

Registration number: 08988812

Fashion Revolution C.I.C.

(A company limited by guarantee)

Annual Report and Unaudited Financial Statements

for the Period from 1 May 2022 to 29 April 2023

Fashion Revolution C.I.C.

Contents

Directors' Report	1
Statement of Comprehensive Income	2
Statement of Financial Position	3
Statement of Changes in Equity	4
Notes to the Unaudited Financial Statements	5 to 8
Detailed Statement of Comprehensive Income	9 to 11

Fashion Revolution C.I.C.

Directors' Report for the Period from 1 May 2022 to 29 April 2023

The directors present their report and the financial statements for the period from 1 May 2022 to 29 April 2023.

Directors of the company

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

F S Camilo (appointed 1 November 2022)

O De Castro (ceased 11 July 2022)

C M Gent

R N F Nondo (appointed 1 November 2022)

C J Somers (ceased 25 October 2022)

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.

Small companies provision statement

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

Approved and authorised by the Board on 23 April 2024 and signed on its behalf by:



.....
C M Gent
Director

Fashion Revolution C.I.C.

Statement of Comprehensive Income for the Period from 1 May 2022 to 29 April 2023

	Note	2023 £	2022 £
Income		496,608	458,008
Cost of sales		<u>(39,754)</u>	<u>(26,886)</u>
Gross surplus		456,854	431,122
Administrative expenses		(710,417)	(702,980)
Other operating income		<u>-</u>	<u>133,296</u>
Operating deficit		(253,563)	(138,562)
Other interest receivable and similar income		-	96
Interest payable and similar expenses		<u>6,220</u>	<u>(957)</u>
Deficit before tax		<u>(247,343)</u>	<u>(139,423)</u>
Deficit for the financial period		<u><u>(247,343)</u></u>	<u><u>(139,423)</u></u>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the period other than the results above.

Fashion Revolution C.I.C.

(Registration number: 08988812)

Statement of Financial Position as at 29 April 2023

	Note	2023 £	2022 £
Current assets			
Stocks		-	251
Debtors	5	26,408	68,347
Cash at bank and in hand		<u>288,285</u>	<u>515,078</u>
		314,693	583,676
Creditors: Amounts falling due within one year	6	<u>(12,035)</u>	<u>(33,675)</u>
Net assets		<u>302,658</u>	<u>550,001</u>
Reserves			
Retained earnings		<u>302,658</u>	<u>550,001</u>
Surplus		<u>302,658</u>	<u>550,001</u>

For the financial period ending 29 April 2023 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 period 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 financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved and authorised by the Board on 23 April 2024 and signed on its behalf by:



.....
C M Gent
Director

Fashion Revolution C.I.C.

Statement of Changes in Equity for the Period from 1 May 2022 to 29 April 2023

	Retained earnings £	Total £
At 1 May 2022	550,001	550,001
Deficit for the period	<u>(247,343)</u>	<u>(247,343)</u>
At 29 April 2023	<u>302,658</u>	<u>302,658</u>
	Retained earnings £	Total £
At 1 May 2021	689,424	689,424
Deficit for the period	<u>(139,423)</u>	<u>(139,423)</u>
At 30 April 2022	<u>550,001</u>	<u>550,001</u>

Fashion Revolution C.I.C.

Notes to the Unaudited Financial Statements for the Period from 1 May 2022 to 29 April 2023

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:

Eastcastle House
27/28 Eastcastle Street
London
W1W 8DH

These financial statements were authorised for issue by the Board on 23 April 2024.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

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.

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.

Fashion Revolution C.I.C.

Notes to the Unaudited Financial Statements for the Period from 1 May 2022 to 29 April 2023

Revenue recognition

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

The company recognises revenue when:
The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Government 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.

Finance income and costs policy

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.

Tax

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

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

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% per annum 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.

Fashion Revolution C.I.C.

Notes to the Unaudited Financial Statements for the Period from 1 May 2022 to 29 April 2023

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 is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

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 Staff numbers

The average number of persons employed by the company (including directors) during the period, was 12 (2022 - 16).

