

THE WASTE AND RESOURCES ACTION PROGRAMME

England & Wales · Charity number 1159512

Details

Other names WRAP

Status Registered

Legal form CIO

Registered 2014-12-05

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

Contact

Address Blenheim Court
Ground floor
19 George Street
Banbury
Oxfordshire
OX16 5BH

Phone 01295819605

Email info@wrap.ngo

Website www.wrap.ngo

Activities

Objects: To promote for the benefit of the public the conservation protection and improvement of the physical and natural environment.

Activities: WRAP's vision is a thriving world in which climate change is no longer a problem. WRAP's mission is to make the world a more sustainable place. We bring people together, we act on the facts and we drive change. Our core purpose is to help tackle climate change and protect our planet by changing the way things are produced, consumed and disposed of.

Classification

- **How:** Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** Environment/conservation/heritage
- **Who:** The General Public/mankind

Geography

- Northern Ireland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£28,738,915	£29,542,416	£34,734,653	292
2024-03-31	£30,321,044	£26,595,053	£38,348,000	260
2023-03-31	£23,500,000	£25,076,479	£34,340,000	245
2022-03-31	£26,724,000	£25,009,000	£35,282,000	228
2021-03-31	£15,757,000	£22,559,000	£33,419,000	195

Trustees

Name	Role	Appointed
Christopher Jones		2023-05-22
Dario Alfonso Soto Abril		2024-03-27
Jillian Michelle Perry Riseley		2024-06-13
Michael Kwame Nkonu		2024-06-13
Michaelene Gabrielle Welsh		2019-07-24
Robert Christian ter Kuile		2024-07-10
Sarah Katherine Chapman		2019-06-20
Sebastian John Munden		2022-11-21
Shruti Dudhia		2023-05-22
Vijay Chandrakant Doshi		2023-10-01

THE WASTE AND RESOURCES ACTION PROGRAMME

England & Wales - Charity number 1159512

Accounts



ANNUAL REPORT AND CONSOLIDATED ACCOUNTS

2024/25



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OUR IMPACT



OUR IMPACT

In 2024–25, WRAP continued to deliver measurable, global impact in our mission to embed Circular Living in every boardroom and every home. Our work tackled the root causes of environmental harm—waste, pollution, and resource inefficiency—while enabling economies to thrive and communities to benefit. This year’s achievements reflect our commitment to transforming systems in food, plastics, textiles, and circular economy infrastructure, and to supporting governments, businesses, and citizens in making sustainable choices.

Objectives and Activities

WRAP’s charitable purpose is to promote for the benefit of the public the conservation, protection, and improvement of the physical and natural environment. Our activities are designed to further this purpose by accelerating the transition from a linear to a circular economy. In line with the Charity Commission’s guidance on public benefit, our Trustees have reviewed our aims and objectives and ensured that our programmes deliver tangible benefits to society.

Our strategy focuses on four core areas:

- 1 Future-Proofing Food:**
Reducing food waste, improving water stewardship, and lowering greenhouse gas emissions across the food system.
- 2 Preventing Problem Plastics:**
Eliminating unnecessary plastics, increasing recycling, and supporting policy frameworks for sustainable packaging.
- 3 Transforming Textiles:**
Reducing the environmental footprint of textiles and scaling circular business models.
- 4 Accelerating the Circular Economy (Resource Management):**
Supporting governments and local authorities to implement circular systems and policies.



OUR IMPACT

We work globally, with programmes active in **over 30 countries**, and maintain offices in the UK, Brussels, Washington DC, and Adelaide.

Our activities are delivered in collaboration with governments, businesses, NGOs, and citizens, and are supported by funding from public and private sector partners.



OUR IMPACT

Achievements and Performance

Food Systems Transformation

WRAP's food programmes delivered significant impact this year. Through our UK Food and Drink Pact, we supported nearly 200 organisations in reducing food waste, emissions, and water use. Internationally, our Food Pact Network expanded to 10 countries, including impactful collaborations in Mexico, Australia, and the United States.



UK food waste reduction: WRAP's work contributed to an 18.3% annual reduction in food waste in the UK from 2007 to 2021.



Global action: In Australia, End Food Waste Australia, between 2022 and 2024, avoided 16,000 tonnes of food waste, saving AUD \$57 million.



Consumer behaviour change: WRAP launched pilots in Denver and Ohio to reduce household food waste, addressing key behavioural barriers.

We also published the UK's first Net Zero Transition Plan for the food system, aligning stakeholders around Scope 3 emissions and nature-positive actions.

Water Stewardship

Water security remains a critical focus. WRAP's Water Roadmap, supported by 105 UK signatories, aims to source 50% of fresh food from areas with sustainable water management by 2030.



Lake Naivasha Basin, Kenya: Our Collective Action Project with WWF led to an 89% improvement in water abstraction compliance and widespread adoption of effluent management plans.



Nature Recovery Project: A £1.14 million investment accelerated work in five countries, supporting equitable water distribution and community empowerment.

Plastics Transformation

WRAP's Plastics Pact Network now spans 19 countries, with over 900 organisations committed to transforming the plastics economy.



UK Plastics Pact: 99.8% of problematic single-use plastics were eliminated, removing 33 billion items. 96% of rigid plastic packaging is now recyclable.



Global impact: Across the network, 360,000 tonnes of problematic plastics were eliminated, and recycled content in packaging increased by 44%

We launched the Reusable and Refillable Packaging Guide for UK retailers and brands, supporting the transition to circular packaging models.

Textiles Circularity

WRAP's UK Textiles Pact (Textiles 2030) now includes 130 signatories, representing over 62% of the UK clothing market.



Environmental impact: 8% reduction in carbon and 9% reduction in water per tonne of textiles.



Global leadership: WRAP joined the G7 Circular Textiles Agenda and launched the Textiles Action Network Blueprint for Action, enabling countries to design national circular textiles initiatives.

WRAP is working to address the unsustainable growth in production, for example, through targets for circular business models and increasing product durability.

Our Automatic Sorting for Circularity in Textiles work exposes the reality of the UK's current used textiles system and lays the vital groundwork for a circular future transformed by automated sorting.

OUR IMPACT

Circular Economy Systems

WRAP supported governments and local authorities across the UK to implement circular economy strategies.



Simpler Recycling: WRAP's modelling and support influenced Defra's adoption of modulated fees under Extended Producer Responsibility, projected to avoid 19.6 million tonnes of CO₂e by 2049.



Local authority support: Our hands-on operational support, like the six-month intensive project with Denbighshire County Council, helped implement new waste and recycling requirements under the Welsh Government's Well-being of Future Generations Act. Our work included practical infrastructure, troubleshooting, market identification for recycled materials, and communications guidance.

We also published a roadmap for repair and reuse in Wales, ensuring universal access to circular services.

Global Influence and Partnerships

WRAP's advisory role to policymakers expanded this year. We joined the UK Government Circular Economy Taskforce and provided technical support to the UN Plastics Treaty negotiations via the World Bank.

Our work influenced over £6 billion of public sector spend in Wales, embedding low-carbon procurement practices and supporting Net Zero goals.

Performance Measures and Impact

WRAP evaluates success through environmental outcomes, stakeholder engagement, and financial efficiency. Per WRAP's Impact Evaluation 2022-2024 Report:

- 0.9m tonnes of CO₂e were avoided through WRAP's UK programmes.
- £3.38 of benefit was delivered for every £1 spent in the UK.

These metrics demonstrate our effectiveness in delivering public benefit and achieving our charitable objectives.

Social Investment

We expanded our mixed-motive investment portfolio during the year, increasing our impact supporting SMEs in circular economy innovation through the Accelerating Growth Fund Ltd.

Looking Ahead

WRAP's strategic priorities for 2025–26 include:

- Scaling circular food systems in Brazil, Mexico, Indonesia, and South Africa.
- Advocating for Extended Producer Responsibility in textiles and plastics.
- Expanding our global footprint and deepening delivery partnerships.

We remain committed to embedding Circular Living worldwide, enabling people to live sustainably with products and services that delight and do not harm the planet.



A fisherman on a boat, wearing a dark jacket and hat, is shown from the side. A large fishing net is draped over the side of the boat, and a wooden bucket filled with fish is visible. The background is a dark blue sea with ripples. In the bottom right corner, there are several thick, curved, lime-green lines that overlap the image.

FUTURE PLANS

Our Strategic Priorities for 2025/26

FUTURE PLANS: OUR STRATEGIC PRIORITIES FOR 2025/26

Accelerate the Circular Economy

- 1 Champion Circular Living through Product Life Extension
- 2 Prevent Residual Waste and Transform Recycling

Future Proof Food

- 1 Reduce food waste through policy change and securing partner action
- 2 Improve water stewardship, by securing more funding and action by partners towards the Water Roadmap
- 3 Reduce GHG impact of the UK food system, through improving the data landscape and securing action
- 4 Grow the global influence of WRAP on food system transformation

Prevent Problem Plastics

- 1 Propose and advocate for meaningful policy frameworks based on polluter pays principles
- 2 Reduce plastic (and other) packaging use and increase recycling through collaboration with business and other partners
- 3 Champion recycling, and help reduce unnecessary packaging through adoption of packaging programme industry solutions including reuse/refill

Transform Textiles

- 1 Propose and advocate for impactful policies based on polluter pays principles, including Textiles EPR
- 2 Reduce GHG and water usage in textiles through voluntary agreement networks and business collaborations
- 3 Reduce the production of new textiles through championing the growth of preloved and no textiles going to waste



FUTURE PLANS: OUR STRATEGIC PRIORITIES FOR 2025/26

Replenish our Roots organisational development

- 1 Raising high-quality income
- 2 Grow our presence and influence
- 3 Support our talented people and build an enabling culture





STRUCTURE, GOVERNANCE AND MANAGEMENT

STRUCTURE, GOVERNANCE AND MANAGEMENT

We were set up as The Waste and Resources Action Programme (WRAP), a charitable company limited by guarantee, incorporated on 11 December 2000, and registered as a charity in England and Wales on 5 December 2014. On 28 November 2022, WRAP converted to a Charitable Incorporated Organisation.

WRAP's object (purpose) is:

To promote for the benefit of the public the conservation, protection, and improvement of the physical and natural environment

In reviewing our charitable objects and as part of forward-planning, our Trustees have taken account of the Charity Commission's guidance on public benefit and considered how our planned programme of work will consistently contribute to the charity's aims and objects.

The Trustees present their report and the audited financial statements for the year ended 31 March 2025.

Reference and administrative information set out on [page 21](#) forms part of this report. The financial statements comply with current statutory requirements, the governing document, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.



STRUCTURE, GOVERNANCE AND MANAGEMENT

Board of Trustees

The Board of Trustees administers the charity. The Board can have up to 12 Members and currently comprises the Chair and ten additional Trustees.

The Board is responsible for:

- determining the strategy;
- approving the business plan;
- approving the budget;
- monitoring the charity's performance;
- ensuring WRAP achieves and maintains its equality, diversity, and inclusion objectives;
- monitoring the business risks; and
- the health and safety issues of the charity

The Board met four times during the year to 31 March 2025.

The charity applies the relevant principles of good governance in UK Charity Governance Code, as set out below.

- The Board meets as often as it needs to be effective, and at least four times per year.

- There is a clarity of responsibilities and delegation between the Board and the Executive.
- There is a formal procedure for the appointment of new Trustees.
- The Board is supplied in a timely manner with sufficient information to discharge its duties.
- The Board periodically undertakes an evaluation of its effectiveness.
- Trustees submit themselves for re-election after a maximum term of four years.
- The Trustees meet as necessary without the executive officers present.

Trustee induction and training

New Trustees undergo orientation to brief them on their legal obligations under charity law, the Charity Commission guidance on public benefit, and inform them of the content of the Constitution, the Committee and decision-making processes as well as WRAP's strategy, programmes, business plan and recent financial performance. During their induction they meet key employees and other Trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.



STRUCTURE, GOVERNANCE AND MANAGEMENT

Global Nominations and Remuneration Committee

In view of the size of the charity, it is considered appropriate to combine the roles of the Global Nominations Committee and Global Remuneration Committee. The Committee comprises a minimum of two Trustees and met five times during the year to 31 March 2025.

The main responsibilities of the Committee are to:

- establish a procedure for the appointment of Trustees and executive officers;
- oversee the process of the appointment of Trustees;
- review the remuneration of the executive officers; and
- review equality, diversity, and inclusion progress and strategy.

The Committee has agreed a procedure for the selection of Trustees, which will accord with the following principles:

- posts will be publicly advertised. The advertisement (and the supporting information for candidates) will make it clear what specialist expertise is required,

depending on the need to replace the expertise of the retiring Board members, and to take account of any additional requirements.

- the advertisements will make it clear that WRAP is committed to diversity and welcomes applicants irrespective of religion, age, sex, sexual orientation, gender reassignment, marital status, disability, or race.
- the HR Director, or their nominee, who is skilled in the making of similar executive appointments, will advise the interview panel and, in some cases, be included in the panel.
- the interview panel will proceed by consensus as far as possible, but with no member having a veto.
- the interview panel will be augmented with Trustees from the wider Board, to provide specialist expertise, as required.
- candidates will be provided with a decision as quickly as possible after the interview and information will be made publicly available about the appointments made, which will include any other relevant positions held by those appointed.

Remuneration

All Trustees, apart from the Chair, give their time freely and receive no remuneration. The main objectives of the charities remuneration policy are to provide a remuneration package that will attract, retain, and motivate individuals of an appropriate calibre. The pay of the executive officers and staff is reviewed annually. The charity benchmarks pay using a leading, commercially available service. Annual reviews of salaries also relate to performance in the year and are based on the achievement of specific objectives.

Expenses are reimbursed to the extent that they have been incurred wholly, necessarily, and exclusively for the purposes of the charity. Full details of Trustees' remuneration, expenses and related party transactions are disclosed in notes 8 and 10 of the accounts.

Global Audit and Risk Committee

The Committee comprises a minimum of two Trustees and met four times during the year to 31 March 2025. The external auditors were present at three meetings.

The main responsibilities of the Global Audit and Risk Committee are to:

- monitor the integrity of the financial statements;
- review the charity's internal financial controls and the charity's control and risk management systems;
- make recommendations to the Board on the appointment and remuneration of the external auditors;
- review the findings of the audit with the external auditor;
- review the independence of the external auditor; and
- appoint the internal auditor, agree work plans, review internal audit reports, and monitor completion of agreed actions.

Maintenance of a sound system of internal control

The Board is responsible for the charities system of internal control and for reviewing its effectiveness. Such a system is designed to minimise the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss. The Global Audit and Risk Committee assists the Board in discharging its review responsibilities.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The main features of the charities risk and control framework are outlined below.

- WRAP's Business Plan, including the annual budget, is discussed and approved by the Board. An update on progress and a forecast for the remainder of the financial year is given at each Board meeting.
- Matters needing the Board's attention are clearly defined: financial procedures, procurement procedures and authorisation levels are set by, and any changes approved by, the Global Audit and Risk Committee. Appropriate reporting procedures have been established.
- Risk assessments are made by staff from across all the charity's programmes. The results of these assessments are discussed and kept under regular review by the senior management team and key risks are reported to the Global Audit and Risk Committee. An enterprise risk register is regularly updated.
- The Chair of the Global Audit and Risk Committee reports the outcome of Committee meetings to the Board.
- The charity has established a speaking up & whistleblowing policy whereby staff may, in confidence, raise concerns about

possible improprieties in matters of financial reporting or other matters.

The Board has reviewed the effectiveness of the charities systems of internal control for the financial year 2024/25 and up to the date of approval of the annual report and accounts. The charity is committed to the development and enhancement of existing systems of internal control and risk management as appropriate for the charity and its activities.

Haysmacintyre are appointed as internal auditors for WRAP. This appointment strengthens the Board's confidence in enterprise risk management by adding to the third line of defence, and provides external insights and best practices to the Executive team.

Global Investment Committee

The Committee comprises a minimum of two Trustees and met twice during the year to 31 March 2025. The main responsibilities of the Global Investment Committee are to:

- at least maintain the real value of the financial return-focused investment portfolio over the long term whilst generating a sustainable contribution to unrestricted income. The strategy for the

financial return portfolio is managed by the WRAP Board; and

- monitor delivery of impact objectives and financial return for the mixed-motive (social investment) investment portfolio. This portfolio has twin goals of delivering financial return whilst furthering our charitable impact, hence 'mixed-motive'.

Global Finance Committee

A new committee was established in the year to provide additional oversight of the group's financial performance and strategy. It met twice during the year to 31 March 2025.

Executive Committee

The Board has delegated the day-to-day operations to the Chief Executive Officer (CEO). The CEO, supported by the Executive Committee, is accountable to the Board for providing information to enable Trustees to monitor the organisation's operating and financial results. Individual matters that are novel or contentious are referred to the Board.

The Trustees and Executive Committee are deemed to be key management personnel of the charity (see page 21 for membership).



STRUCTURE, GOVERNANCE AND MANAGEMENT

Related Parties

At the year-end, WRAP had six subsidiary companies, established where it has been deemed appropriate to house specific programmes or initiatives in separate legal entities. Two companies (Accelerating Growth Fund Ltd and WRAP Enterprises Ltd) are limited by shares and three (Behaviour Change Ltd, WRAP Asia Pacific Ltd and WRAP Americas, Inc) are limited by guarantee. Circular Plastics – Accelerating Growth LLP is a UK Limited Liability Partnership.

On 4 December 2024, the Charity and WRAP Enterprises Limited (company number 4217608) became Full Members of International Food Waste Coalition AISBL. On 24 January 2025, the entity officially changed its name to WRAP Europe (company number 0630.620.853). The registered address of WRAP Europe is Bd de la Plaine 15, 1050 Ixelles, Belgium.

Accelerating Growth Fund Ltd is a designated member of Circular Plastics – Accelerating Growth LLP, which was established to further Accelerating Growth Fund Ltd's investment objectives. The results of the LLP are wholly consolidated in these Charity accounts.

During the year WRAP Americas, Inc was not operational and WRAP delivered its activities

in the Americas via a fiscal sponsorship arrangement with the National Environmental Education Foundation.

Accelerating Growth Fund Ltd

The company provides financial support to and investments in organisations, principally small and medium-sized enterprises (SMEs), which are investing in, or changing to, circular economy business models.

Accelerating Growth Fund Ltd's profits are gift aided to WRAP. There was no new Gift Aid distribution from AGF to the Charity in the year, as gifts from prior years in excess of chargeable profits are being allocated to the current year's taxable gain. In 2023-24 £126k was paid as estimated taxable profits, in accordance with the deed of covenant, as Gift Aid to the parent charity. The Chair of Accelerating Growth Fund Ltd is the Insights and Innovation Director of WRAP, all directors are appointed by WRAP, and WRAP owns all the shares in Accelerating Growth Fund Ltd; hence WRAP has control over the operating and financial policies of Accelerating Growth Fund Ltd and consolidates the results in the WRAP Group accounts.

Behaviour Change Ltd

The company helps businesses, charities, governments, and foundations to create social and environmental change through applying behavioural science, insights, and interventions. Behaviour Change Ltd's profits are gift aided to WRAP; the sum gift aided amounted to £0k in 2024/25 as the entity made a loss (2023/24: £16,000). The Chair of Behaviour Change Ltd is the Director of Communications of WRAP. WRAP is the sole member and appoints the directors of the company; hence WRAP has control over the operating and financial policies of Behaviour Change Ltd and consolidates the results in the WRAP Group accounts.

