

Registration number: 08988812

Fashion Revolution C.I.C.

(A company limited by guarantee)

Annual Report and Unaudited Financial Statements

for the Year Ended 30 April 2021

KM
1st Floor, Block C
The Wharf
Manchester Road
Burnley
Lancashire
BB11 1JG

Fashion Revolution C.I.C.

Contents

Company Information	1
Strategic Report	2 to 4
Directors' Report	5
Accountants' Report	6
Statement of Comprehensive Income	7
Statement of Financial Position	8
Statement of Changes in Equity	9
Notes to the Financial Statements	10 to 15

Fashion Revolution C.I.C.

Company Information

Directors
Mrs Carolyn Joy Somers
Mrs Christine Mary Gent
Mrs Sarah Anna Ditty
Mrs Orsola De Castro

Registered office
70 Derby Street
Leek
Staffordshire
ST13 5AJ

Accountants
KM
1st Floor, Block C
The Wharf
Manchester Road
Burnley
Lancashire
BB11 1JG

Fashion Revolution C.I.C.

Strategic Report for the Year Ended 30 April 2021

The directors present their strategic report for the year ended 30 April 2021.

Principal activity

The principal activity of the company is to campaign for a systemic reform of the fashion industry with a focus on the need for greater transparency in the supply chain industry.

Objectives

The Objects as per the Articles of Association are:

To carry on activities which benefit the community and in particular (without limitation) to build a global platform to bring about long term change in the fashion industry which gives a voice to everyone in the fashion value chain, raise awareness of the true cost of fashion and its impact at every stage in the process of production and consumption, and celebrate everyone working to create a more sustainable future for fashion.

Activities and Achievements

Fashion Revolution is a global movement for a fashion industry that conserves and restores the environment and values people over profit and growth. We campaign for a clean, safe, fair, transparent and accountable fashion industry. We do this through research, education, collaboration, mobilisation and advocacy. Over the 2020-21 financial year, Fashion Revolution has been at the forefront of pushing for systemic change in line with our Theory of Change. Our Global Network works together around the world to create positive and lasting change. Fashion Revolution is a registered non-profit organisation in the United Kingdom, with decentralised country offices and voluntary teams in 92 countries and growing. Every year, more Fashion Revolutionaries join us to become part of the international movement, each making an impact where it counts in their communities and in their local languages.

Fashion Activism

Throughout the year, we use social media, email newsletters and blog posts as accessible, open source, decentralised tools for education, inspiration and activism.

Fashion Revolution Week is the time when we come together as a global community to show what a better fashion industry could look like. This year, we marked 8 years since the Rana Plaza factory collapse. We brought people together from across our community, amplified unheard and marginalised voices, and worked together to explore and showcase solutions around the theme of Rights, Relationships & Revolution. We joined forces with five leading non-profit organisations-Canopy, Cultural Intellectual Property Rights Initiative, Plastic Pollution Coalition, World Fair Trade Organisation, Tamil Nadu Alliance-to campaign for change together, producing a range of engaging content and virtual events on both social and environmental issues in the fashion industry. 90+ teams all around the world produced unique events and activations inspired by our theme of Rights, Relationships and Revolution, including a viral hashtag hijacking campaign, a virtual art exhibition, a Fashion Revolution Encyclopedia with community edit-a-thons and the prototype of an online store called Buyless.

Fashion Revolution C.I.C.

Strategic Report for the Year Ended 30 April 2021

We produced a series of video interviews in partnership with WFTO, showcasing people working in the global fashion supply chain for Fair Trade enterprises, a business model that prioritises the wellbeing of the local community. Fashion Revolution also collaborated with Project Workforce to pose the question, if you could ask anything of the people who make your clothes, what would it be? Our community submitted a range of questions for workers in the fashion supply chain and Taslima, Asif, Ranul, Shajahan, Asma, Panna, Mohamad and Shahen, all of whom work in garment factories in Bangladesh, answered them.