Fashion Revolution C.I.C.

Notes to the Unaudited Financial Statements for the Period from 1 May 2022 to 29 April 2023

4 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 May 2022	<u>5,050</u>	<u>5,050</u>
At 29 April 2023	<u>5,050</u>	<u>5,050</u>
Amortisation		
At 1 May 2022	<u>5,050</u>	<u>5,050</u>
At 29 April 2023	<u>5,050</u>	<u>5,050</u>
Carrying amount		
At 29 April 2023	<u>-</u>	<u>-</u>
At 30 April 2022	<u>-</u>	<u>-</u>

5 Debtors

	2023 £	2022 £
Trade debtors	16,605	66,401
Other debtors	7,857	-
Prepayments	<u>1,946</u>	<u>1,946</u>
	<u>26,408</u>	<u>68,347</u>

6 Creditors

	2023 £	2022 £
Due within one year		
Trade creditors	2,002	4,436
Taxation and social security	5,226	24,592
Accruals and deferred income	4,646	4,646
Other creditors	<u>161</u>	<u>1</u>
	<u>12,035</u>	<u>33,675</u>

Fashion Revolution C.I.C.

Detailed Statement of Comprehensive Income for the Period from 1 May 2022 to 29 April 2023

	1 May 2022 to 29 April 2023 £	Year ended 30 April 2022 £
Income (analysed below)	496,608	458,008
Cost of sales (analysed below)	<u>(39,754)</u>	<u>(26,886)</u>
Gross surplus	<u>456,854</u>	<u>431,122</u>
Gross surplus (%)	91.99%	94.13%
Administrative expenses		
Employment costs (analysed below)	(397,255)	(444,361)
Establishment costs (analysed below)	(1,928)	(1,897)
General administrative expenses (analysed below)	(310,884)	(256,470)
Finance charges (analysed below)	<u>(350)</u>	<u>(252)</u>
	(710,417)	(702,980)
Other operating income (analysed below)	<u>-</u>	<u>133,296</u>
Operating deficit	(253,563)	(138,562)
Other interest receivable and similar income (analysed below)	-	96
Interest payable and similar charges (analysed below)	<u>6,220</u>	<u>(957)</u>
Deficit before tax	<u><u>(247,343)</u></u>	<u><u>(139,423)</u></u>

Fashion Revolution C.I.C.

Detailed Statement of Comprehensive Income for the Period from 1 May 2022 to 29 April 2023

	2023 £	2022 £
Income		
Sale of goods	30,549	30,765
Grants	466,059	427,243
	496,608	458,008
Cost of sales		
Purchases	4,778	7,037
Subcontract cost	33,228	19,849
Postage, courier and delivery charges	1,748	-
	39,754	26,886
Employment costs		
Wages and salaries	227,070	293,635
Staff NIC	71,347	22,186
Directors remuneration	83,630	109,279
Directors NIC	-	10,856
Staff pensions (defined contribution)	15,208	6,009
Directors pensions (defined contribution)	-	2,396
	397,255	444,361
Establishment costs		
Insurance	1,928	1,897
General administrative expenses		
Office expenses	94	32
Computer software and maintenance costs	24,069	30,390
Printing, postage and stationery	1,983	284
Sundry expenses	22,112	4,331
Project manager and other professional fees	141,065	87,523
Promotional expenses	111,319	131,601
Accountancy fees	4,540	2,103
Legal and professional fees	5,702	-
Bad debts written off	-	206
	310,884	256,470
Finance charges		
Bank charges	350	252
Other operating income		
Other operating income	-	133,296
Other interest receivable and similar income		
Bank interest receivable	-	96

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

Fashion Revolution C.I.C.

**Detailed Statement of Comprehensive Income for the Period from 1 May 2022 to 29
April 2023**

	2023	2022
	£	£
Interest payable and similar expenses		
Foreign currency (gains)/losses	<u>(6,220)</u>	<u>957</u>