WRAP Enterprises Ltd (WEL)

WEL was established as a trading subsidiary of the Charity. It did not trade in the 24/25 financial year. The Chair of WEL is the Insights and Innovation Director of WRAP.

Related party information and transactions can be found in Note 10.

WRAP Asia Pacific Ltd (WRAP APAC)

WRAP APAC was incorporated in Australia on 30 June 2022, with the goal to grow WRAP's impact across the Asia-Pacific region. WRAP

APAC is a wholly owned subsidiary of WRAP and supports WRAP's overarching goals and work on food, textiles, and plastics. Our 2025/26 focus will be on beginning to deliver our new food waste prevention programme in the region with our partners End Food Waste Australia and the Indonesian Business Council for Sustainable Development, building our business development pipeline, and setting WRAP APAC up for further impact.

WRAP is the sole member, designates the Chair and Deputy Chair and determines the number of directors; hence WRAP has control over the operating and financial policies of WRAP APAC and consolidates the results in the WRAP Group accounts.

WRAP Americas, Inc (WRAP Americas)

WRAP Americas, Inc was incorporated on 14 August 2023 to lead WRAP's efforts and impact across the Americas region. It is controlled by WRAP. During the year WRAP Americas Inc was not operational whilst we worked to establish its registrations and administrative arrangements.

WRAP entered into a fiscal sponsorship arrangement with the National Environmental Education Foundation (NEEF) on 1 July 2023 to commence activities in the region.

STRUCTURE, GOVERNANCE AND MANAGEMENT

WRAP Europe (WRAP EU)

On 4 December 2024, the Charity and WRAP Enterprises Limited (company number 4217608) became Full Members of International Food Waste Coalition AISBL. On 24 January 2025, the entity officially changed its name to WRAP Europe (company number 0630.620.853). The registered address of WRAP EU is Bd de la Plaine 15, 1050 Ixelles, Belgium.

Related party information and transactions can be found in Note 10.

Relations with stakeholders, and approach to fundraising

In compliance with the Charities (Protection and Social Investment) Act 2016, the Trustees can confirm the following:

The Group did not participate in any fundraising schemes nor use the service of a professional fundraiser or commercial participator to carry on any of those activities, and therefore no monitoring of such activity is applicable.

Neither the Group nor any person acting for the Group was subject to any voluntary scheme of regulated fundraising, and therefore no failure to comply has been noted, nor any complaints received.

Although WRAP does not receive or solicit donations of income from the general public, including vulnerable people, it seeks to follow best practice in its interactions with both public and private sector donors, including practice recommended in codes such as the UK Code for Fundraising Practice, with which we are registered.

WRAP receives funding from UK and devolved government departments, businesses,

international organisations and foundations. WRAP maintains strong collaborative relationships with its funders and is grateful for their support and confidence.

Thank you also to the following funders for their support this year:

- The Posner Foundation of Pittsburgh, which is helping us to deliver a citizen behaviour change programme on food waste in the USA.
- Ballmer Group for supporting the acceleration of impact throughout our Food Pact network, particularly in South Africa, Indonesia, Mexico, Brazil and Australia.
- The Norwegian Retailers' Environment Fund for work on Extended Producer Responsibility in plastics globally.
- Stewart Investors for Plastics Pact work in India, particularly support to the India Plastics Pact and for unlocking innovations to address the challenge of unrecyclable flexible packaging in India.
- Robertson Foundation for supporting the development of a roadmap for philanthropic investment in tackling food waste.
- World Bank for technical support to the

Government of Peru on the UN Plastics Treaty negotiations.

- World Economic Forum – Global Plastics Action Partnerships.
- Ellen MacArthur Foundation for supporting the development & operation of Plastics Pacts in the Global Plastics Pact Network.
- Esmée Fairbairn Foundation for supporting our work on sustainable water catchments.
- Paul M Angell Family Foundation to eliminate problematic and unnecessary plastics in Mexico & supporting governments in developing National Action Plans to deliver on Global Treaty commitments.
- Builders Vision for our work unlocking innovation in Circular Plastics in the Americas & for supporting us to develop a 'Roadmap for Funders: Tackling Plastic Pollution'.
- Laudes Foundation for our work developing a Blueprint for tackling citizen food waste in the USA.
- The Nature Recovery Project for supporting expansion of our collective action projects on the River Ouse to Bedfordshire and

STRUCTURE, GOVERNANCE AND MANAGEMENT

Cambridgeshire and for creation of a Nature-Based Solutions Fund within our Water Roadmap.

- FCDO for a 6-month scoping project on Water, Sanitation and Hygiene (WASH) in Kenya.
- Commission for Environmental Cooperation for designing a playbook for FLW (Food, Loss and Waste) practitioners in North America, on behaviour change interventions.

Our fundraising priorities for 2025/26 are to continue our UK government collaboration and funding, urgently grow our private sector business income and increase donations from philanthropic trusts, to accelerate our impact around the globe in line with our 2030 strategy.

WRAP has been recognised as 'equivalent to a certified public charity' in the US market.

Safety, Health, and Environmental Report

The health, safety, and wellbeing of all our employees around the globe continues to be our number one priority. The Safety, Health and Environmental (SHE) Committee meets formally at least quarterly and represents all departments across WRAP. It provides a central conduit for all employees to share their concerns and

an effective mechanism to disseminate key SHE messages. The Committee proactively encourages 'near miss' reporting, including in the home setting since hybrid working has become the norm.

The increased vigilance, and shared learnings from near miss attention, is expected to reduce the occurrence of actual incidents, which remain very low in WRAP (one minor accident was reported in 24/25, two in 23/24).

Cleaning routines, discouraging staff with symptoms of any respiratory or infectious illness from attending our offices, and air circulation and monitoring (via CO2 meters) remain in place as travel and other measures have returned to normal, post-COVID.

Overseas visits are an important part of how WRAP achieves its impact and we continue to manage these carefully, particularly when colleagues are travelling to higher-risk locations; targeted training and travel protocols are in place to minimise the risk to staff and include regular check-ins and monitoring of colleagues.

As an environmental charity we wish to demonstrate a proactive commitment to meet high environmental performance standards. The environmental pledges introduced in

2021/22 continue to challenge all employees to reduce their environmental impact when at home. Employees were encouraged to improve their overall resource management – reduce food waste and the environmental impact of their clothes and textiles, alongside energy and water use.

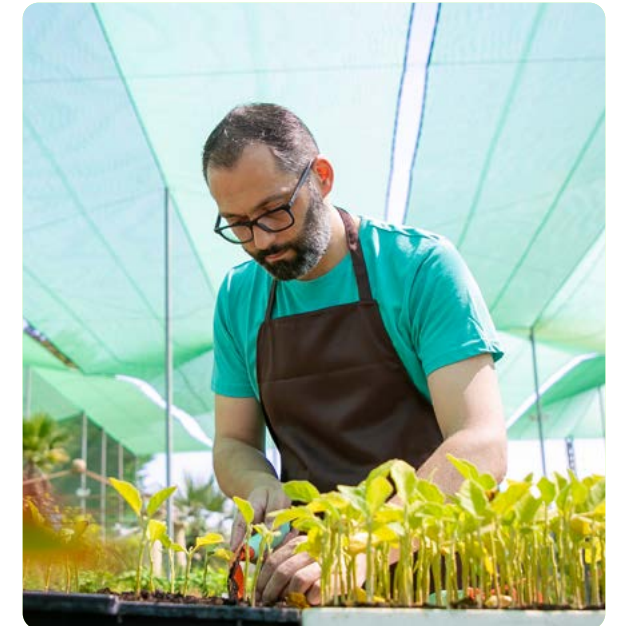
In January 2025 we published an update to our Carbon Reduction Plan, which sets out what our emissions are and how we plan to address them, moving beyond offsetting to real reductions where possible.

To be in line with requirements set out in the 'Technical standard for completion of carbon reduction plans' (2021), we will quantify and report on emissions in six of the 15 categories within Scope 3: upstream transportation and distribution; waste disposal; business travel; employee commuting; upstream leased assets (where practical); and downstream transportation and distribution. Our ESG focused financial investments, employee sustainable investments default pension plan, and circularity impact investments via Accelerating Growth Fund Ltd further reduce our overall carbon footprint beyond the formal calculation.

WRAP has quantified the carbon emissions associated with its activities over many years and offset anything we cannot eliminate since

then. We will continue to do this, and to take on the very real challenge of finding further ways to minimise our emissions while we also extend the scope of our work.

We will continue to identify further ways to reduce emissions that are indirectly associated with our charity's activities. Emissions that cannot be eliminated are offset.



STRUCTURE, GOVERNANCE AND MANAGEMENT

Employment policies

WRAP keeps colleagues informed through regular interactive briefings, news updates, and training. Employees are encouraged to get involved in discussions related to their specific interests and to take an active interest in all aspects of WRAP's performance. Continuous improvement is sought through a structured feedback process, with a full colleague survey carried out twice a year and informal feedback gathered throughout.

WRAP actively encourages employment applications from all suitably qualified applicants, regardless of religion, age, sex, sexual orientation, gender reassignment, marital status, disability, or race.

Assistance and adaptations are provided as necessary through the recruitment process and once employed, tailored performance management and personal development meetings support colleagues to develop a career plan, identifying all the opportunities available. Arrangements are made where possible for retraining employees who become disabled, enabling them to perform work appropriate to their aptitudes and abilities.



REFERENCE AND ADMINISTRATIVE INFORMATION



REFERENCE AND ADMINISTRATIVE INFORMATION

The Waste and Resources Action Programme

Charity number: 1159512

Country of registration: England and Wales

Registered office and operational address:

Ground Floor

Blenheim Court

19 George Street

Banbury

OX16 5BH

Trustees

Trustees who served during the year and up to the date of this report were as follows:

- Sebastian Munden (Chair)
- Sarah Chapman (Vice-Chair)
- Michaelene Welsh
- Sophie Thomas
- Vijay Doshi
- Chris Jones
- Shruti Dudhia
- Dario Soto Abril
- Jill Riseley (appointed 13 June 2024)
- Michael Kwame Nkonu (appointed 13 June 2024)
- Robert ter Kuile (appointed 10 July 2024)

Executive Committee

Members who served during the year and up to the date of this report were as follows:

- Harriet Lamb – Chief Executive (until 31 May 2025)
- Catherine David – Director of Behaviour Change and Business Programmes (until 31st May 2025)
 - Chief Executive (appointed 1 June 2025)
- Richard Swannell – Director of Impact Growth (until 11 July 2025)
- Angela Pulley – HR Director (until 28 August 2025)
- Claire Shrewsbury – Insights and Innovation Director
- David Rogers – International Director
- Dan Youmans – Chief Finance Officer
- David Wilson – Marketing & Communications Director
- Keith James – Interim Director of Behaviour Change and Business Programmes (appointed 1 July 2025)

Our advisers

External auditor - Sayer Vincent LLP, Invicta House, 110 Golden Lane, London, EC1Y 0TG

Legal advisers - Bates Wells, 10 Queen Street Place, London, EC4R 1BE

Internal auditor - Haysmacintyre, 10 Queen Street Place, London, EC4R 1AG

Bankers - Barclays Bank PLC, 25 High Street, Coventry, CV1 5RE

Lloyds Bank PLC, Faryners House, 25 Monument Street, London, EC3R 8BQ

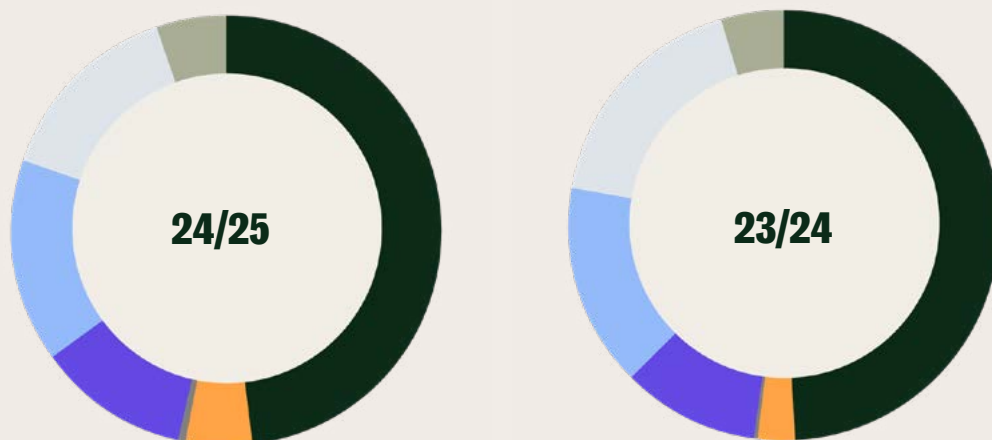
Investment managers - Rathbone Greenbank Investments, 8 Finsbury Circus, London, EC2M 7AZ

An aerial photograph of a lush green field, possibly a golf course, with a small structure and a tower in the distance. The image is overlaid with abstract, thick, light green curved lines in the bottom right corner. The text 'FINANCIAL REVIEW' is prominently displayed in white, bold, sans-serif font on the left side.

FINANCIAL REVIEW

FINANCIAL REVIEW

Income (£m)



£m	2024/25	2023/24
● UK government grants	13.8	14.9
● Other UK government bodies and local authorities	1.5	0.9
● Non-UK governments	0.1	0.1
● Business contributions to UK voluntary agreements	3.3	3.1
● Trusts, and foundations	4.4	4.6
● Other income	4.1	5.3
● Trading and investment	1.5	1.4
Total income	28.7	30.3

WRAP's income for 24/25 of £28.7m was £1.6m (5.3%) lower than 23/24, with an increase in unrestricted income and a decrease in restricted income. Income from Business Contributions, UK Government and Local Authority non-grant income and investment income all increased compared to the previous year.

Further highlights are set out below.

UK government grants

Government funding is received from Defra, the Welsh Government, and DAERA in Northern Ireland.

Total core grant funding from Defra was £7.8m (2023/24: £9m). The Welsh Government provided grant funding of £4.6m in 2024/25 (2023/24: £4.9m). Additionally, we received a core grant from DAERA in Northern Ireland, of £1.4m (2023/24: £1m).

Other UK government bodies

Zero Waste Scotland granted WRAP £0.1m (2023/24: £0.2m); other government departments and local authorities granted WRAP £0.2m (2023/24: £0.7m).

Trusts and Foundations

Trusts and foundation income decreased slightly in the year to £4.4m (2023/24: £4.6m), this included a significant donation from the Ballmer Group (£4.0m).

Business contributions to UK voluntary agreements

Contributions from businesses for our three UK voluntary agreements increased to £3.3m (2023/24: £3.1m).

Other income

Other income includes work the charity does on a commercial basis fulfilling its charitable objectives and the recognition of gifts in kind that the charity received in the financial year, which collectively amounted to £4.1m (2023/24: £5.3m).

The largest commercial undertakings in the financial year have been with various retailer consortia working in collaboration for both WRAP's Greenhouse Gas Climate Accelerator Programme (£215k), and Water Stewardship Programme (£1.1m).

FINANCIAL REVIEW

Trading and investment income

Investment income remained at £0.6m (2023/24: £0.6m). Trading income from Behaviour Change Ltd was £864k (2023/24: £1.2m)

Investment policy

WRAP has an investment policy to invest in managed funds or direct equity investments with the intention of furthering the company's charitable objects and providing a greater return than cash. Investments in countries embargoed by the UN or UK are excluded (e.g. Russia).

Listed investments

The WRAP group currently has £10.4m of financial investments managed by Rathbones Greenbank (2023/24: £11.6m).

The investments are long-term in nature and short-term volatility is to be expected – this year resulting in a capital loss of £632k (2023/24: gain of £426k).

The portfolio is sustainability-focused, with investments positively screened for their environmental, social and governance (ESG) credentials, and excludes companies deriving

all or most of their revenues from the sale of tobacco, mining, or fossil fuels.

Mixed-motive/social investments

Mixed-motive investments are held within our subsidiary company Accelerating Growth Fund Ltd. to deliver charitable impact whilst also generating a financial return, aiming at least for capital retention over the medium-term.

Accelerating Growth Fund Ltd. holds £9.0m (2024: £9.4m) of mixed motive investments; £2.8m (2024: £4.3m) in the Circularity European Growth Funds, £3.9m (2024: £3.9m) in Sicut Enterprises Ltd, £0.5m in Greyparrot (2024: £0.5m), £0.5m in Winnow (2024: £0.7m), £0.6m in Systemiq Capital Fund II (2024L £0.3m) and £770k via the Circular Plastics – Accelerating Growth LLP (2024: £0). The decrease in value of Circularity European Growth Funds is the result of impairments to a number of companies invested in by the funds.

The historical cost of the Accelerating Growth Fund Ltd. portfolio is £6.4m, and now has an estimated fair value of £9.0m. The portfolio is therefore meeting its financial objective in addition to adding impact.

The Circularity European Growth Fund's mission is to deliver value for investors by supporting SME growth and innovation in the circular economy. Accelerating Growth Fund Ltd. holds £1.4m in Fund 1 and £1.4m in a second fund.

Sicut Enterprises is primarily a supplier of sustainable railway sleepers manufactured from recycled plastic which reduces material sent to landfill and the use of chemically treated hardwood timbers.

Greyparrot is the leading AI waste analytics platform for the circular economy, digitalising waste flows for analysis and improved sorting to increase recovery rates for recycling.

Winnow provides food waste technology with an analytics platform to deliver insights to commercial kitchens thereby driving operational improvements that save on the bottom-line and the planet.

The Circular Plastics – Accelerating Growth LLP was established in September 2023 with two members – Accelerating Growth Fund Limited (AGF) and Archipelago Ventures Ltd (AVL) – with an objective of making investments into early-stage businesses tackling issues related to plastic pollution and recycling. AGF, a wholly owned subsidiary of the WRAP charity, is responsible for the day-to-day management of

the LLP, including its accounting and year-end arrangements. The LLP has access to £1.3m of total capital and has made its first three investments in the 2025 financial year in Sorted, Evoralis and Matoha.

Sorted is a technology company delivering innovative solutions to the recycling industry. Evoralis specialises in pioneering enzyme solutions to revolutionise plastics recycling. Matoha is a technology company specialising in plastics and textile identification and sorting devices.

The portfolio is sustainability focused, with investments positively screened for their environmental, social and governance (ESG) credentials, and excludes companies deriving most of their revenues from the sale of tobacco, mining, or fossil fuels. The portfolio has recovered some of the value it previously lost.



EXPENDITURE

Expenditure (£m)



£m	2024/25	2023/24
● Textiles	2.6	2.4
● Food	10.5	8.5
● Plastics	3.8	3.7
● Accelerating the Circular Economy (Resource Management)	11.7	11.3
Subtotal	28.6	25.9
● Other including trading	1	0.7
Total Expenditure	29.5	26.6

Total expenditure in the year was £29.5m, a 10.9% increase (2023/24: £26.6m).

Charitable activities

Expenditure increased in all of the four charitable activity areas, reflecting our ambitions to scale up our work.

Textiles expenditure increased to £2.6m (2023/24: £2.4m) reflecting continued investment in our Textiles Pact (formerly Textiles 2030) and wider material systems transformation work.

Food system transformation expenditure increased to £10.5m (2023/24: £8.5m), in part due to activities funded by the Ballmer grant. Plastics expenditure increased to £3.8m (2023/24: £3.7m) and resource management expenditure increased to £11.7m (2023/24: £11.3m).