Over Fashion Revolution Week in April 2021, we saw:

1.7k press features with a total reach of 4.9 billion

569 million people reached and 284k people engaged with Fashion Revolution on social media

24k new learners on our free online courses

63k reads of free published resources

177k new followers on social media

4.2 million posts with Fashion Revolution hashtags

434 Global partnerships

230k Global event attendees

Industry Advocacy

Our 2021 Fashion Transparency Index is a powerful tool to incentivise greater transparency in the fashion supply chain. This year, 47% of major brands disclosed first tier suppliers (compared to 40% in 2020), 27% disclosed processing facilities (compared to 24% in 2020), 11% disclosed raw material suppliers (compared to 7% in 2020). In addition, we utilised our internal communications for the 2021 Fashion Transparency Index research to pressure 49 major fashion brands to publicly commit to the Accord in order to avoid losing points in next year's edition of the Index, as well as lobbying brands to sign the renewed agreement in collaboration with Clean Clothes Campaign and Pay Up Fashion Coalition.

In support of the Tamil Nadu Declaration and Framework of Action, we conducted research into the supply chain transparency efforts of major fashion brands and retailers. The resulting report, 'Out of Sight: A call for transparency from field to fabric' explores why greater transparency in the supply chain is needed to help put an end to exploitative working conditions in the places where fabrics and yarns are made. We also called upon citizens to demand greater transparency from brands by asking #WhoMadeMyFabric? and asked brands and producers to tell us #IMadeYourFabric, so we can connect more closely with the people who produce the fabrics and raw materials we wear. We worked closely with civil society organisations in Tamil Nadu to hear stories directly from hundreds of garment and textile workers and mobilise citizens to use social media, product review and email tools to directly address brand decision makers.

Fashion Revolution C.I.C.

Strategic Report for the Year Ended 30 April 2021

During Fashion Revolution Week 2021, Fashion Open Studio hosted a series of digital events, showcasing more than 60 designers across 20 countries, each one pushing the boundaries of what it means to work in fashion. For the 2020 Hyeres Fashion Festival, we delivered a masterclass on sustainability in fashion which has developed into a mentorship programme to shift designers' ideas on areas such as materials, sourcing, upcycling techniques, and circularity. For Mercedes Benz Fashion Week Berlin, we collaborated with Fashion Revolution Germany to activate a series of digital events to highlight the work of 15 Berlin-based designers.

We also began work on Small but Perfectly Formed to accelerate fashion SME's to transition to work within circular and sustainable business models, working alongside business support organisations such as fashion weeks, fashion councils, industry bodies and investment schemes to embed circularity, social and environmental sustainability into business support and showcasing initiatives.

Policy Advocacy

We published our second white paper 'Why we still need a fashion revolution' which was sent to over 700 MEPs and published 'Situating Alternatives Textiles in Kenya' policy recommendation paper as part of the Policy Dialogue programme which was presented to the Office of the President. Policy Dialogue programme pilots were completed with Kenya and Rwanda reports and case studies launched to the public and local policymakers. We launched an open source Policy Dialogue Toolkit. 3 Global Network Policy Working Group meetings and training workshops were held, where our country teams shared strategies and tactics for influencing national policy debates.

We co-led the effort with Fair Trade Advocacy Office to build a broad coalition of 65+ Civil Society Organisations across Europe to draft and launch the European Civil Society (shadow) Strategy for Fair & Sustainable Textiles to the European Commission; sent joint letter to EU Commissioners Reynders and Breton calling for complementary action needed to address unfair purchasing practices and achieve goals of the upcoming Sustainable Corporate Governance directive; signed several joint letters sent to the UK Government together with Fashion Roundtable; joint submission made to the UK Environmental Audit Committee's Fixing Fashion; joined the Crack the Crises coalition to work together to influence COP26 and the 2021 G7 Summit and participated in several working groups meetings to influence the trajectory of the UNFCCC Fashion Industry Charter on Climate Action and the UNECE Traceability & Transparency standards, platform and policy recommendations

