u>	<u>65,076</u>	<u>55,104</u>	<u>-</u>	<u>65,034</u>

7. Restricted funds

	Balance 1 April 2022	Movement in resources		Transfers between funds	Balance 31 March 2023
	£	Incoming	Outgoing	£	£
Joffe Trust	-	10,000	10,000	-	-
Scurrah Wainwright	5,000	-	5,000	-	-
Southall Trust	3,000	-	3,000	-	-
NSCCT	-	2,961	2,961	-	-
	<u>8,000</u>	<u>12,961</u>	<u>20,961</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 (2022: £nil).

There were no related party transactions in the year.