Across our fundraising and business development activity we actively seek to raise funding across all our programmes of work as we seek to accelerate our impact.

Net movement in funds

There was a net decrease of £3.6m in total funds during the year to £34.7m (2024: £38.3m), made up of a £1.2m increase in restricted funds, a £2.8m decrease in designated funds and a £2m decrease in general funds.

The increase in restricted funds is primarily a product of the increase in Trusts & Foundations income which was received but not spent in the period.

Designated funds have decreased to £20.4m (2024: £23.2m). The largest balance of £19.6m (2024: £22.3m) relates to investment funds and the large decrease reflects the decrease in value of investment funds held in Circularity European Growth Fund as described above, as well as a decrease in the fair value of the funds invested with Rathbones Greenbank.

EXPENDITURE

Consolidated balance sheet

At 31 March 2025 net assets were £34.7m (2024: £38.3m).

The most significant movements in this financial year are:

- A £1.7m decrease in investments' carrying value,
- A £2.3m increase in current assets, made up of an increase in cash held and current debtors, partially offset by a decrease in short-term investments, and
- A £4.3m increase in creditors, primarily driven by an increase in accruals of £0.7m relating to project and investment costs and deferred income of £2.5m primarily relating to Voluntary Agreement income.

Reserves policy and going concern

WRAP holds financial reserves to be applied to future activities in these categories:

- General funds – unrestricted funds to be applied generally to further WRAP's charitable purposes. At 31 March 2025 WRAP held general funds of £4.7m (equivalent to 3 months' salary and overheads).

- Restricted funds – to be applied only to the purpose(s) specified by the donor. At 31 March 2025 WRAP held restricted funds of £9.7m.
- Designated funds – to be applied to a given purpose specified by the Trustees. At 31 March 2025 WRAP held designated funds of £20.4m.

At each balance sheet date, the Trustees review a detailed risk-based analysis of the events which may impact the organisation's ability to continue to operate and deliver public benefit in the future. This is done in conjunction with the organisation's enterprise risk management approach. At 31st March 2025 trustees consider that the main risks the organisation faces relate to the challenging fundraising landscape across the globe, driven in large part by geo-political uncertainty and a tight economic environment. A risk-based quantification of the likelihood of these risks materialising in the coming twelve months, and their potential impact guides our target reserves level.

When considering the resources available to navigate financial challenges, WRAP includes its unrestricted general reserves, as well as other balances held within reserves which could be liquidated if needed. WRAP seeks to ensure that 6 months' salaries and overhead costs are

held as liquid cash investments at each balance sheet date.

At 31st March 2025 this analysis suggests a minimum required reserves balance of £9.4m, and an actual reserves level of £14.9m. Accordingly, the Trustees are of the view that the organisation holds sufficient reserves in line with relevant regulatory guidance and best practice.

The Trustees have reviewed the circumstances of the charity and the group and consider that adequate resources continue to be available to fund activities for the foreseeable future. The Trustees are therefore of the view that the WRAP group is a going concern.



EXPENDITURE

Principal risks and uncertainties

The Trustees have a risk management strategy which comprises:

- a quarterly review of the principal risks and uncertainties facing WRAP and its subsidiaries led by the Global Audit and Risk Committee and reported back to the Board at each meeting;
- the establishment of policies, systems and procedures to mitigate those risks identified in the quarterly reviews;
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise; and
- ongoing review of risk mitigation and controls via the Global Audit and Risk Committee of the Board, including reviews by an independent internal audit team (Haysmacintyre) to further strengthen assurance activities.

The principal risk and uncertainty for us continues to relate to the levels of future funding. In the year, we maintained the progress achieved in diversifying our funding mix, with

core grants from UK governments accounting for 52% of total income from charitable activities, consistent with the previous year.

We continue to deliver value and impact for our government funders and work together to navigate downward pressure on public finances and continue to drive value for money through our work.

However, we continue to consider this a significant risk and work actively to further mitigate it, by:

- 1 Maximising WRAP's value to its principal government funders.
- 2 Diversifying our funding mix. Following significant progress in diversifying our funding mix in 2023/24, we successfully sustained this broader base in 2024/25. Further diversification remains a priority for 2025/26.
- 3 Ensuring sufficient flexibility in our cost base to respond to any future changes in funding without compromising the organisation's ability to deliver impact.

Our 2030 strategy and annual business plan are ensuring we make progress in this area, including through expanding our global footprint and deepening our delivery partnerships, both of which will further support our income diversification strategy.

The Trustees consider safeguarding those we interact with from harm as critically important, and work continues to strengthen our policies and practice in this area.

Health, Safety and Environment is of paramount importance to WRAP's Trustees, and to mitigate potential risks, WRAP maintains comprehensive health, wellbeing, and safety policies and procedures, including the reporting and review of any accidents or near misses (see page 18).





STATEMENT OF RESPONSIBILITIES OF THE TRUSTEES

STATEMENTS OF THE RESPONSIBILITIES OF THE TRUSTEES

Law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the period. In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

- Select suitable accounting policies and then 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 and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor

Sayer Vincent LLP was re-appointed as the charity's auditor during the year and has expressed its willingness to continue in that capacity. The Trustees' Annual Report has been approved by the Trustees on 24th September 2025 and signed on their behalf by

Sebastian Munden, Chair



An aerial photograph of a person wearing a traditional conical hat, seen from above, tending to a large basket filled with green mangrove seedlings in shallow, clear water. The person's hands are visible as they work with the plants. The water is crystal clear, revealing the sandy bottom and the intricate root systems of the mangroves. The overall scene conveys a sense of environmental stewardship and sustainable agriculture.

INDEPENDANT AUDITOR'S REPORT



INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE WASTE AND RESOURCES ACTION PROGRAMME

Opinion

We have audited the financial statements of The Waste and Resources Action Programme (the 'parent charity') for the year ended 31 March 2025 which comprise the consolidated statement of financial activities, the group and parent charity balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group and parent charity's affairs as at 31 March 2025 and of the group's incoming resources and application of resources, for the year then ended.
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

- Have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on The Waste and Resources Action Programme's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or

otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- The information given in the trustees' annual report is inconsistent in any material respect with the financial statements.
- Sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE WASTE AND RESOURCES ACTION PROGRAMME

- We have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to

which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the audit and risk committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.

- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE WASTE AND RESOURCES ACTION PROGRAMME

judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the parent charity's trustees as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the parent charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent charity and the parent charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Date 30 September 2025

Sayer Vincent LLP, Statutory Auditor

110 Golden Lane, LONDON, EC1Y 0TG

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006



FINANCIAL STATEMENTS





The Waste and Resources Action Programme

Consolidated statement of financial activities (incorporating an income and expenditure account) For the year ended 31 March 2025

		2025			2024		
		Unre- stricted	Restrict- ed	Total	Unre- stricted	Restricted	Total
		£'000	£'000	£'000	£'000	£'000	£'000
		Note					
Income from:							
Charitable activities	2						
Textiles		1,224	1,370	2,594	1,319	1,427	2,746
Food		3,363	7,483	10,846	2,784	9,336	12,120
Plastics		1,783	1,696	3,479	1,922	1,538	3,460
Resource Management		384	9,924	10,308	689	9,947	10,636
Other trading activities		864	-	864	757	-	757
Investments	3	647	-	647	602	-	602
Total income		8,265	20,473	28,738	8,073	22,248	30,321
Expenditure on:							
Charitable activities	4						
Textiles		1,198	1,353	2,551	825	1,542	2,367
Food		4,051	6,455	10,506	3,047	5,436	8,483
Plastics		1,683	2,085	3,768	1,645	2,051	3,696
Resource Management		2,059	9,683	11,742	1,824	9,483	11,307
Other trading activities		975	-	975	742	-	742
Total expenditure		9,966	19,576	29,542	8,083	18,512	26,595
Net (expenditure)/ income before net (losses)/gains on investments		(1,701)	897	(804)	(10)	3,736	3,726
Net (losses)/gains on investments		(2,697)	-	(2,697)	283	-	283
Net (expenditure)/income for the year	7	(4,398)	897	(3,501)	273	3,736	4,009
Taxation		-	-	-	-	-	-
Transfers between funds		(171)	171	-	-	-	-
Net (expenditure) / income before other recognised gains and losses		(4,569)	1,068	(3,501)	273	3,736	4,009
Other gains / (losses)		(202)	90	(112)	(1)	-	(1)
Net movement in funds		(4,771)	1,158	(3,613)	272	3,736	4,008
Reconciliation of funds:							
Total funds brought forward	23a	29,856	8,492	38,348	29,584	4,756	34,430
Total funds carried forward		25,085	9,650	34,735	29,856	8,492	38,348
Restricted funds		-	9,650	9,650	-	8,492	8,492
Designated funds		20,434	-	20,434	23,155	-	23,155
General funds		4,651	-	4,651	6,701	-	6,701
Total		25,085	9,650	34,735	29,856	8,492	38,348

The statement of financial activities includes all gains and losses recognised in the year. The notes on pages 38-63 form part of the financial statements. All of the above results are derived from continuing activities. Movements in funds are disclosed in Note 23a to the financial statements.



The Waste and Resources Action Programme

Consolidated and charity balance sheets As at 31 March 2025

		The group		The charity	
		2025	2024	2025	2024
	Note	£'000	£'000	£'000	£'000
Fixed assets:					
Tangible assets	12	11	12	5	5
Investments	13	19,504	21,210	6,832	7,502
		19,515	21,222	6,837	7,507
Intangible asset: Goodwill on acquisition		33	-	-	-
Current assets:					
Debtors due within one year	17	7,133	4,356	7,674	4,777
Short term investments	16	-	1,051	-	1,051
Cash at bank and in hand		17,335	16,752	16,165	15,041
		24,468	22,159	23,839	20,869
Creditors: amounts falling due within one year	18	(8,936)	(4,677)	(7,979)	(4,152)
Net current assets		15,532	17,482	15,860	16,717
Total assets less current liabilities		35,080	38,704	22,697	24,224
Provision for liabilities and charges	20	(345)	(356)	(345)	356)
Net assets		34,735	38,348	22,352	23,867
Reserves					
Restricted funds	23a	9,650	8,492	9,858	8,492
Unrestricted funds:					
Designated funds		20,434	23,155	7,695	8,374
General funds		4,651	6,701	4,799	7,001
Total reserves		34,735	38,348	22,352	23,867

Approved by the trustees on 24th September 2025 and signed on their behalf by



The Waste and Resources Action Programme

Consolidated statement of cash flows For the year ended 31 March 2025

	2025		2024	
	£'000	£'000	£'000	£'000
Cash flows from operating activities				
Net (expenditure)/ income for the reporting period (as per the statement of financial activities)	(3,614)		4,007	
Depreciation charges	4		2	
Losses/(gains) on listed and unlisted investments	2,697		(242)	
Foreign exchange losses	112		1	
Dividends and interest from investments	(647)		(602)	
(Increase)/decrease in debtors	(2,781)		3,376	
Increase/(decrease) in creditors	4,262		(2,689)	
(Decrease) in provision	(11)		(118)	
Net cash (used in) operating activities		22		3,735
Cash flows from investing activities:				
Dividends and interest from investments	647		602	
Purchase of fixed assets	(3)		(9)	
Proceeds from sale of investments	2,612		3,805	
Purchase of listed and unlisted investments	(3,647)		(4,650)	
Movements due to acquisition	(32)		-	
Decrease in cash held by investment manager	45		87	
Net cash used in investing activities		(378)		(165)
Change in cash and cash equivalents in the year		(356)		3,570
Cash and cash equivalents at the beginning of the year		17,803		14,233
Change in cash and cash equivalents due to exchange rate movements		(112)		(1)
Cash and cash equivalents at the end of the year		17,335		17,803

Analysis of cash and cash equivalents and of net debt				
	At 1 April 2024	Cash flows	Other non-cash changes	At 31 March 2025
	£	£	£	£
Cash at bank and in hand	16,752	695	(112)	17,335
Short term investments	1,051	(1,051)	-	-
Total cash and cash equivalents	17,803	(356)	(112)	17,335

NOTES TO THE FINANCIAL STATEMENTS



NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

(a) Basis of financial statements and accounting policies

WRAP is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office address is Ground Floor, Blenheim Court, 19 George Street, Banbury, OX16 5BH.

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) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and Charities Act 2011. WRAP 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 note(s).

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates

and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

(b) Basis of consolidation

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiaries: Accelerating Growth Fund Limited (AGF), Behaviour Change Limited (BC) WRAP Asia Pacific Limited (APAC), Circular Plastics Accelerating Growth Fund LLP, WRAP EU and WRAP Americas Inc. on a line by line basis. Transactions and balances between the charitable company and its subsidiaries have been eliminated from the consolidated financial statements. Balances between Accelerating Growth Fund Limited (AGF), Behaviour Change Limited (BC) WRAP Asia Pacific Limited (APAC), Circular Plastics Accelerating Growth Fund LLP, WRAP EU and WRAP Americas Inc. are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities,

or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by the Unincorporated Companies Act 2009.

The Charity is included in the consolidated financial statements and is considered to be a qualifying entity under FRS 102 paragraphs 1.8 to 1.12. The following exemptions available under FRS 102 in respect of certain disclosures for the Charity financial statements have been applied:

- No separate parent company Statement of Cash Flows with related notes is included;
- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

(c) Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the trustees' report. The financial position of the Group, its cash flows and liquidity position are also described in the trustees' report and

the financial statements. As highlighted in the financial statements, the Group meets its day-to-day working capital requirements through grants and other funding. Whilst the current economic and political conditions may create uncertainty over the level of future funding, the trustees have reviewed the Group's committed funding, obligations and reserves and have concluded that the Group is able to meet all its liabilities as they fall due.

As the Charity has £15m of liquid unrestricted reserves, and the funding for the next financial year is highly probable, the trustees consider there are no material uncertainties. The trustees therefore have a reasonable expectation that the Group has adequate resources to continue in operational existence for 12 months from the date of approval of the accounts. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies (continued)

(d) Income

Income is recognised when: the charity has entitlement to the funds; any performance conditions attached to the income have been met, and it is probable that the income will be received and that the amount can be measured reliably.

Revenue grants are credited to the statement of financial activities in the period in which the funding is receivable. Where entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the income is recognised when there is sufficient evidence that conditions will be met. Where there is uncertainty as to whether the charity can meet such conditions, the income is deferred. Investment income is included in the statement of financial activities when receivable. Grant income is either restricted or unrestricted, depending on the conditions attached to the grant.

Income received from the sale of goods and services is recognised in the financial statement in the year in which the good is sold or the service provided. Where contributions from voluntary agreement members have been received in one year, but relate to future years,

they are treated as deferred income so that income is recognised in accordance with the membership fee timeframe.

(e) Expenditure

All expenditure is charged in the period to which it relates on an accruals basis and a liability is recognised when there is a legal or constructive obligation, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. The Charity is registered for VAT due to income generated by some activities and accordingly expenditure excludes any recoverable VAT. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Expenditure that relates directly to a particular activity is allocated to that activity. Support costs are attributed to programmes with reference to the proportion of staff working directly on project based activities.

Fundraising costs relate to the costs incurred by the group and charitable company in raising funds for the charitable work. Investment management fees are not allocated to charitable activities.

Governance costs are the costs associated with the governance arrangements of the charitable

company. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the organisation's activities.

(f) Grant making

Grants payable are charged to the statement of financial activities in the year in which the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year-end are noted as a commitment, but not accrued as expenditure.

(g) Leases

Operating lease rentals are charged to the statement of financial activities on a straight-line basis over the period of the lease.

(h) Taxation

WRAP is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of 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. The subsidiary trading company makes qualifying donations of all taxable profit to the charity. Deeds of covenant have been prepared to allow the subsidiary trading company to make qualifying donations of all taxable profit to the charity.

(i) Funds

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund together with a fair allocation of management and support costs.

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity.

Designated funds are unrestricted funds ring fenced by the trustees for particular purposes.

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies (continued)

(j) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation is provided on all fixed assets at rates calculated to write-off the cost of each asset evenly over its expected useful life, as follows:

Fixtures & Fittings and IT Equipment: 33% on cost.

(k) Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the Statement of Financial Activities. The charity does not acquire put options, derivatives or other complex financial instruments.

Unlisted investments are included at their fair value if this can be quantified accurately

otherwise they are included at cost less impairment. Where a company has raised a further round of investment, the fair value of the investment held is based on the latest value of the Company's shares. Any change in valuation is taken to the Statement of Financial Activities.

(l) Investments in subsidiaries

Investments in subsidiaries are at cost.

(m) Pension costs

Pension costs represent the costs of providing defined contribution retirement benefits under a group personal pension scheme, and are charged as incurred.

(n) Creditors and Provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that can be reliably measured, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligations at the reporting date.

(o) Cash and liquid resources

Cash, for the purpose of the cash flow statement, comprises cash in hand and deposits repayable on demand.

(p) Short term investments

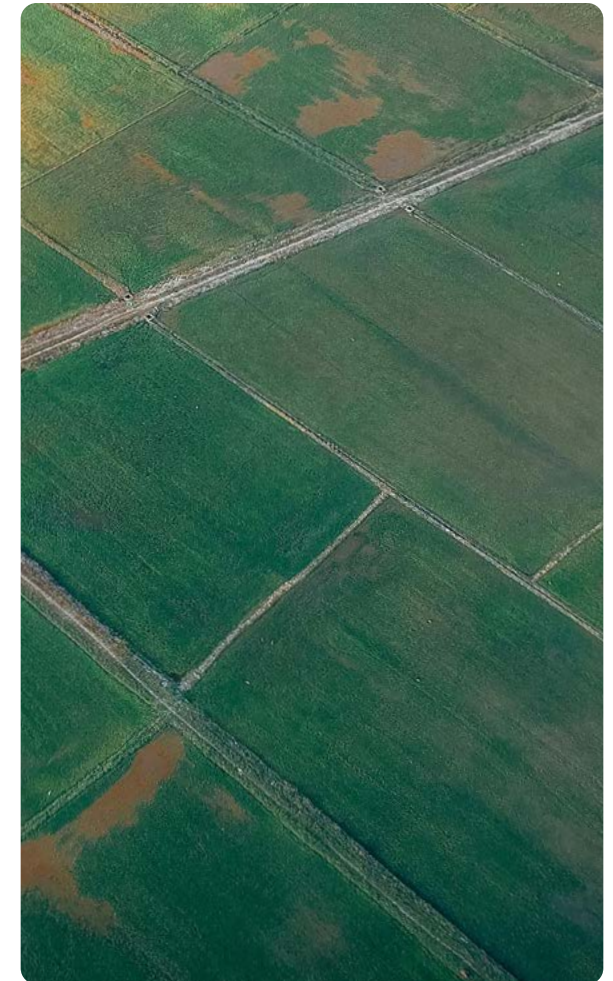
Short term investments include bank deposits under which access to cash is restricted for up to 100 days from the date of the deposit and other deposits held by Fund Managers. Cash held in 32 day notice accounts is treated as a short-term investment as it is held for investment purposes.

(q) Debtors

Debtors are recorded at their recoverable amount which constitutes the present value for long term debts, the time value of money having been deemed immaterial.

(r) Financial instruments

The group only has financial assets of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Cash held in 32 day notice accounts is treated as a short term investment as it is held for investment purposes.