Global Education

Fashion's Future and the Sustainable Development Goals, our free online course on Futurelearn, has attracted over 33,200 learners, and is now one of the highest ranked courses covering sustainability and the fashion industry on FutureLearn with a rating of 4.9 out of 5. We also continue to enrol Fashion Revolutionaries into our second free online course, Who Made My Clothes?, produced in collaboration with the University of Exeter. Over 18,200 people have taken part in this 4-week learning journey to discover the stories of the people who make our clothes.

Approved by the Board on 29 November 2021 and signed on its behalf by:



.....
Mrs Carolyn Joy Somers
Director

Fashion Revolution C.I.C.

Directors' Report for the Year Ended 30 April 2021

The directors present their report and the financial statements for the year ended 30 April 2021.

Directors of the company

The directors who held office during the year were as follows:

Mrs Carolyn Joy Somers

Mrs Christine Mary Gent

Mrs Sarah Anna Ditty

Mrs Orsola De Castro

Approved by the Board on 29 November 2021 and signed on its behalf by:



.....
Mrs Carolyn Joy Somers
Director

**Chartered Accountants' Report to the Board of Directors on the Preparation of the
Unaudited Statutory Accounts of
Fashion Revolution C.I.C.
for the Year Ended 30 April 2021**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Fashion Revolution C.I.C. for the year ended 30 April 2021 as set out on pages 7 to 15 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/regulation>.

This report is made solely to the Board of Directors of Fashion Revolution C.I.C., as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of Fashion Revolution C.I.C. and state those matters that we have agreed to state to the Board of Directors of Fashion Revolution C.I.C., as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Fashion Revolution C.I.C. and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Fashion Revolution C.I.C. has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Fashion Revolution C.I.C.. You consider that Fashion Revolution C.I.C. is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of Fashion Revolution C.I.C.. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.



.....
KM
1st Floor, Block C
The Wharf
Manchester Road
Burnley
Lancashire
BB11 1JG

29 November 2021

Fashion Revolution C.I.C.

Statement of Comprehensive Income for the Year Ended 30 April 2021

	Note	2021 £	2020 £
Income	3	786,217	694,375
Cost of sales		<u>(26,036)</u>	<u>(45,645)</u>
Gross surplus		760,181	648,730
Administrative expenses		(552,399)	(572,421)
Other operating income		<u>92,622</u>	<u>74,070</u>
Operating surplus	4	300,404	150,379
Other interest receivable and similar income		96	318
Interest payable and similar expenses		<u>(631)</u>	<u>(14,582)</u>
Surplus before tax		299,869	136,115
Taxation		<u>-</u>	<u>-</u>
Surplus for the financial year		<u><u>299,869</u></u>	<u><u>136,115</u></u>

There was no other comprehensive income for 2021 (2020:£NIL)

Fashion Revolution C.I.C.

(Registration number: 08988812) Statement of Financial Position as at 30 April 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	7	-	1,010
Current assets			
Stocks	8	1,841	2,845
Debtors	9	101,076	120,137
Cash at bank and in hand		<u>597,741</u>	<u>286,583</u>
		700,658	409,565
Creditors: Amounts falling due within one year	11	<u>(11,234)</u>	<u>(21,020)</u>
Net current assets		<u>689,424</u>	<u>388,545</u>
Net assets		<u>689,424</u>	<u>389,555</u>
Reserves			
Income and expenditure account		<u>689,424</u>	<u>389,555</u>

For the financial year ending 30 April 2021 the company 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 company 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.

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

Approved and authorised by the Board on 29 November 2021 and signed on its behalf by:



.....
Mrs Carolyn Joy Somers
Director

Fashion Revolution C.I.C.