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

2) Income from charitable activities

	2025			2024		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£'000	£'000	£'000	£'000	£'000	£'000
UK Governments Grants	5	13,777	13,782	-	14,920	14,920
EU Governments	-	-	-	-	40	40
Non EU Governments	-	3	3	-	29	29
Other UK Government & Local Authorities	887	627	1,514	511	419	930
Total income from Governments	892	14,407	15,299	511	15,408	15,919
Business contributions to voluntary agreements	3,271	-	3,271	3,092	-	3,092
Trusts & Foundations	31	4,350	4,381	17	4,612	4,629
Donations	6	130	136	-	358	358
Other income	2,554	1,586	4,140	3,094	1,870	4,964
Total income from charitable activities	6,754	20,473	27,227	6,714	22,248	28,962

3) Income from investments

	2025	2024
	Total	Total
	£'000	£'000
Bank interest receivable	436	447
Income from listed investments	211	155
	647	602

All income from investments is unrestricted.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

4a) Analysis of expenditure (current year)

	Charitable activities									
	Textiles	Food	Plastics	Resource Management	Trading Costs	Fundraising Costs	Governance Costs	Support Costs	2025 Total	2024 Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Staff costs (Note 8)	1,437	4,578	1,843	4,743	696	329	102	2,894	16,622	14,298
Contracted services	559	3,402	1,080	4,213	65	4	96	3,211	12,630	11,437
Other expenditure	-	-	-	-	192	-	-	98	290	266
Grants awarded (Note 5)	-	-	-	-	-	-	-	-	-	594
	1,996	7,980	2,923	8,956	953	333	198	6,203	29,542	26,595
Fundraising costs	38	118	50	127	-	(333)	-	-	-	-
Governance costs	17	73	25	83	-	-	(198)	-	-	-
Support costs	500	2,335	770	2,576	22	-	-	(6,203)	-	-
Total expenditure 2025	2,551	10,506	3,768	11,742	975	-	-	-	29,542	26,595

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

4b) Analysis of expenditure (prior year)

	Charitable activities								
	Textiles	Food	Plastics	Resource Man- agement	Trading Costs	Fundraising Costs	Governance Costs	Support Costs	2024 Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Staff costs (Note 9)	1,439	3,112	2,115	4,214	590	278	126	2,424	14,298
Contracted services	350	3,319	625	4,912	22	5	97	2,107	11,437
Other expenditure	68	68	-	-	130	-	-	-	266
Grants awarded (Note 5)	47	348	217	(18)	-	-	-	-	594
	1,904	6,847	2,957	9,108	742	283	223	4,531	26,595
Fundraising costs	37	82	54	110	-	(283)	-	-	-
Governance costs	20	73	33	97	-	-	(223)	-	-
Support costs	406	1,481	652	1,992	-	-	-	(4,531)	-
Total expenditure 2024	2,367	8,483	3,696	11,307	742	-	-	-	26,595

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

5a) Grant making					
	Grants to Community Interest Groups & Charity/Not for Profit	Grants to Institutions	Grants to Local Authorities	Grants to Business	2025 Total
	£'000	£'000	£'000	£'000	£'000
Cost					
Textiles	-	-	-	-	-
Food	-	-	-	-	-
Plastics	-	-	-	-	-
Resource Management	-	-	-	-	-
At the end of the year	-	-	-	-	-

No new grants were awarded in the 2024-25 financial year. In prior years grants were principally awarded under the following schemes: Global Sustainable Plastic Packaging Programme funded by UKRI, Recycling Sack Trials in Wales, and Support to Local Authorities through the 'Be Mighty' consumer food waste campaign both funded by Welsh Government. WRAP recovered funding back from a grant beneficiary in Circular Economy Fund where conditional restrictions were not met.

Details of grants awarded can be found at www.wrap.ngo/awarded-grants.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

5b) Grant making (prior year)					
	Grants to Community Interest Groups & Charity/Not for Profit	Grants to Institutions	Grants to Local Authorities	Grants to Business	2024 Total
	£'000	£'000	£'000	£'000	£'000
Cost					
Textiles	47	-	-	-	47
Food	295	-	-	53	348
Plastics	451	-	(17)	(217)	217
Resource Management	169	-	81	(268)	(18)
At the end of the year	962	-	64	(432)	594

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

6) Analysis of support costs

	2025	2024
	£'000	£'000
Finance	852	544
Information technology	1,134	761
Office facilities	457	456
Human resources	1,116	711
Commercial	560	437
Corporate communication & digital	1,287	887
Executive & CFO office	797	734
Total	6,203	4,530

Analysis of governance costs

	2025	2024
	£'000	£'000
Staff	102	132
Audit	64	37
Trustees and board meeting expenses	6	5
Professional fees	26	55
Total	198	229

7) Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2025	2024
	£'000	£'000
Depreciation of tangible fixed assets	4	2
Operating lease rentals - land and buildings	350	271
Auditor's remuneration (excluding VAT):		
Audit - group accounts	43	37
Other services	31	-
Fees for subsidiary audit work	50	25
Foreign exchange losses	196	1

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

8) Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	Group		Charity	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Wages and salaries	13,054	11,120	12,294	10,643
Social security costs	1,397	1,209	1,316	1,152
Other pension costs	2,089	1,831	2,011	1,786
Other staff costs	82	54	82	41
Redundancy and termination	-	85	-	85
	16,622	14,299	15,703	13,707

Other pension costs represent employer contributions to defined contribution pension schemes.

The number of employees whose total employee benefits (excluding employer pension costs and employers' national insurance) was above £60,000 for the reporting period as follows:

8) continued	2025	2024
	No.	No.
£60,000 - £69,999	16	7
£70,000 - £79,999	6	5
£80,000 - £89,999	3	1
£90,000 - £99,999	1	3
£100,000 - £109,999	4	3
£110,000 - £119,999	3	-
£120,000 - £129,999	1	2
£160,000 - £169,999	1	-

Year on year increase in the number of employees whose total employee benefits (excluding employer pension costs and employers' national insurance) was above £60,000 is being driven by both a material increase in capacity at leadership levels and pay progression of WRAP colleagues.

Key Management Personnel

The key management personnel are the trustees and the executive team (listed on page 21). The total employee benefits, including employer's NI and pension, paid to key management personnel was £1,118,392 (2024: £1,216,223).

Board of Trustees Remuneration

The Board of Trustees are the Directors of the Charity. During the year there were 11 (2024: 12) non-executive directors. None of the non-executive directors has a service contract. Since becoming a charity in 2014 all the non-executive directors, apart from the Chair, give of their time freely and receive no remuneration. The Chair's remuneration has been approved by the Charity Commission. The remuneration of the Chair was as follows:

	Fees	Fees
	2025	2024
	£'000	£'000
Sebastian Munden - Chair (Appointed 21.11.2022)	39	39

Expenses of £4,156 were incurred on behalf of or reimbursed to 7 non-executive trustees relating to attendance at meetings of the trustees (2024: 8 trustees £4,863).

	2025	2024
	£	£
Travel	3,004	4,106
Subsistence	1,152	757
Total	4,156	4,863

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

9) Staff numbers

Employees	Group		Charity	
	2025	2024	2025	2024
The average number of staff was:	No.	No.	No.	No.
Banbury	148	162	148	162
Wales	62	62	62	62
Northern Ireland	9	10	9	10
London	63	24	56	17
USA	6	2	1	1
Australia	2	1	-	-
Europe	2	-	-	-
Total	292	261	276	252

Average number of staff in FTE in 2025 was 283 (2024: 240). The Charity staff work on programmes for all funders.

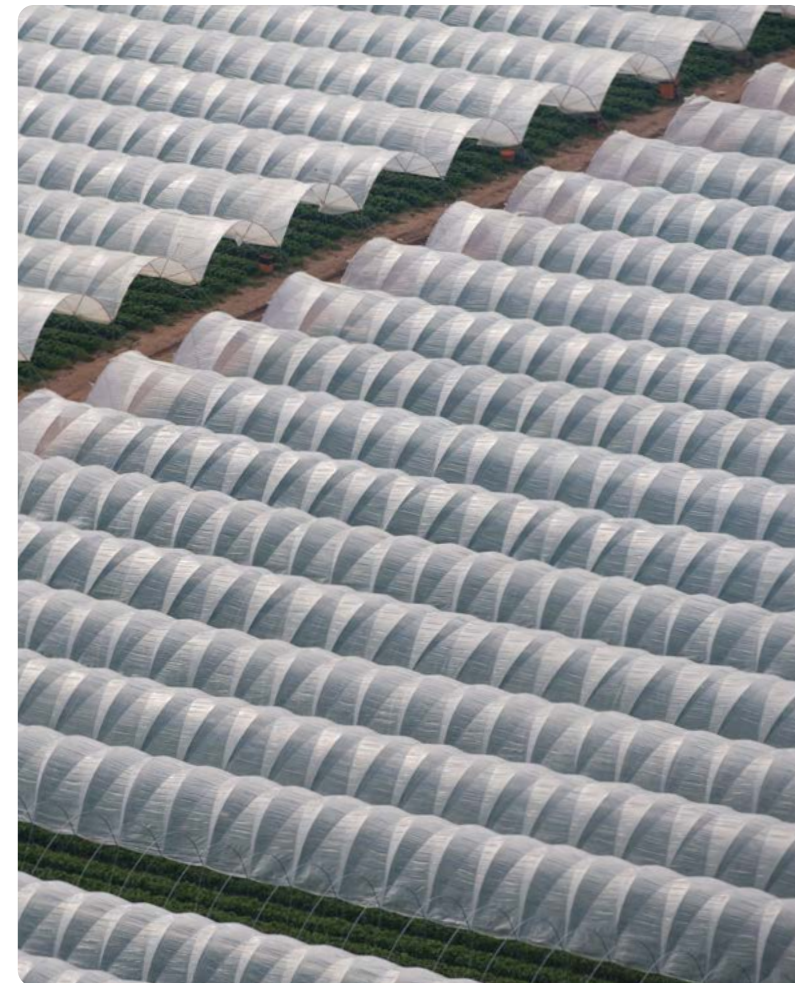
10) Related party transactions

In 2024-25 WRAP charged AGF Ltd £18k (2024: £21k) for the provision of staff. As at 31 March 2025 there is a creditor balance of £66k (2024: £101k) which relates to staff charges, other expenditure incurred on behalf of AGF of £7k and £41k Gift Aid distribution £41k (2024: 65k) to WRAP.

In 2024-25 WRAP reversed £58k of the £145k costs charged to WRAP Asia Pacific in 2023-24 for recovery of costs associated with establishing the subsidiary. In 2024-25 WRAP paid costs of £61k (2024: £145k) on behalf of WRAP Asia Pacific and charged them to the intercompany loan account. At 31 March there is a creditor balance of £445k (2024: £441k) associated with the establishment cost to date for the subsidiary.

In 2024-25 Behaviour Change Limited charged WRAP £472k (2024:£389k) for technical research. As at 31 March 2025 Behaviour Change Limited had a creditor balance of £42k(2024: £65k) to WRAP which relates to the technical research charges.

There was no new Gift Aid distribution from AGF to the Charity in the year, as gifts from prior years in excess of chargeable profits are being allocated to the current year's taxable gain. In



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

10) Related party transactions (continued)

2023-24 £126k was paid as estimated taxable profits, in accordance with the deed of covenant, as Gift Aid to the parent charity.

Expenses of £4 were incurred by WRAP on behalf of Circular Plastics Accelerating Growth Fund LLP (CPAG), a subsidiary of AGF. Intercompany transactions between CPAG and AGF are disclosed in the AGF annual report.

In 2024-25 WRAP charged £52k (2024:£48k) to Unilever UK Ltd, of which the chair of trustees is a former director. In addition, the chair is a shareholder in the parent company, Unilever PLC.

11) Taxation on surplus on ordinary activities

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary Accelerating Growth Fund Limited distributes under Gift Aid available profits to the parent charity. Its charge to corporation tax in the year was:

a) Analysis of charge in the period				
	The group		The charity	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Current tax	-	-	-	-
UK corporation tax at 19% (2024: 19%) on the surplus for the year on ordinary activities	-	-	-	-
Current tax on income for the period	-	-	-	-
Total current tax	-	-	-	-



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

11) Taxation on surplus on ordinary activities (continued)

b) Factors affecting tax charge for the period

The current tax charge for the period is lower for the Group (2024: lower) and for the Company (2024: lower) than the standard rate of corporation tax in the UK of 25% (2024: 25%). Taxation is only payable on the interest income earned by the Group.

	The group		The charity	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Surplus before tax on ordinary activities for subsidiary companies	47	88	-	-
Surplus on ordinary activities multiplied by the small profits rate of corporation tax in the UK of 19% (2024: 19%)	9	17	-	-
Effects of:				
Activities outside the scope of corporation tax	(7)	(7)	-	-
Investment portfolio timing differences	(1)	(1)	-	-
Distribution under Gift Aid to parent undertaking	(1)	(8)	-	-
Current tax on income for the period	-	-	-	-

12) Tangible fixed assets

	The group			The charity	
	Fix- tures & Fitting	IT Equip- ment	Total	IT Equip- ment	Total
Cost	£'000	£'000	£'000	£'000	£'000
At the start of the year	4	649	653	636	636
Additions in year	-	3	3	3	3
Disposals in year	-	(578)	(578)	(578)	(578)
At the end of the year	4	74	78	61	61
Depreciation					
At the start of the year	2	639	641	632	632
Charge for the year	-	4	4	2	2
Eliminated on disposal	-	(578)	(578)	(578)	(578)
At the end of the year	2	65	67	56	56
Net book value					
At the end of the year	2	9	11	5	5
At the start of the year	2	10	12	4	4

All of the above assets are used for charitable purposes.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

13) Listed investments				
	The group		The charity	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Fair value at the start of the year	11,460	11,102	7,490	7,273
Additions at cost	2,211	3,737	1,344	2,116
Disposal proceeds	(2,611)	(3,805)	(1,520)	(2,170)
Net (loss)/gain on change in fair value	(632)	426	(499)	271
	10,428	11,460	6,815	7,490
Cash held by investment broker pending reinvestment	33	78	17	12
Fair value at the end of the year	10,461	11,538	6,832	7,502

13a) Unlisted investments				
	The group		The charity	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Fair value at the start of the year	9,672	8,943	-	-
Additions at cost	1,436	913	-	-
Net gain / (loss) on change in fair value	(2,065)	(184)	-	-
Fair value at the end of the year	9,043	9,672	-	-

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

13b) Investments comprise				
	The group		The charity	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Listed investments (UK)	2,414	2,884	428	751
Listed investment (outside the UK)	4,774	4,581	3,446	3,033
Property investments	315	312	315	312
Cash	33	78	17	12
Other investments	2,925	3,683	2,626	3,394
	10,461	11,583	6,832	7,502
Unlisted shares in UK registered companies	9,043	9,672	-	-
	19,504	21,210	6,832	7,502

14) Subsidiary undertakings

The Charity owns the whole of the issued ordinary share capital of the Accelerating Growth Fund Limited (company number 4698093) and WRAP Enterprises Limited (company number 4217608), companies registered in England. The share capital of each of the companies is £1. On 31 December 2021, the Charity became the sole member of Behaviour Change Limited (company number 7099594 limited by guarantee). The registered office address for all three entities is Ground Floor, Blenheim Court, 19 George Street, Banbury, OX16 5BH. On 13 June 2022, the Charity registered WRAP APAC (ABN 39660633527), as a subsidiary company, limited by guarantee, in South Australia. The registered office address for WRAP APAC is Regus Adelaide Victoria Park, Level 3, 169 Fullarton Road, Dulwich, SA 5065, Australia. On 4 December 2024, the Charity and WRAP Enterprises Limited (company number 4217608) became Full Members of International Food Waste Coalition AISBL. On 24 January 2025, the entity officially changed its name to WRAP Europe (company number 0630.620.853). The registered address of WRAP Europe is Bd de la Plaine 15, 1050 Ixelles, Belgium. On 14 August 2023, the Charity entered into a fiscal sponsorship arrangement with The National Environmental Education Foundation (NEEF) in the US and

registered WRAP Americas (EIN 93-2882724) in the State of Delaware. The registered address of WRAP Americas is 1050 Connecticut Ave NW Suite 500 Office # 5140, Washington, DC 20036.

The subsidiaries are used for trading activities which may be for primary purpose trading and impact or for other trading activities where the profits are reinvested in charitable activity. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are distributed under Gift Aid to the parent charity.

Sarah Chapman, Trustee of WRAP, Vijay Doshi, Trustee of WRAP, Michael Nkonu, Trustee of WRAP, and Claire Shrewsbury, Insights & Innovation Director, are directors of the Accelerating Growth Fund Limited. Michael Nkonu, Trustee of WRAP, became a Director of Accelerating Growth Fund Ltd in July 2024.

David Hall, Robert Moore, Sebastian Munden, Board Chair of WRAP, Catherine David, Collaboration and Change Director, and David Wilson, Director of Communications, are also directors of Behaviour Change Limited. Giles Bristow was a Director of Behaviour Change until May 2024. Harriet Lamb, WRAP CEO, was a Director of Behaviour Change

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

until November 2024. David Wilson, Director of Communications, became a Director of Behaviour Change in December 2024.

Claire Shrewsbury, Insights & Innovation Director, and Daniel Youmans, CFO and Charity Secretary, are directors of WRAP Enterprises Ltd.

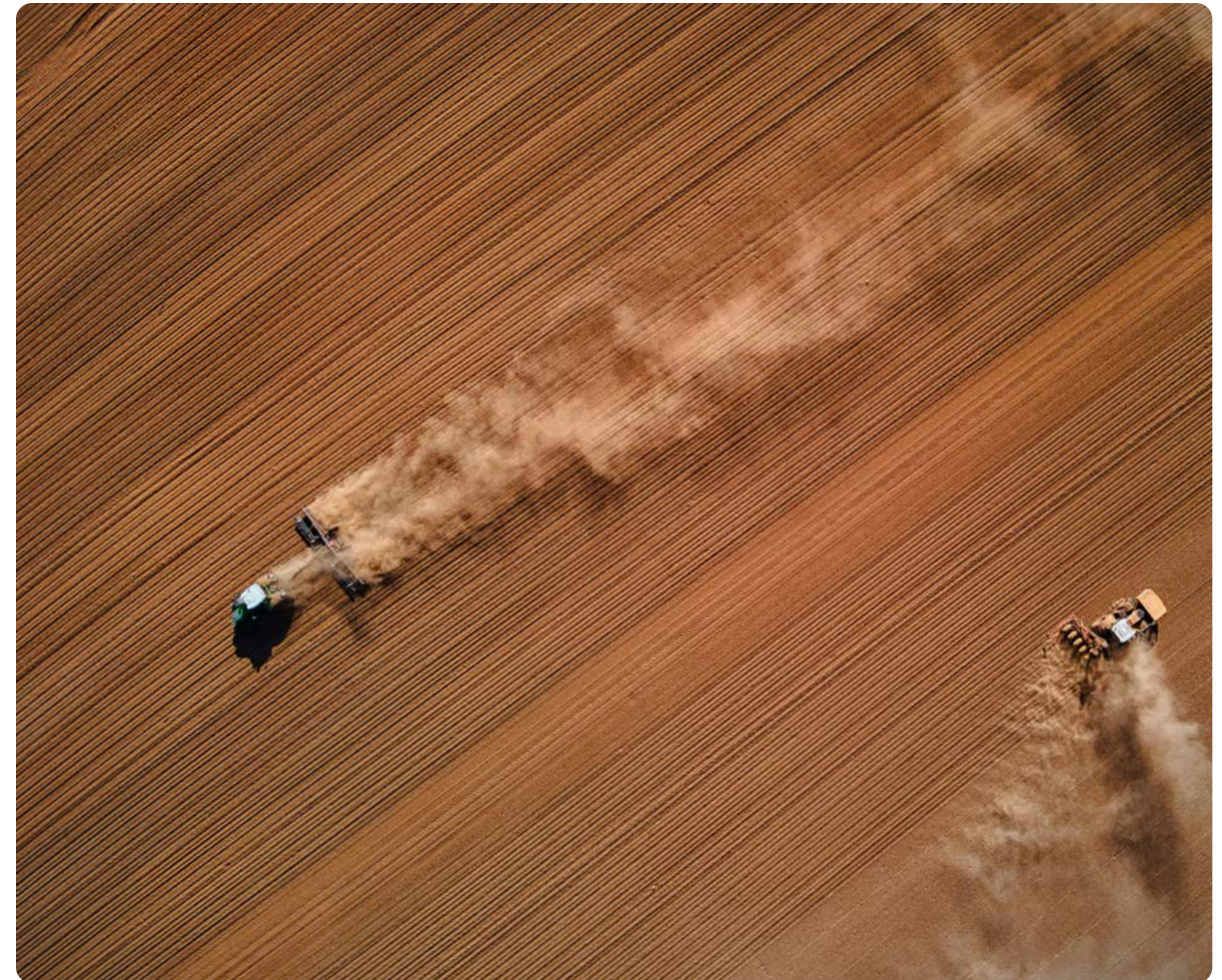
Jill Riseley, Trustee of WRAP, Jerome Joseph, David Rogers, International Development Director and Sarah Chapman, Trustee of WRAP) are directors of WRAP APAC. Jill Riseley became a Director of WRAP APAC in June 2024. Jerome Joseph became a Director of WRAP APAC in August 2024. David Rogers became a Director of WRAP APAC in November 2024. Richard Swannell, Director of Impact Growth, was a Director of WRAP APAC until November 2024. Angela Pulley, HR Director, was a Director of WRAP APAC until March 2025.

Richard Swannell, Director of Impact Growth, David Rogers, International Development Director, and Michaelene Kinnersley, Trustee of WRAP, became Directors of WRAP Europe in December 2024.

David Rogers, International Development Director, Robert ter Kuile, Trustee of WRAP, and Dario Soto Abril, Trustee of WRAP, are Directors of WRAP Americas. Claire Shrewsbury, Director of Insights & Innovation, and Allison Raygor, Project Manager, were Directors of WRAP Americas until May 2025.

The amounts owed to/from the parent undertaking are shown in note 17.

A summary of the results of the subsidiaries is shown below:



NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

14) Subsidiary undertakings	Accelerating Growth Fund Ltd		Behaviour Change Limited		WRAP Asia Pacific		Circular Plastics Accelerating Growth Fund LLP		WRAP Europe		WRAP Americas	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	£	£	£	£	£	£	£	£	£	£	£	£
Income	-	-	1,358,637	1,194,374	287,124	24,747	-	-	167,764	-	-	-
Direct expenditure	(44,901)	(33,496)	(1,360,503)	(458,783)	(405,571)	-	-	-	(108,743)	-	(50)	-
Operating (deficit) / surplus	(44,901)	(33,496)	(1,866)	735,591	(118,447)	24,747	-	-	59,021	-	(50)	-
Administrative expenses	(9,124)	(10,364)	-	(725,226)	-	(152,230)	(50,731)	-	-	-	-	-
Operating (deficit)/surplus on ordinary activities	(54,025)	(43,860)	(1,866)	10,364	(118,447)	(127,503)	(50,731)	-	59,021	-	(50)	-
Interest receivable and similar income	100,764	131,441	-	4,160	-	-	-	-	-	-	-	-
Net losses on investments	(2,198,394)	(19,916)	-	-	-	-	-	-	-	-	-	-
Operating (deficit)/surplus	(2,151,655)	67,665	(1,866)	14,524	(118,447)	(127,503)	(50,731)	-	59,021	-	(50)	-
Taxation surplus on ordinary activities	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive (loss)/income	(2,151,655)	67,665	(1,866)	14,524	(118,447)	(127,503)	(50,731)	-	59,021	-	(50)	-

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

14) Subsidiary undertakings (continued)	Accelerating Growth Fund Ltd		Behaviour Change Limited		WRAP Asia Pacific		Circular Plastics Accelerating Growth Fund LLP		WRAP Europe		WRAP Americas	
	£	£	£	£	£	£	£	£	£	£	£	£
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Retained earnings												
Total retained earnings brought forward	14,890,228	14,932,720	(52,514)	(67,038)	(358,086)	(230,583)	-	-	-	-	-	-
Exchange gain on opening reserves	-	-	-	-	84,439	-	-	-	-	-	-	-
Total comprehensive income /(loss)	(2,151,655)	67,665	(1,866)	14,524	(118,447)	-	(50,731)	-	59,021	-	(50)	-
Distribution under Gift Aid to parent charity	-	(110,157)	-	-	-	-	-	-	-	-	-	-
Total retained earnings carried forward	12,738,573	14,890,228	(54,380)	(52,514)	(392,095)	(358,086)	(50,731)	-	59,021	-	(50)	-
The aggregate of the assets, liabilities and reserves was:												
Assets	13,113,493	15,044,688	727,091	457,591	147,330	87,581	788,239	-	139,489	-	38,558	-
Liabilities	(374,919)	(154,460)	(781,471)	(510,105)	(539,426)	(445,667)	(838,970)	-	(80,468)	-	(38,608)	-
Reserves	12,738,574	14,890,228	(54,380)	(52,514)	(392,095)	(358,086)	(50,731)	-	(59,021)	-	(50)	-

Included within administrative expenses for AGF is a management charge from WRAP of £18,358 (2024: £20,504).

Included within income for Behaviour Change Limited is £490,350 (2024: £461,951) of sales to WRAP for project and strategy work. Behaviour Change Limited's sales less the amount charged to WRAP represents the trading activity of £864,474 (2024: £757,150) in the year.

Included within the administrative expenses for WRAP APAC is interest of £24,480 on a loan from WRAP.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

15) Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2025	2024
	£'000	£'000
Gross income	27,624	29,577
Result for the year	(1,516)	(4,167)

16) Short term investments

	The group		The charity	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Bank deposits	-	1,051	-	1,051
Total	-	1,051	-	1,051

The fixed-term deposit previously held at a High Street bank matured in the year and is included in cash at bank and in hand.

17) Debtors: amounts falling due within one year

	The group		The charity	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Trade debtors - Grants receivable	2,697	403	2,697	403
Trade debtors	2,944	546	2,843	442
Amounts due from group undertakings	-	-	676	565
Other debtors	910	3,111	896	3,077
Prepayments	582	296	562	290
	7,133	4,356	7,674	4,777

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

18) Creditors: amounts falling due within one year				
	The group		The charity	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Trade creditors	1,121	640	1,081	632
Other taxes and social security	979	335	878	306
Other creditors	90	180	56	180
Accruals and deferred income	6,746	3,522	5,964	3,034
	8,936	4,677	7,979	4,152

19) Deferred income				
Deferred income comprises				
	The group		The charity	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Balance at the beginning of the year	1,796	3,437	1,336	2,969
Amount released to income in the year	(12,006)	(4,454)	(11,546)	(3,986)
Amount deferred in the year	14,439	2,813	13,985	2,353
Balance at the end of the year	4,229	1,796	3,775	1,336

Additions relate to grants and contracts where payment has been made but performance conditions have not yet been satisfied. These monies will be repaid if the performance conditions are not satisfied in the future. Releases relate to grants awarded in prior years where performance conditions have now been satisfied during the year.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

20) Provisions for liabilities

Provisions for liabilities comprise

	WRAP	Behaviour Change Limited	Total
	£'000	£'000	£'000
At 1 April 2024	356	-	356
Amount released in the year	(41)	-	(41)
Increase in provision in the year	30	-	30
At 31 March 2025	345	-	354

	WRAP	Behaviour Change Limited	Total
	£'000	£'000	£'000
At 1 April 2023	474	1	475
Amount released in the year	(138)	(1)	(139)
Increase in provision in the year	20	-	20
At 31 March 2024	356	-	356

The Provisions in WRAP represent the directors' best estimates of the future costs of liabilities relating to operational activities including dilapidations on the rented properties, the holiday pay provision and monitoring provisions for grants awarded. Refer to Note 24 for indications of expected timing of expiry of property leases.

21) Financial instruments

	2025	2024
	£'000	£'000
Financial assets measured at fair value through profit and loss		
Listed investments	7,188	7,465
Unlisted investments	3,240	3,995
Short term investments	-	-

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

22a) Analysis of group net assets between funds (current year)

	General unrestricted	Designated funds	Restricted funds	Total funds
	£'000	£'000	£'000	£'000
Tangible fixed assets	-	-	11	11
Investments	-	19,504	-	19,504
Net current assets	4,651	930	9,984	15,565
Provisions	-	-	(354)	(354)
Net assets at 31 March 2025	4,651	20,434	9,650	34,735

22b) Analysis of group net assets between funds (prior year)

	General unrestricted	Designated funds	Restricted funds	Total funds
	£'000	£'000	£'000	£'000
Tangible fixed assets	-	-	12	12
Investments	-	21,210	-	21,210
Net current assets	6,701	1,945	8,836	17,482
Provisions	-	-	(356)	(356)
Net assets at 31 March 2024	6,701	23,155	8,492	38,348

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

23a) Movements in funds (current year)	At 1 April 2024	Income & gains	Expenditure & losses	Transfers	At 31 March 2025
	£'000	£'000	£'000	£'000	£'000
Restricted funds:					
Textiles	201	1,370	1,353	23	241
Food	4,712	7,483	6,455	(208)	5,532
Plastics	1,317	1,696	2,085	69	997
Resource Management	2,262	9,924	9,683	287	2,790
Other gains	-	90	-	-	90
Total restricted funds	8,492	20,563	19,576	171	9,650
Unrestricted funds:					
Designated funds:					
Accelerating Growth Fund Limited	14,780	101	2,252	110	12,739
WRAP	872	12	61	40	863
WRAP Investment Fund	7,502	160	535	(295)	6,832
Total Designated funds	23,154	273	2,848	(145)	20,434
General funds	6,701	7,993	10,018	(26)	4,651
Total unrestricted funds	29,856	8,266	12,866	(171)	25,085
Total funds	38,348	28,829	32,442	-	34,735

The £9,650k (2024: £8,492k) of restricted reserves consists of £7,176k of donations and grant funding for work continuing into 2025-26, and £2,474k to cover specific future costs (primarily shutdown costs). The increase in restricted reserves is due to £4m from the Ballmer Foundation, which will fund activity in 2025/26, partially offset by delivery activity in 24-25 which was funded by grant income received in 23-24. The restricted reserve carried forward was £8,492k of which £4,385k has been utilised in delivery in 2024-25

The reserves in Accelerating Growth Fund Limited of £12,739k (2024: £14,890k) are designated by the trustees to support the activities of the company, namely providing financial support and investment to companies who are investing in, or changing to, more circular economy business models.

On the 31st of March 2025, WRAP had designated reserves of £863k (2024: 872k), £300k to provide continued support expansion and international growth, £200k loan facility for Behaviour Change Ltd, £207k for continued development of Extended Producer Responsibility models, and £144k to continue WRAP's industry leading work on Food System Transformation and £12k for management costs.

The transfers between Restricted, Designated and General funds represent the value of overspent restricted funds balances from 2024-25 now supplemented by unrestricted funds.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

23b Movements in funds (prior year)

	At 1 April 2023	Income & gains	Expenditure & losses	Transfers	At 31 March 2024
	£'000	£'000	£'000	£'000	£'000
Restricted funds:					
Textiles	316	1,427	1,542	-	201
Food	813	9,336	5,436	-	4,712
Plastics	1,829	1,538	2,051	-	1,316
Resource Management	1,798	9,947	9,483	-	2,262
Total restricted funds	4,756	22,248	18,512	-	8,492
Unrestricted funds:					
Designated funds:					
Accelerating Growth Fund Limited	14,933	131	174	(110)	14,780
WRAP	2,177	14	1,319	-	872
WRAP Investment Fund	7,376	-	(126)	-	7,502
Total Designated funds	24,486	145	1,367	(110)	23,154
General funds	5,098	8,539	7,046	110	6,701
Total unrestricted funds	29,584	8,864	8,412	-	29,856
Total funds	34,340	30,932	26,924	-	38,347

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

24) Operating lease commitments payable as a lessee

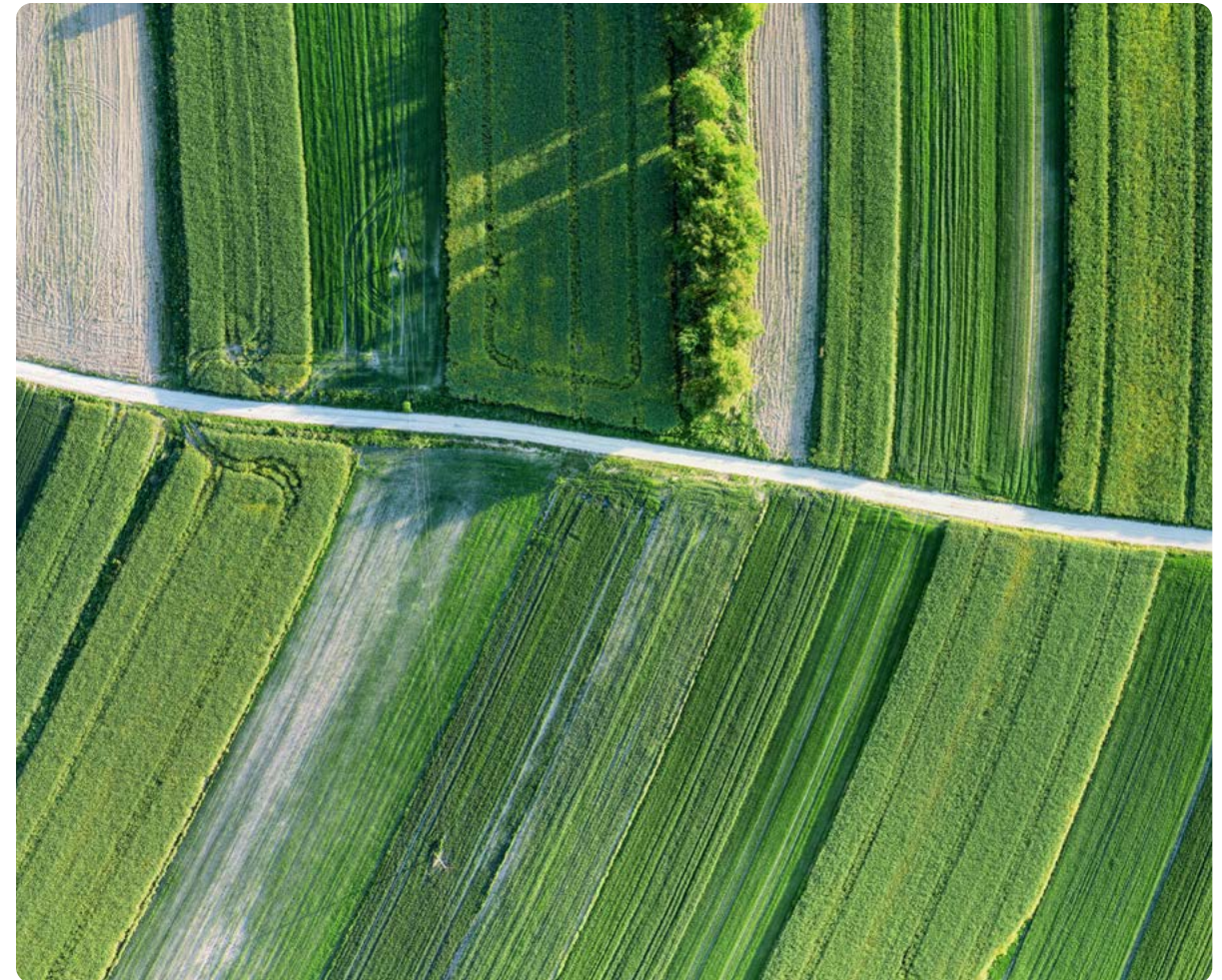
The group's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

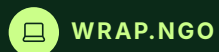
	Property			
	The group		The charity	
	2025	2024	2025	2024
	£'000	£'000	£'000	£'000
Total lease commitments				
Within one year	329	298	171	233
between 2-5 years	234	36	122	36
Financial commitments at the end of the year	563	334	293	269

The Charity had conditional operating commitments of £2,253k at 31 March 2025 (2024: £1,960k) which relate to purchase orders raised as at the balance sheet date for project and overhead costs which will be incurred in the following year.

25) Legal status of the charity

The charity is a Charitable Incorporated Organisation and has no share capital.





Work with WRAP to accelerate a circular economy and tackle the root causes of environmental harm.

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WRAP
GROUND FLOOR,
BLENHEIM COURT,
19 GEORGE STREET,
BANBURY, OX16 5BH
WWW.WRAP.NGO/CONTACT-US

WRAP AMERICAS
WASHINGTON DC, USA

WRAP ASIA PACIFIC
ADELAIDE, AUSTRALIA

WRAP EUROPE
BRUSSELS, BELGIUM

Charity No: 1159512

The Waste and Resources Action Programme (which operates as WRAP) was registered as a UK Charity, No.1159512, in December 2014, and converted to a Charitable Incorporated Organisation (CIO) in October 2022.

THE WASTE AND RESOURCES ACTION PROGRAMME

England & Wales - Charity number 1159512

Accounts



A YEAR OF TRANSFORMATION

Annual Report and Consolidated Accounts 2023/24



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MESSAGES FROM OUR CHAIR AND CHIEF EXECUTIVE



A message from our Chair: Sebastian Munden



Even more importantly, we are developing repeatable transformational models that we can now share and adapt.

Sebastian Munden
Chairman

Our team at WRAP is here to help transform the world’s food, textiles, and consumer product systems. That’s moving from today’s broken systems to ones that work better for people, planet and nature, creating a world where we take care of our most precious resources while ensuring prosperity and nature thrive.

No organisation, society or country can achieve this alone. It requires complex, systemic, interdependent changes. WRAP works with industries, governments, NGOs, and citizens, to tackle these issues through local, regional and global approaches. Thank you to all of you for choosing us as partners. We never take you for granted, and never forget you have a choice in who you work with. Meanwhile we strive to increase our impact.

At our best we bring expertise, diverse experience, and commitment at all levels of the organisation; science-based action, and credible delivery models. We bring a collaborative way of working that supports tailored approaches to on-the-ground delivery across the world against our multi-year objectives.

This annual report sets out how our work is contributing to:



Supporting the transition to net zero through increasing resource efficiency and a more circular economy.



Helping to build a food system fit for the future through halving food waste, halving greenhouse emissions, and protecting critical water sources.



Supporting the transformation of the global plastics economy to eliminate plastic pollution.



Championing circularity across the global clothing and textiles industry to reduce its climate impact.