Statement of Changes in Equity for the Year Ended 30 April 2021

	Income and expenditure £
At 1 May 2020	389,555
Surplus for the year	<u>299,869</u>
Total comprehensive income	<u>299,869</u>
Balance at 30 April 2021	<u><u>689,424</u></u>
At 1 May 2019	253,440
Surplus for the year	<u>136,115</u>
Total comprehensive income	<u>136,115</u>
Balance at 30 April 2020	<u><u>389,555</u></u>

The notes on pages 10 to 15 form an integral part of these financial statements.

Fashion Revolution C.I.C.

Notes to the Financial Statements for the Year Ended 30 April 2021

1 General information

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

The address of its registered office is:

70 Derby Street
Leek
Staffordshire
ST13 5AJ

These financial statements were authorised for issue by the Board on 29 November 2021.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

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

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

Going concern

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

Judgements

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Grants

Grants are recognised at the fair value of the asset recovered or receivable when there is reasonable assurance that grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the criteria are satisfied is recognised as a liability.

Fashion Revolution C.I.C.

Notes to the Financial Statements for the Year Ended 30 April 2021

Income and expenditure

Income and expenditure are included in the financial statements as they become receivable or due.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is re-measured.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Tax

The company is exempt from corporation tax on its non business activities.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Font license	20% straight line basis

Cash and cash equivalents

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

Trade debtors

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

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

Stocks

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.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost, adjusted where applicable for any loss or service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

Fashion Revolution C.I.C.

Notes to the Financial Statements for the Year Ended 30 April 2021

Trade creditors

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

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

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Income

The analysis of the company's income for the year from continuing operations is as follows:

	2021	2020
	£	£
Sale of goods	60,248	47,556
Grants received	725,492	646,819
Other income	477	-
	<u>786,217</u>	<u>694,375</u>

4 Operating surplus

Arrived at after charging/(crediting)

	2021	2020
	£	£
Amortisation expense	<u>1,010</u>	<u>1,010</u>

Fashion Revolution C.I.C.

Notes to the Financial Statements for the Year Ended 30 April 2021

5 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2021	2020
	£	£
Wages and salaries	365,031	378,126
Social security costs	30,016	36,453
Pension costs, defined contribution scheme	7,962	5,371
	<u>403,009</u>	<u>419,950</u>

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2021	2020
	No.	No.
Administration and support	<u>13</u>	<u>13</u>

6 Directors' remuneration

The directors' remuneration for the year was as follows:

	2021	2020
	£	£
Remuneration	<u>132,325</u>	<u>147,852</u>

Fashion Revolution C.I.C.

Notes to the Financial Statements for the Year Ended 30 April 2021

7 Intangible assets

	Font license £
Cost or valuation	
At 1 May 2020	<u>5,050</u>
At 30 April 2021	<u>5,050</u>
Amortisation	
At 1 May 2020	4,040
Amortisation charge	<u>1,010</u>
At 30 April 2021	<u>5,050</u>
Carrying amount	
At 30 April 2021	<u>-</u>
At 30 April 2020	<u>1,010</u>

8 Stocks

	2021 £	2020 £
Goods for resale	<u>1,841</u>	<u>2,845</u>

Fashion Revolution C.I.C.

Notes to the Financial Statements for the Year Ended 30 April 2021

9 Debtors

	2021 £	2020 £
Trade debtors	91,994	113,453
Other debtors	5,409	1,685
Prepayments	3,673	4,999
	<u>101,076</u>	<u>120,137</u>

10 Cash and cash equivalents

	2021 £	2020 £
Cash at bank	<u>597,741</u>	<u>286,583</u>

11 Creditors

	Note	2021 £	2020 £
Due within one year			
Trade creditors		4,842	8,727
Social security and other taxes		-	656
Other payables		-	51
Accrued expenses		6,392	11,586
		<u>11,234</u>	<u>21,020</u>

12 Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £7,962 (2020 - £5,371).