A message from our Chair

Even more importantly, we are developing repeatable transformational models that we can now share and adapt. They speed up impact by leveraging the learning curves of teams across the world for others to apply more readily, without losing local focus.

Most recently there are strong examples in water stewardship in Europe, Africa and the Americas as well as food waste prevention in Southeast Asia, and Central, South and North America. Similarly in plastic packaging, collaborative approaches shared between countries across the Americas, Africa, and Asia deliver faster and better outcomes, as happened when teams from around the world got together for a rare opportunity for face-to-face sharing in South Africa this year.

These multi-country programmes give us confidence that we know how to tackle root causes at scale and can attract the kind of philanthropic investment that will help WRAP work with more partners to deliver a global circular economy. A big thank you to all the funding partners featured in this report, particularly Ballmer Foundation, Esmee Fairbairn Trust, Paul M Angell Foundation, Posner Foundation of Pittsburgh, and Stewart Investors for backing our plans to increase the impact of our international programmes.



With this global expansion and increased ambition comes the need to transform our organisation. Last year I wrote on this page about our plans to set up local teams across the world. We have now strengthened our presence in the Asia Pacific, with our office in Adelaide and established a base in the Americas in Washington DC. We have welcomed new trustees to our group board with a wealth of global experience between them.

Our UK roots remain the foundation of our global growth. WRAP teams do some of their best work with the UK Department for Environment, Food and Rural Affairs (DEFRA), the Department of Agriculture, Environment and Rural Affairs (DAERA) in Northern Ireland and the Welsh Government. Together with businesses, citizens and local authorities across the UK we are accelerating a shift towards a more circular economy for food, textiles, plastics and providing the technical support and insights that enable effective policy development and implementation. We remain at your service, approaching our 25th year: a global environmental NGO driving action with policy makers, businesses and citizens to transform how we make, use and dispose of everyday products to create what we call circular living.



Sebastian Munden
Chairman



A message from our Chief Executive: Harriet Lamb



I'm convinced we are on the cusp of that major shift to the economy of the future — although it will need action from Governments, companies and citizens to make it a reality.

Harriet Lamb
Chief Executive

Circular Living is becoming more commonplace. Every morning, I tap old coffee grounds into my food-waste bin – which will become compost – and continue my morning coffee rituals with milk from a bottle refilled locally, sipped sitting in an old chair bought at a local market and repaired. Pepped up, I put on my pre-loved dress from a brilliant local charity shop. Then I hop on my second-hand racing bike and drop off an unwanted bowl at a nearby community centre. So, before I've even reached WRAP's office, I've participated in the growing circular economy in simple ways.

This is why I joined WRAP over a year ago: to help end the 'take-make-chuck out' linear economy and make Circular Living the norm.

I'm convinced we are on the cusp of that major shift to the economy of the future - although it will need action from Governments, companies and citizens to make it a reality. For example, this year WRAP launched an initiative on second hand furniture with major homeware retailers, and have been heads-down, developing standards to certify products for Circular Living. We'll be starting with pre-loved clothing – coming to all good stores near you soon! Our research shows that the circular economy already generates over half a million jobs and could create an additional half a million jobs right across the country.

Such evidence underpins every move we make at WRAP. We have brilliant and committed people who follow the science and love rummaging around statistics. We are also known to rummage through people's bins to measure what they are throwing away! Our knowledge and accurate data ensure our actions are tightly targeted, and we can support our partners with confidence. We work alongside Local Authorities to provide insights and guidance on recycling. And the Welsh Government is now 2nd in the world at recycling – not too shabby!

We love rolling up our sleeves and creating positive solutions. For example, we know that people throw away a million potatoes every day in the UK, partly because we're buying more than we need in hard-to-recycle plastic bags. It's costing an average household of four, a whopping thousand pounds a year in wasted food! In 2023, WRAP launched Choose What You'll Use, encouraging the public to buy loose, and we're sitting down with retailers, companies and government considering how they can make that easier for us all. **We ladder up our actions, from influencing what goes into shopping baskets to calling for a high ambition Global Plastics Treaty with our international partners.**



A message from our Chief Executive

This year has seen our international reach fly. We opened our Americas office with three cracking projects. We held the first meeting of 12 international Plastic Pacts, convening in South Africa to decide next steps. We contributed to a roadmap for philanthropy to support global food loss and waste reduction, and we were granted \$15 million by the Ballmer Foundation to scale our food work in Australia, South Africa, Brazil, Indonesia and Mexico. We also secured £1 million for six collective action projects in the UK and overseas to address at-risk water catchments which are supplying UK produce. I saw personally how through our project with WWF-South Africa, farmers are collaborating to protect nature – including to save the tiny at-risk River Twee Red Fin fish – clearing thirsty invasive trees and planting native shrubs from a small women-led business.

This report shows how WRAP draws on the power of collaboration to drive change. Whether we are keeping textiles out of landfill, supporting re-use or advocating for food systems transformation, we know that vision, policy and collaboration can deliver stellar results – and WRAP is ready for the challenge.

WRAP is powering up to '10x' our impact and scale Circular Living further, faster.

Harriet Lamb
Chief Executive





2023-2024 OVERVIEW AND HIGHLIGHTS



Overview and Highlights

WRAP tackles the climate crisis by bringing governments, businesses, NGOs, investors and citizens around the world together to transform the way goods are produced, consumed and disposed of. Together we are accelerating the global move towards Circular Living, focussing on the areas of production and consumption that have some of the biggest environmental impacts: food, plastics and textiles. This report highlights just a few of the achievements and progress we made in 2023-24.

WRAP representation

30
Countries

3
National
governments

11
Trustees

274
Employees





Overview and Highlights

The power of making connections

691



Convening 691 UK organisations to tackle the carbon, water and waste from Textiles, Food and Plastics

Delivering strategic and operational support

91%

of Local Authorities in England

100%

Local Authorities in Northern Ireland and Wales



Working with international governments and partners



6

Food Pacts

12

Plastics Pacts with 900+ Members¹

4

Circular Textiles Agreements

Funding

£14.9m

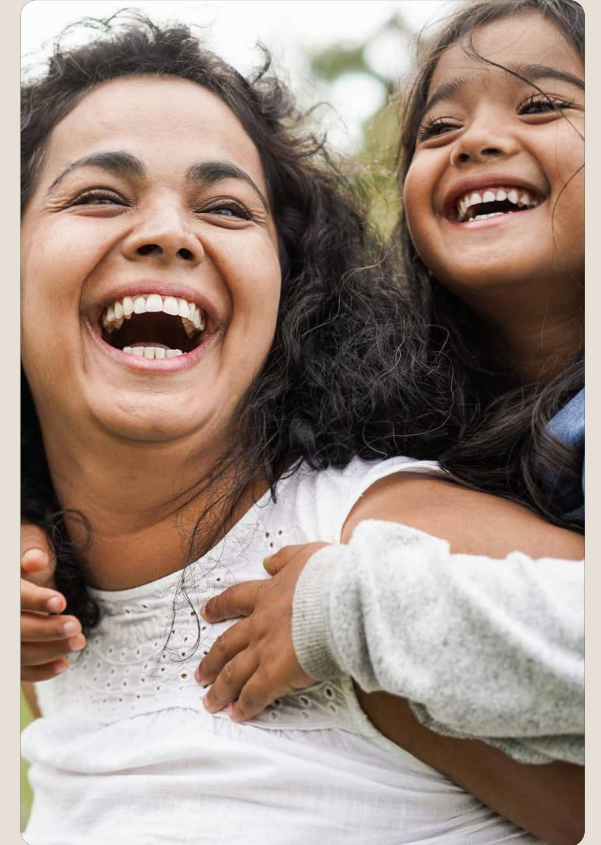
from 3 UK governments

£4.6m

from Trusts and Foundations

£13.4m

multi-year international funding partnerships gained in 2023/24





Overview and Highlights

Delivering return on investment (continued)

£3.40

return for every £1 spent in England

£2.90

return for every £1 spent in Wales

£2.70

return for every £1 spent in Northern Ireland

1.6m

tonnes CO2e avoided in UK 2020 - 2022

6.6k

tonnes per employee (equivalent)



Creating sustainable behaviour change and empowering people to act

20

Over 20 intervention prototypes

3rd

UK Food Waste Action Week

20th

Recycle Week

8

Love Food Hate Waste in 8 countries



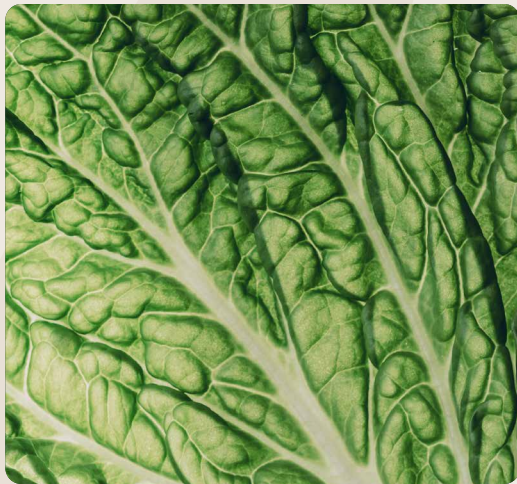


Our Charitable objectives and strategic ambitions

WRAP is a global environmental NGO transforming our broken product and food systems to create Circular Living for the benefit of climate, nature and people.

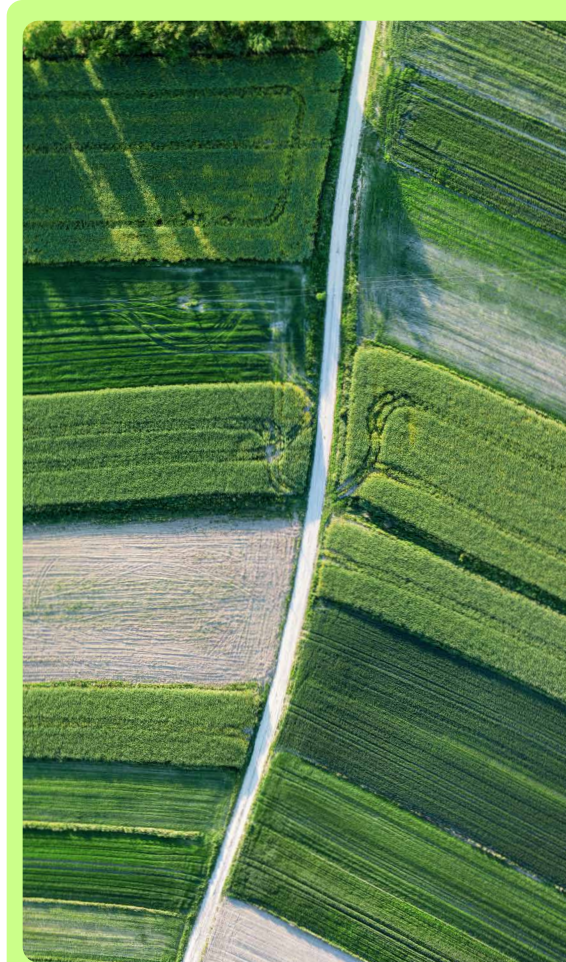
Our Mission is to: Embed Circular Living in every boardroom and every home.

Our Values are what make us: Sustainability, Honesty, Integrity, Fairness, and Teamwork.



Our plan for a sustainable planet sets out how we will work with partners around the world to:

- Support the transition to net zero through resource efficiency and a more circular economy
- Build a food system fit for the future by halving food waste, halving greenhouse emissions, and protecting critical water sources
- Transform the global plastics economy to eliminate plastic pollution
- Champion circularity across the global clothing and textiles industry to reduce its climate impact



WRAP helps deliver the United Nations Sustainable Development Goals:

-  **1** No poverty
-  **2** Zero hunger
-  **3** Sustainable cities and communities
-  **4** Responsible consumption and production
-  **5** Climate action
-  **6** Life below water
-  **7** Life on land



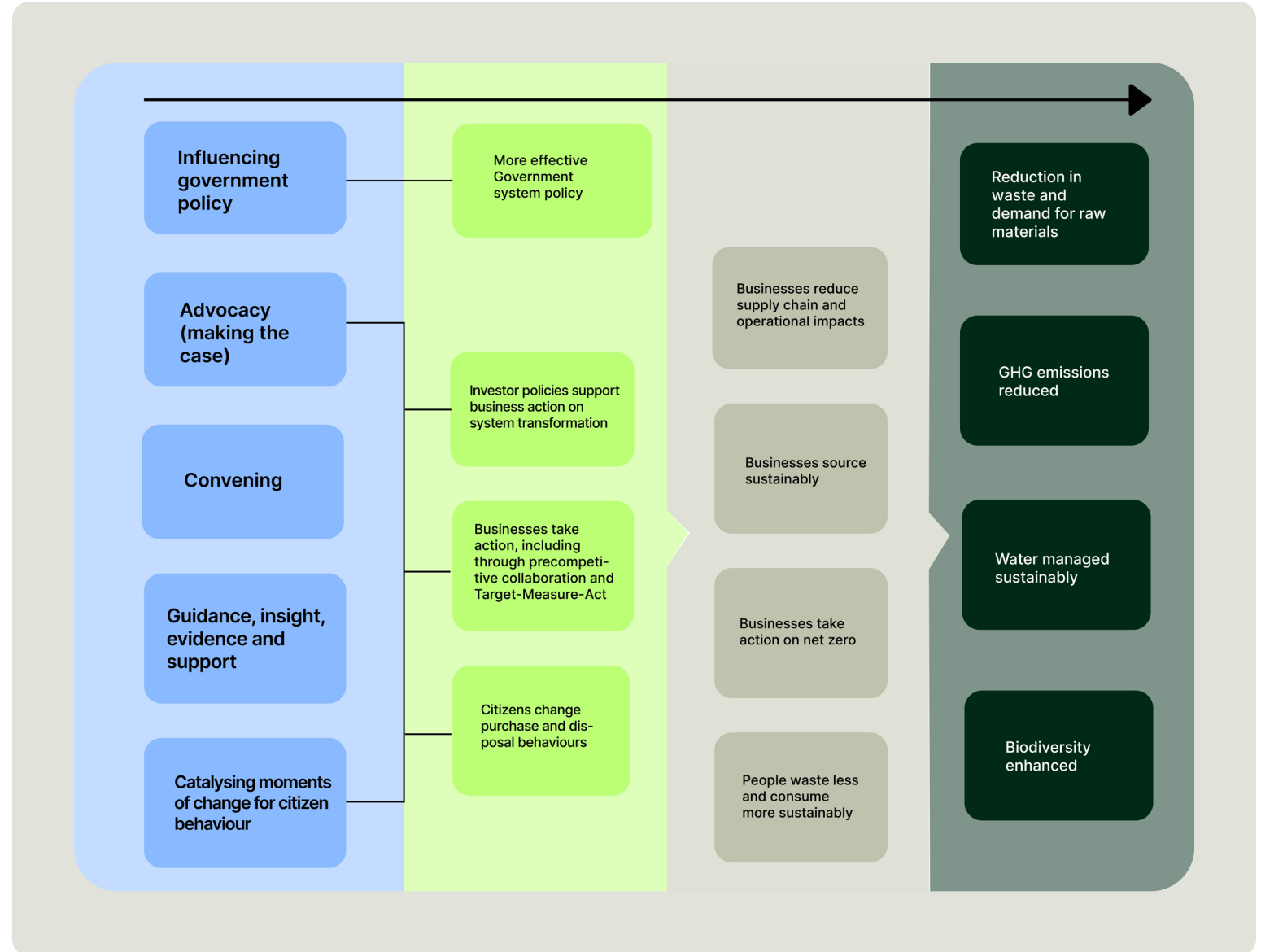
OUR THEORY OF CHANGE

Our Theory of Change

WRAP is an action-oriented NGO that works globally to bring about a shift from a linear model of extract, consume, dispose, to a regenerative, circular model that benefits climate, nature and people.

We drive change in the global food and materials systems by addressing them holistically. We integrate work across all three interdependent system components of Policy, Partners and People to make meaningful and sustained change. We gather robust evidence to identify both the problems and the solutions, and to rigorously track progress. We leverage real-world technical expertise to deliver practical, tangible changes that improve the systems.

Our theory of change is our evidence and experience-based hypothesis for how we will transform our food and product systems.





Our Theory of Change

What Circular Living Means to me



WRAP has always tried to help people to reduce resource consumption: changing the way that they buy things or don't buy things, reusing things, and recycling things. Circular Living is still about reduce reuse recycle, it's just a new way to talk about it

Helen Bird
Head of Material Systems Transformation



Circular Living puts the power in our hands as citizens: it's about what we can all do to be more circular and to have more circular lifestyles. It brings together all of WRAP's priority areas: there's something we can all do to make a difference, whether that's reducing food waste, using less plastic or changing how we buy our clothes

Lewis Jones
Strategic Impact Engagement Manager



At the heart it's about consumption – and that is an issue no matter where you are in the world. So, to me Circular Living is a mentality, it's a movement, it's enabling the choices that will benefit us in the future

Michael Jones
Senior International Partnerships Manager



It's all about people in the end. It's about the products and services that enable people to live a more circular life

Andrea Cino
Senior International Partnerships Manager

OUR EXPERTISE: HOW WE DELIVER IMPACT



Our Expertise – how we deliver impact

WRAP's whole system model is based on expertise and collaboration. We are ISO9001:2015 certified for our design, development, management and delivery of programmes and projects which provide resource and sustainable solutions.

Working with businesses

WRAP's voluntary agreements (VAs) are collaborative change programmes focussed on food, textiles and plastics. Our VAs brings businesses, governments and researchers together to reduce the end-to-end environmental impact of production and consumption.

Working across supply chains, WRAP's 'Target, Measure, Act' approach and rigorous science-based reporting holds signatories accountable for real change as they tackle the challenges of carbon, water and waste.

WRAP is developing tailored agreements worldwide in collaboration with local partners. With the Ellen MacArthur Foundation we are strengthening and growing a global network of Plastics Pacts. WRAP is also building a Textiles Action Network and global partnerships to deliver food waste pacts in Indonesia, Mexico, South Africa, Australia, Brazil, the US and Canada.

Policy and Insights

WRAP provides the expert research, cost modelling, advice and services that underpin the policy making needed to achieve climate and waste targets at national levels. Working closely with [UK and international governments](#) on the modelling and evidence base for policy development, we consult with stakeholders and provide technical support, tools, guidance and data. At a global level, WRAP is taking an active role in UN Plastics Treaty negotiations, bringing the perspective of over 900 Plastics Pact members and supporters and providing technical support to the government of Peru as they chaired the Treaty negotiation process. WRAP's policy and insights provide an expert two-way link between policy makers, and those responsible for implementation.

Technical Expertise

Driving greater consistency in household recycling, WRAP's hands-on support helps deliver national policy goals at local level. WRAP works on a one-to-one basis with local authorities, providing free and impartial guidance on topics such as service design, performance data and benchmarking, options modelling, sustainable procurement and evaluation.

Citizen behaviour change

WRAP supports people in making simple, lasting changes to live more sustainable, circular lifestyles. Based on robust research and insight, WRAP develops, delivers and evaluates effective behaviour change programmes. Our successful citizen-facing brands include [Recycle Now](#) in the UK, [Be Mighty](#), Recycle in Wales, and [Love Food, Hate Waste](#) in the UK, Canada, New Zealand, Australia, Czech Republic, Saudi Arabia, and Slovakia. We have also worked with partners, BAMX, to develop a food waste behaviour change campaign for Mexico and we are developing a national food waste behaviour change campaign for the USA.

Grants and Investments

WRAP designs, manages and monitors grants, loans and investments as a delivery partner of choice for governments and grant-awarding bodies.

Partnerships

Delivering global climate goals while ensuring an effective and just transition requires funding, collaboration and commitment. WRAP is proud to work with strategic philanthropic funds, NGO's and investment partners across the globe, accessing essential funds to accelerate a circular economy.



Partnership is the new leadership

WRAP Partner Mariana Jimenez Cardenas
CEO Mexican Food Bank Network

OUR PEOPLE



Our People



To bring about a diverse and sustainable world, we need to be a diverse and sustainable organisation

Angela Pulley
HR Director

WRAP is growing as an organisation – growing our impact and support for climate action, growing the number of people we employ and the global reach of our work. Our capacity to attract, retain, engage, support and develop our highly skilled and committed employees is central to the success of our mission. In 2023/24 we grew to 274 employees and now have 11 Trustees, including for the first time, WRAP colleagues in the United States. WRAP has plans for further recruitment in Mexico, Indonesia and Brazil during 2024.

Embedding diversity, equity and inclusion across everything we do



WRAP is by far the most inclusive place I have worked

WRAP Colleague

To support our strategic growth, we further embedded the FREDIE principles of fairness, respect, equality, diversity, inclusion and engagement, as we continued on our journey to becoming an inclusive, equitable organisation that reflects the diversity of our global presence. We launched a raft of new policies providing for enhanced family leave, sabbatical leave for travel or study, and transitioning at work. We held ourselves accountable, measuring and reporting on our progress internally via employee data, pay gap reporting, engagement surveys and feedback systems, and externally through recognised benchmarking schemes and awards including a second award for Investors in Diversity.

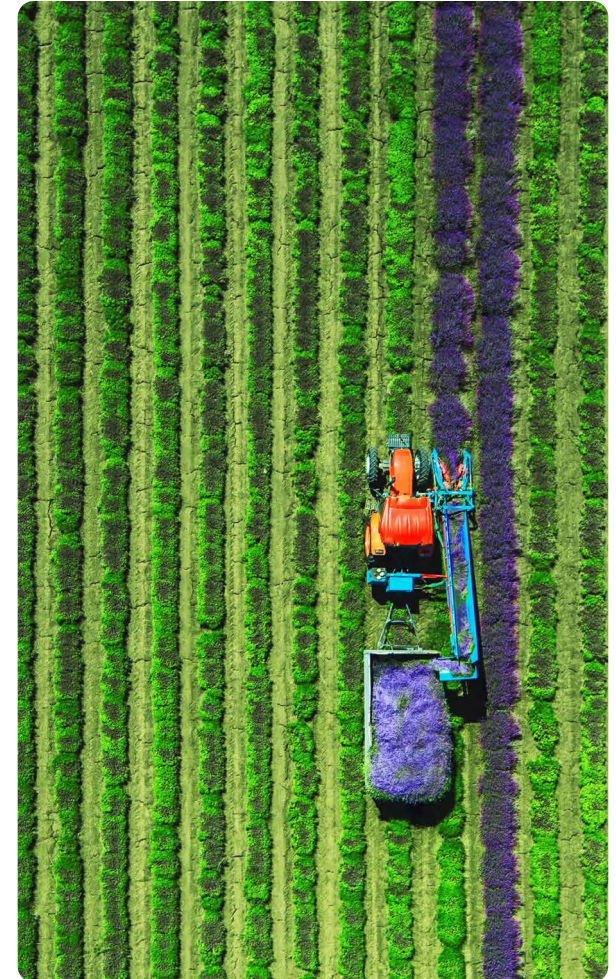
Retaining and engaging our employees



WRAP shows a wholehearted commitment to creating a genuine culture of wellbeing, which is endorsed and modelled by the executive team.

Culture Pioneers Judge 2023

2023-24 was a year of organisational change and we worked hard to ensure a culture of wellbeing and unity across our expanding international operation. We are proud of the results: 88% of employees completed our engagement survey with a 79% positive engagement score, above the average benchmark. We also saw a lower employee turnover (12.3%), achieved Disability Confident Leader status, a Culture Pioneer Award for Wellbeing, and reaching position no. 40 in the Top 100 Most Inclusive Workplaces by the National Centre for Diversity.



Our People

Attracting the best talent

WRAP's employer brand is reaching broad audiences, and in 2023 we launched a new visa sponsorship programme providing a global attraction pool. Our remote/hybrid working model and increasing international office presence provides flexibility and a high degree of autonomy for candidates. In 2023 a programme to attract candidates with disabilities successfully increased representation in our workforce from 9 to 11%.

Career development

In 2023 we launched a refreshed career path and transparent reward framework, supported by a new learning and development offer including LinkedIn Learning for all employees and our INSPIRE training programme for current, new and aspiring managers across WRAP.

Just Transition

WRAP is committed to tackling the climate crisis while upholding and promoting human rights for all. We recognise that the impacts of climate change disproportionately affect vulnerable communities, and that a just transition to a low-carbon future requires inclusive and equitable solutions.

Culture Pioneer Awards 2023

FREDIE AWARDS 2023

The National Centre for Diversity's
40
No. 2023 Most Inclusive UK Employers

disability confident EMPLOYER

We are a **Living Wage** Employer

Investors in Diversity Silver UK | **Until June 2025**



POLICY AND ACTION



Policy and Action

WRAP is a first-choice partner for 3 UK Governments, bringing trusted expertise, data, and insights for environmental policy makers. WRAP's expertise supports environmental policy ambitions across the UK, and we are increasingly called upon to provide advice and support to international regulators, as well as NGO's, public, private and multi-stakeholder alliances.

DEFRA: WRAP collects evidence and insights to help Defra make informed decisions on UK textile policy. In 2023 we developed the Textiles Policy Options Report, which sets out policy options that could halve the quantity of textiles in residual waste over the next 10 years and reduce carbon emissions associated with the sector. The research concludes that a combination of policy measures will be required, including an Extended Producer Responsibility scheme, eco-design criteria to improve product longevity and recyclability, restrictions on landfill and incineration, grants and loans for infrastructure and an increase in separate bring bank and kerbside collections.

Northern Ireland: WRAP provided policy support to DAERA in several areas, including a consultation on measures for climate action and a circular economy.

WALES: WRAP's 2023 work on sustainable procurement influenced £2.1 billion of public sector spend in Wales, through a Sustainable Procurement tool we developed to help public bodies measure how sustainable they are and develop a procurement plan. WRAP also provides technical support to implement the improvements. In recognition of WRAP's expertise and the value of our support, WRAP has now been asked to extend its work on Sustainable Procurement.

AUSTRALIA: WRAP APAC Managing Director Claire Kneller advises the Australian

Environment Minister on circular economy transition and best practice initiatives as part of the government's Circular Economy Ministerial Advisory Group, established in February 2023.

USA: WRAP is working with the United Nations Environment Programme (UNEP) and the US Environmental Protection Agency to determine systemic drivers of US food waste.

BRAZIL: WRAP is working with UNEP in support of the Brazilian Government as they develop a national strategy on organic waste that includes a focus on prevention.



Global Advocacy – WRAP@COP28 'The First Food COP'

WRAP sent a delegation to COP 28 in the United Arab Emirates, hosting panel discussions and roundtable events with global policy makers. Team WRAP were joined by Chair Sebastian Munden, and partners Mariana Jimenez Cardenas (CEO of the Mexican Food Bank Network) and Dr Indah Budiani (Executive Director of the Indonesia Business Council for Sustainable Development). In [this short film](#) the WRAP delegation reflect on their takeouts from COP 28, particularly the success of public and private partnerships and the new prominence of discussions about food systems compared with previous visits to COP. Food loss and food waste are now much higher on the climate action agenda.

"Now is a time for action and WRAP is an organisation of action. Our VA's run by our partners are driving real action and change and that's attracting the attention of wider partners and importantly funders"

David Rogers
International Development Director

DELIVERING IMPACT AND VALUE FOR OUR FUNDERS



Delivering impact and value for our funders

In 2023-24, WRAP commissioned an independent Cost Benefit Analysis on the impact of its UK activities, which shows that WRAP continues to deliver benefits which far exceed the costs as has been the case historically.

The benefit to cost ratio varies across WRAP's activities and over time. 2020 and 2021 were challenging years and is considered unrepresentative due to COVID-19. For example, the hospitality sector was largely closed and so no progress was made with food waste from this sector. Charity shops and household waste recycling centres were also closed so textile and reuse and recycling were less accessible to the public. However, the central estimate is that every £1 spent delivering action by WRAP and the organisations we work with resulted in £3.30 of benefit. Our leverage was also significant, with every £1 invested in action through WRAP resulting in £6 invested by the private sector that would not have occurred in our absence. The table below sets out some of the additional benefits of WRAP's work in England, Wales and Northern Ireland identified in the report:

Metric	Unit	England	Wales	Northern Ireland
Waste diverted from Energy from Waste	Tonnes	1,106,102	78,886	39,115
Waste prevented (previously going to landfill, Energy from Waste or recycling)	Tonnes	1,062,348	65,684	37,929
Carbon emissions avoided	Tonnes	1,425,188	141,898	49,239
Primary resource use avoided	Tonnes	228,888	65,312	7,677
Reduction of water use	m ³	845,800,920	50,345,293	30,207,176
Jobs created	FTE	347	37	4
Benefit to cost ratio (central estimate)		3.40	2.80	2.60



WRAP has shown what can be done when we bring together the right actors. We now need donors to be the catalyst for change that the world so urgently needs

David Rogers
International Development Director

WRAP's work is made possible through funding from governments, charitable and philanthropic organisations. We thank them all including:



An aerial photograph of a lush green field. A circular track or path is visible in the upper left quadrant. A power line tower stands in the upper right. The text 'CIRCULAR LIVING' is overlaid in white, bold, sans-serif font on the left side. In the bottom right corner, there are several thick, light green, curved lines that resemble stylized paths or abstract shapes.

CIRCULAR LIVING

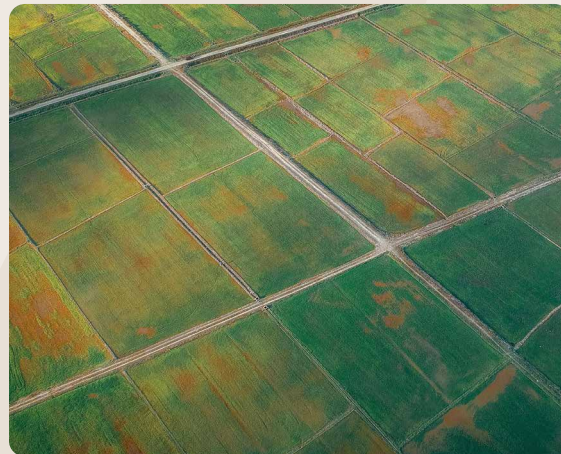
Circular Living - Accelerating the circular economy

WRAP is working to accelerate the shift to a circular economy - keeping products and materials in use for longer, supporting innovation, adopting new business models and increasing the quality and quantity of recycling. An independent study of WRAP's impact in 2023 identified £1 million's worth of waste avoided as a result of WRAP's UK voluntary agreements between 2020 – 2022. WRAP is also pursuing opportunities to make similar reductions internationally.



2023 PRIORITIES

Reduce resource consumption and carbon emissions by supporting all system actors to adopt and implement circular economy strategies.



The Amazon Sustainability Accelerator is a 12-week bespoke programme designed to help founders navigate the challenges of starting and scaling a sustainable business. WRAP co-designed the support curriculum, worked to engage the recycling technology sector, and helped select 8 recycling startups from over 1,500 applicants, to join the programme. WRAP provided individual support on the startups' journey to grow new recycling technologies.

WRAP convened a Circular Change Council with eBay, with an initial focus on changing the way in which non-new furniture is positioned and presented to encourage customers to choose it more often.

16

participating organisations

3

industry roundtables

2000

citizens surveyed

5

pilot projects

4

circularity actions for 2024



We are delighted to be part of the Circular Change Council, working collaboratively with other retailers and industry experts to unlock the potential for creating circularity in the furniture industry

Jade Snart

Senior Sustainability Manager for George Clothing at ASDA



Circular Living - Accelerating the circular economy

 **2023 PRIORITIES**

Deliver key strategic partnership activities, developing new grant programmes, and working with the private sector to drive investment strategies.



As a member of the [Prevent Waste Alliance](#) we joined 470 like-minded companies with a mission to advance the circular economy in low- and middle-income countries by minimising waste, eliminating pollutants and maximising the use of resources. For example, in 2023 WRAP worked on a project funded by the Norwegian Retailers Environment Fund aimed at facilitating EPR best practice-sharing across UK, India, South Africa and Chile.

In 2023 WRAP was engaged by The Earthshot Prize for our expert environmental grant assessment services and strategic support. WRAP has committed to help gather the most impactful, ambitious, and aspirational solutions that lead to the building of a waste free world and continue to inform the strategic development of The Earthshot Prize itself.

 **2023 PRIORITIES**

Secure income to develop three new circular economy opportunities in target markets strategies.



WRAP IN THE AMERICAS

WRAP formally announced its new operational centre in the [Americas](#) in the presence of partners, funders and colleagues at a launch event at the British Embassy in Washington DC. New Executive Director Leah Carrer joined WRAP in October 2023 to build a US based team, having held previous roles at the World Bank and the Global Environment Facility. Leah's team will deliver funded food, plastics and textiles programmes, and develop further partnerships to scale Circular Living across the continent, beginning with voluntary agreements in the USA, Brazil, Canada, Chile, Colombia and Mexico.

The opening of WRAP in the Americas also marks the first steps in developing key new standards for circular products, on which WRAP is working with partners and a leading global retailer. The standards are due to be published later in 2024.

In the USA, less than 50% of the 80 million tons of packaging waste produced each year is recycled. WRAP's policy and insights team published a timely summary of developments in packaging Extended Producer Responsibility (EPR) as 11 USA states introduced packaging EPR Bills during 2023.

Circular Living - Accelerating the circular economy

JORDAN

WRAP was engaged by the government in Jordan in a programme to help meet its [NDC targets for the waste sector](#). This was a UNEP convened initiative in partnership with the Climate and Clean Air Coalition. The project will provide tools for the calculation of greenhouse gas emissions from waste and options to reduce emissions from waste management.



I am thrilled to scale-up WRAP's work in the Americas to create a future that is circular. We are launching with a bang – food waste, plastic pollution and textiles are all under the spotlight

Leah Carrer
Executive Director



We are coming together from Chile to Canada to engage in a common purpose. We are together for climate change, together for people. What we have in common is caring. Caring for materials, caring for people, caring for the economy, caring for change on the planet

Laura Reyes
Executive Director, CEMPRE, Colombia



2023 PRIORITIES

Support citizen readiness for upcoming national policy changes such as the deposit return scheme.



WRAP's citizen engagement campaigns provided advice and guidance to 'the doers' responsible for implementing national policy across the UK, whether in local authorities, businesses or as consumers. Learnings from citizen campaigns like [Recycle Week 2023](#) (England, Northern Ireland) and [Be Mighty](#), Recycle in Wales have informed our understanding of best practice on citizen engagement in recycling behaviours. These learnings are a valuable resource to support citizen readiness in England in advance of the forthcoming [Simpler Recycling](#) regulations in 2026 and a proposed deposit return scheme, now anticipated in 2027.

Circular Living - Accelerating the circular economy



2023 PRIORITIES

Support policy changes on mandatory food waste reporting and separate food waste collections.

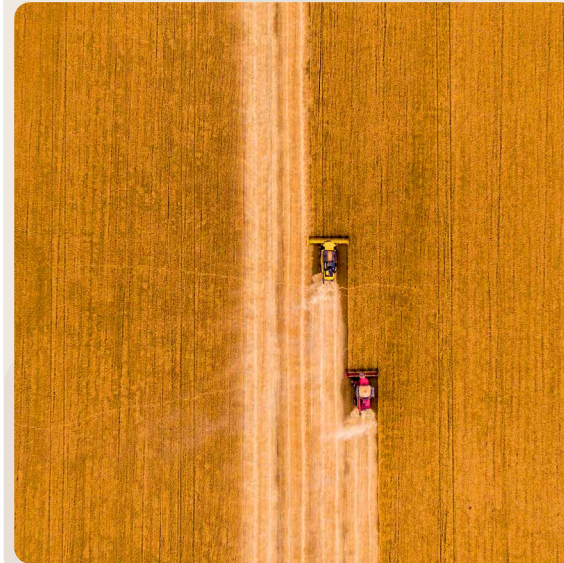


WRAP's Kerbside Recycling Costing Tool, launched in 2023, provides Local Authorities with modelled collection cost and performance data. Users can compare different collection schemes, providing a quick and easy first step for an authority considering alternative collection options. By working with WRAP, Local Authorities become better informed when preparing to comply with new Simpler Recycling regulations and can also gauge funding needed from central government to make required changes.



2023 PRIORITIES

Continue to support UK Governments to deliver against their net zero targets



DEFRA's Minimising Waste Maximising Resources Strategy calls out WRAP's flagship Voluntary Agreements as the main UK deliverables for national strategy, including Textiles 2030, The Courtauld Commitment 2030 and the UK Plastics Pact.

- **UK: Recycling Summit** - To celebrate Recycle Week's 20th anniversary, a Recycling Summit gave WRAP the opportunity to engage with organisations and encourage them to increase their commitment to the forthcoming recycling reforms in the UK.
- **WALES: Circular product Supply Chain Trials** - In one example funded by the Welsh Government, WRAP worked with a project team to reduce the impact of aggregate bags via a closed loop system for post-consumer waste plastic packaging material in the construction sector. The work was led by consultancy RSS along with Tarmac, Cardiff University and fellow consultants GEA. The trial has increased the amount of recycled content in Tarmac's aggregate bags from 50% to 90% post-consumer recycled content, whilst maintaining performance. The non-clear bag will be trialled with consumers alongside a film packaging collection trial with a household name DIY store.

Circular Living - Accelerating the circular economy

- **WALES:** As of 6 April 2024, new regulations require workplaces across Wales to separate their recyclables, with food waste collected separately. WRAP worked closely with the Welsh Government, private and public collectors to prepare for policy rollout. Guidance on the Welsh Government website directs users to WRAP's Food Waste Reduction Roadmap Toolkit and Guardians of Grub, demonstrating WRAP's trusted position for policy advice and delivery.
- **NORTHERN IRELAND:** WRAP's team in Belfast supports the Department of Agriculture, Environment and Rural Affairs (DAERA) in delivering its programme for Government, statutory and policy commitments towards meeting climate change, and environmental targets. Our Guardians of Grub campaign tackling food waste by empowering hospitality sector professionals won the 2023 Silver Award for Food Waste Reduction Initiative of the Year in the All-Ireland Sustainability Awards.

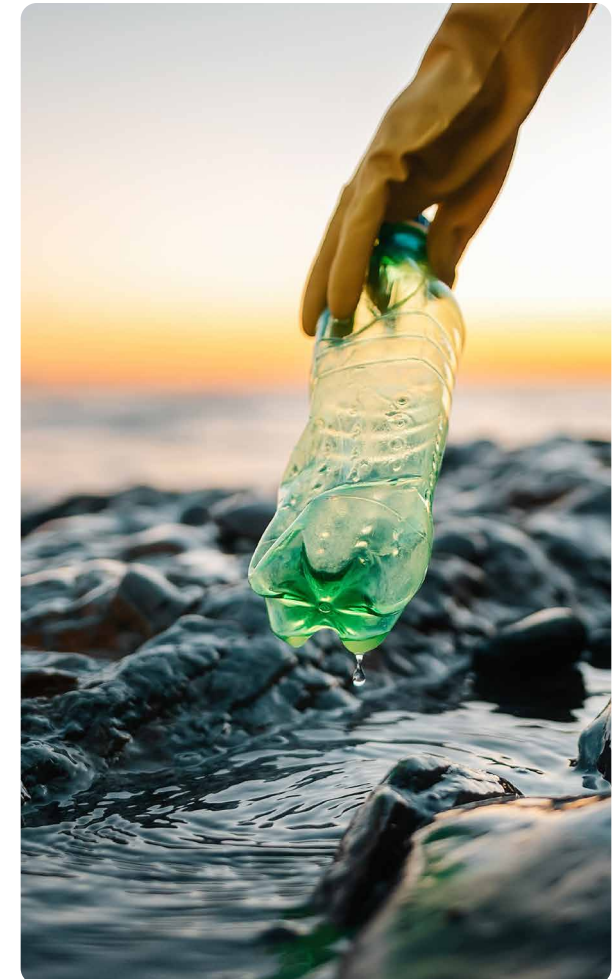


2023 PRIORITIES

In Wales, continue to embed the Collections Blueprint for kerbside recycling with Local Authorities



WRAP is supporting the implementation of Welsh government policy for recycling collections, providing expertise and technical support to local authorities to enable them to achieve statutory recycling targets. By the end of 2023, all Welsh local authorities were engaged with WRAP on implementing service changes, with Cardiff and Caerphilly the final two authorities shifting away from a co-mingled strategy to separate collections with WRAP's help.





Circular Living - Reshaping the food system

We are working from farm to fork and leading the way in tackling food loss and waste, reducing GHG emissions and sustainable water management. Our work with global brands, governments, businesses, delivery partners and directly with individuals to reduce food waste is delivering lasting impact.

[The Courtauld Commitment 2030](#) is a UK success story - a voluntary agreement that enables collaborative action across the entire food chain to help the UK food and drink sector achieve global environmental goals. Working alongside governments, other NGOs, and funding partners, WRAP is now adapting and scaling this model internationally to transform the global food system.

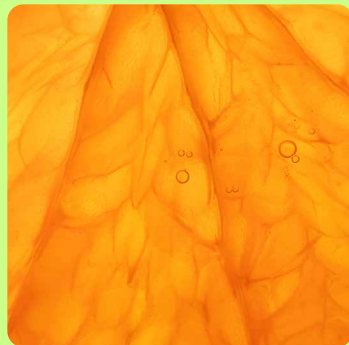
Courtauld Commitment 2030 Targets

50%

per capita reduction in food waste by 2030

50%

absolute reduction in ghg emissions associated with food and drink consumed in the UK



2023 Achievements

50%

of fresh food source from areas with sustainable water management

4.4^m

citizens changed behaviour as a result of Food Waste Action Week

12%

reduction in greenhouse gas emissions since 2015



300

food businesses committed to the Food Waste Reduction Roadmap

Scope 3

Reporting Protocols and Emissions factor database published

Revised Water Roadmap joined by 50 leading UK food and drinks businesses

7

collective action water projects underway

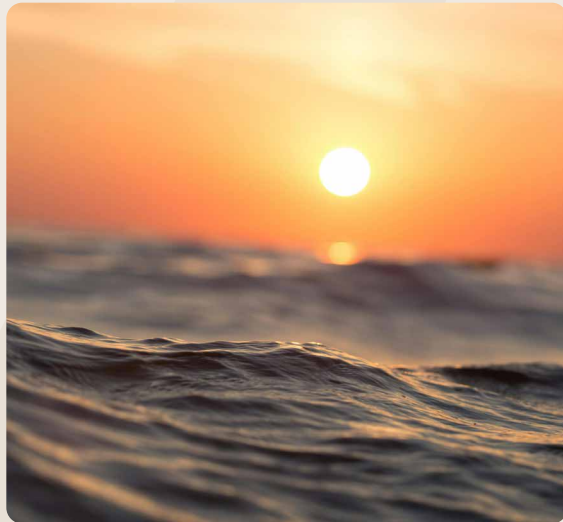


Circular Living - Reshaping the food system



2023 PRIORITIES

Scale up our Courtauld 2030 Water Roadmap to address challenges in protecting critical water resources



Courtauld 2030 Water Roadmap

Courtauld 2030 Water Roadmap signatories commit to carrying out water risk assessments, mapping supply chains to identify water risk hotspots, and investing in collective action projects. In 2023 WRAP forged partnerships with WWF, The Rivers Trust, IDH, Alliance for Water Stewardship, key stakeholders and our Water Roadmap Oversight Panel, to progress activities. In May 2023, signatories to WWF's Retailers' Commitment for Nature including Tesco, Co-Op, Lidl, M&S, Sainsbury's and Waitrose agreed to a new set of leadership actions and associated funding to drive progress towards the existing milestones set out in the Water Roadmap. WRAP has secured three-year funding from Esmee Fairbairn Foundation to support the collaboration, our biggest ever grant from a UK Foundation which commenced early in 24-25. Read more about the Water Roadmap [here](#).

Case study

Harriet Lamb heads to Kenya to see the impact being delivered as part of our collective action project for water stewardship.



CEO Harriet Lamb and Water Specialist Teya Hutchison visited Lake Naivasha Basin to learn about one of eight collective action projects helping WRAP achieve the Courtauld 2030 water target to source at least half the UK's fresh food and drink from areas with sustainable water management. Delivered by the team at WWF-Kenya, the project brings together water users and stakeholders across the catchment to reduce over-abstraction and minimise pollution from poor wastewater management on farms.

Dr William Ojwang and his team have also been instrumental in establishing Water Resources Users Associations (WRUAs) and training them to conduct citizen science River Health Assessments across the catchment. This empowers local communities to engage in water stewardship and ensures there is adequate and consistent data to track ecosystem health and better manage the rivers and Lake Naivasha for all.



Circular Living - Reshaping the food system



2023 PRIORITIES

Collaborative work with the food and drink sector will move further and faster as we develop net zero transition plans with our partners



Net Zero Collaborative Action Programme

Following on from CEOs engaging in WWF’s Retailers Commitment for Nature in November 2022, WRAP worked with 8 major retailers (Aldi, Co-op, Lidl, M&S, Morrisons, Sainsbury’s, Tesco and Waitrose) to standardise measurement and reporting of GHG emissions from food and drink – an unprecedented move of precompetitive collaboration in the highly competitive food retail sector. This standardisation will remove an important barrier to the food sector’s ability to meet challenging environmental targets and will increase trust and confidence in using this information to take action on high-impact areas.

[UK Food System GHG Emissions: 2022-23 Update \(Summary Report\) | WRAP](#)

[Tracking UK Food System Greenhouse Gas Emissions: 2023 Update | WRAP](#)

Surplus Food Redistribution In September 2023 WRAP published an [update](#) on surplus food redistribution in the UK. Total redistributed food increased by 27% compared with the previous year’s report, equivalent to 70 million more meals. Approximately 170,000 tonnes of surplus food were received in total by distribution organisations in 2022, equating to 400 million meals with a value of more than £590 million. This progress shows the outcome of continued hard work from all involved in the distribution of surplus food,

underpinned by grants such as those made in England through the [Resource Action Fund](#), provided by Defra between 2019 and 2022, and managed by WRAP.



2023 PRIORITIES

Embed our Scope 3 reporting protocols and support retailers and their key suppliers towards net zero



WRAP’s [Scope 3 GHG Measurement and Reporting Protocols](#) for Food and Drink provides businesses with a consistent methodology to measure and track progress in reducing supply chain greenhouse gas (GHG) emissions. During 2023, WRAP led 17 Courtauld Signatories through a pilot programme to test the new guidance. Several businesses published technical case studies to help others develop their GHG reporting. WRAP has taken outputs to further develop the protocols, to be published during 2024

Circular Living - Reshaping the food system



2023 PRIORITIES

Work with key partners to increase food recycling at home and work; enhance the food reduction effect that can be achieved alongside



[Be Mighty, Recycle](#) The Welsh Government requires local authorities to collect household food waste separately from April 2024. Throughout 2023, WRAP Cymru has been supporting 22 local authorities in preparing for the new regulation, testing innovative citizen communications that encourage food waste prevention alongside food waste recycling. Three campaign bursts over 12 months generated positive engagement and behaviour change, with 76% of citizens surveyed claiming they did something differently as a



Circular Living - Reshaping the food system

2023 PRIORITIES

Expand the geographic reach of our food systems work including in the USA, India and Australia



USA: The opening of WRAP's US office coincided with the launch of the [US Food Waste Pact](#), a national initiative tackling food waste, joining countries like Mexico, South Africa, Australia and Indonesia. As an advisory partner with [ReFED](#) and [WWF](#), WRAP brings expertise, implementation capacity and £1m of additional philanthropic funding from the [Posner Foundation of Pittsburgh](#). The US Food Waste Pact builds on the success of the partners' previous collaborative work on the [Pacific Coast Waste Commitment](#).

“ In the US, 38% of all food goes unsold or uneaten – the equivalent of 145 billion meals annually. It's valued at \$473 billion, roughly 1.8% of U.S. GDP, and it produces annual greenhouse gas emissions equivalent to 30% of U.S. passenger vehicle transportation

ReFED

WRAP's work tackling the environmental cost of food waste globally received a massive boost during 2023 FY, with catalytic funding from the Ballmer Group. A \$15m grant (2023-2026) will support essential work by WRAP and our partners in tackling food loss and waste through existing voluntary agreements in Australia, Indonesia, Mexico and South Africa and enable the creation of a new agreement in Brazil.

The funding will increase the systemic Target, Measure, Act approach to reduce food waste across supply chains and in the home, which globally are responsible for around 10% of all greenhouse gas emissions.

“ This funding is an absolute game changer - we have the partnerships, the framework, and the expertise to make inroads into global food waste, but what's been missing has been serious investment at the global level.

David Rogers
International Development Director

U.S. Food Waste Pact

“ WRAP took us, as a country, into a very important network. We are now part of a global group in which we all have the same objective – to manage and decrease the waste we are producing

Dr Carla Calderon
Fundación Chile



Circular Living - Eliminating problem plastics

Plastics Pacts are a proven model for dealing with plastic pollution at pace. In 2018, WRAP and the Ellen MacArthur Foundation launched the UK Plastics Pact. Six years later, a dozen Plastics Pacts in 19 countries form a global network with a proven track record of progress towards eliminating plastic waste and pollution. In 2023 WRAP took on the operational support for all Plastics Pacts internationally including those previously managed by the Ellen MacArthur Foundation

2023 PRIORITIES

Foster greater collaboration and knowledge-sharing across the international Plastics Pact Network



The Plastics Pact Network Summit



Meeting face-to-face proved once again how it can change relationships. The Plastics Pact Network came to life for me through this event.

Angela Mayer
Australian, New Zealand and Pacific Islands Plastics Pact (ANZPAC)

The Plastics Pact Network convened by the Ellen MacArthur Foundation and WRAP, brings together more than 900 major business, across 18 countries, with a combined population of nearly 2.4 billion people. All driving practical action towards a plastics circular economy. In early 2024, representatives from 11 Plastics Pacts around the world gathered in Cape Town, South Africa for the Plastics Pact Network's first in-person conference. The three-day programme gave the group an opportunity to

share knowledge and insight to help accelerate work to reduce the global impact of plastic waste and pollution. This public/private partnership model is being used around the world and will be a mechanism for nations to meet mandated obligations under the United Nations Global Treaty to End Plastic Pollution.



Since we joined the Plastics Pact Network in 2019, the technical support provided by WRAP has been fundamental in our journey to accelerate the transition to a circular economy for plastics

Dr Carla Calderon Rosas
Fundación Chile

Circular Living - Eliminating problem plastics

India Plastics Pact – In January 2024 WRAP extended its two-year partnership with [Stewart Investors](#) to support the Plastics Pact in India. This strategic research partnership will generate innovative solutions for unrecyclable flexible plastic packaging and help advance the key challenge that India faces with film and flexible packaging. The 18-month project will engage leading brands in transitioning from multi-material packaging to mono-material recyclable packs.

Scaling Impact

Ellen MacArthur Foundation and WRAP's Scaling Impact report (2024) found that since 2018, Plastics Pacts together have:


- eliminated over 360,000 tonnes of problematic and unnecessary plastics
- redesigned more than 850,000 tonnes of plastic packaging to be reusable, recyclable or compostable at scale
- increased recycled content in packaging by 44%, avoiding over 2.2 million tonnes of virgin plastic in 2022. Countries with a Plastics Pact have also seen a 9% increase in the amount of plastic packaging recycled, equating to 463,000 tonnes



Circular Living - Eliminating problem plastics

✔ 2023 PRIORITIES

Support retailers to sell more fresh fruit and vegetables loose



Unpacking Fruit and Veg

“ In the UK, about 70% of wasted food comes from the home, with fresh fruit and veg the main offenders

WRAP Insights

WRAP's Behavioural Insights Study (March 2024) pointed to the huge potential to reduce household waste and plastic packaging by selling more uncut fruit and veg loose, removing best before dates and storing fruit and veg at the right temperature. This work demonstrates WRAP's ability to bring businesses on the journey to change consumer behaviour and addressed the challenge of fruit and vegetables being the most wasted items in our homes as well as the problematic and unnecessary use of plastic.



WRAP brought retailers together to better understand the challenges and reach solutions and updated the pathway to selling more loose fruit and veg, sharing further industry insights. Citizen messages were developed to encourage consumers to 'choose what you'll use' as part of WRAP's flagship Food Waste Action Week which ran in March 2024.

Retailers need to engage customers and simplify pricing on fresh produce, says WRAP

WRAP has released a study documenting updated behavioural insights of UK consumers and the way they buy fresh fruit and vegetables, to better equip the food and drink sector.



WRAP said that retailers should make pricing 'clear, simple and comparable'



Circular Living - Eliminating problem plastics



2023 PRIORITIES

Focus on plastic film recycling, and unlock the business case to achieve recycling of film at scale



UK Plastic film recovery – Flex Collect: The recovery of plastic film will require the roll out of simpler recycling and EPR to achieve film recycling at scale. Meanwhile, WRAP is helping local authorities and waste collectors develop best practice ahead of the introduction of mandatory nationwide kerbside collections of flexible plastic film across the UK in 2027.

Under the UK Plastics Pact, WRAP is running trials with SUEZ, RECOUP, Ecosurety and several local authorities to deliver the Flexible Packaging Fund (FPF) Flex Collect project over 3 years. Initial results from trials in 4 regions in 2023 are positive with high levels of satisfaction from residents and strong ratings for communications.



2023 PRIORITIES

Take reuse/refill from pilot to blueprint by convening the industry and collaborating internationally with key stakeholders



To achieve a circular economy for plastics, reuse or refill systems must become part of the mainstream shopping experience for citizens around the world, helping to displace single-use plastic packaging. Under the UK Plastics Pact, WRAP convenes a reuse/refill collaborative action group. The [Reuse Round Table Report](#), published in August 2023, brought together insights from this collaborative work with retailers from Dairy, Frozen Food, Soft Drinks, Household and Personal Care categories.



This work has provided essential learnings and facilitated an evolutionary step in thinking about mainstream implementation of reusable packaging systems for the UK Market

[WRAP's Reusable Packaging Roundtable Project Report](#)

Circular Living - Eliminating problem plastics

To meet global climate, water and waste targets, we must transform the way that clothing and textiles are produced, used and disposed of. WRAP's voluntary agreement Textiles 2030 unites the sector behind bold science-based targets.

Textiles 2030 Targets

50%

reduction in the overall carbon footprint of new textile products

30%

reduction in the overall water footprint of new textile products

A Roadmap to circular textiles including:

- Designing products to look good for longer and be recyclable
- Trialling re-use business models such as resale, rental and subscriptions
- Setting up partnerships to supply and use recycled fibres in new products



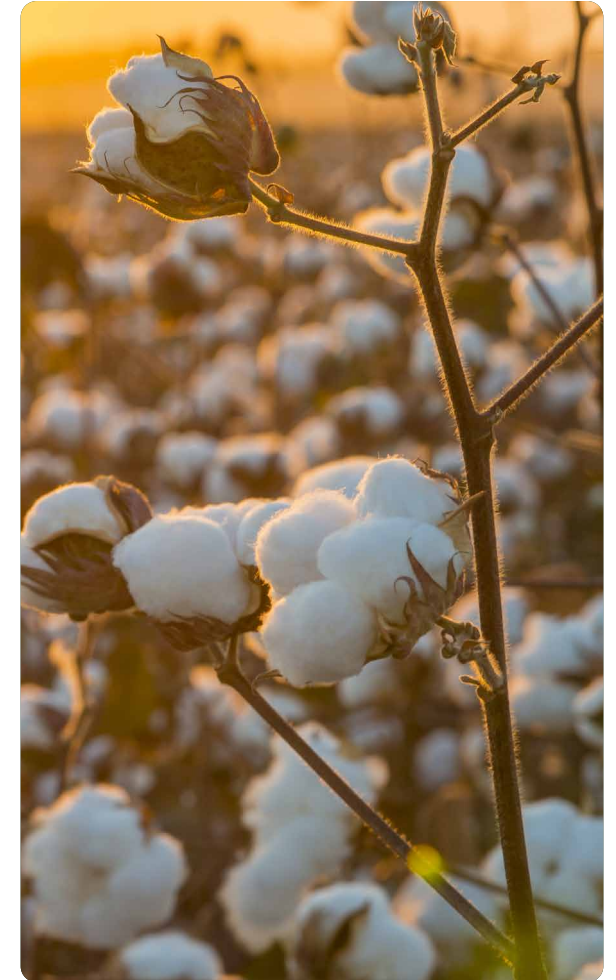
2023 PRIORITIES

Champion circularity and seek to halve the climate change impact of clothing and textiles through Textiles 2030



130 signatories representing 62% of the UK clothing market are now signed up to Textiles 2030. In the first two years of Textiles 2030 we have seen a 12% reduction in carbon footprint and a 4% reduction in the water footprint per tonne of textiles places on the market. Reuse and Recycling signatory businesses also helped to reduce 1.1 million tonnes of carbon dioxide equivalent, and 385 million cubic meters of water.

However, overall, the [Textiles 2030](#) 2023 report presents a mixed picture, as brand and retailer signatories made carbon and water savings in the context of an overall increase in production. The collective carbon footprint of signatories decreased by 2% in comparison to 2019 (baseline). With the volume of textiles placed on the market growing 13%, the water footprint increased by 8%. Cotton fibre now accounts for 84% of the total water footprint.



Circular Living - Transforming textiles



2023 PRIORITIES

Further develop our Textiles 2030 Footprint tool

Developed collaboratively with over a dozen leading UK textile businesses over a ten-year period, [WRAP's Footprint Tool](#) measures the Scope 3 emissions for the whole lifecycle of a textile product including materials, manufacture, retail, consumer use and disposal; allowing signatories to align on a common reporting mechanism. In 2023 WRAP adapted the tool specifically to provide reporting capacity for the SEAMLESS circular textiles programme in Australia.



2023 PRIORITIES

Support businesses to design clothing for longevity and to be recyclable

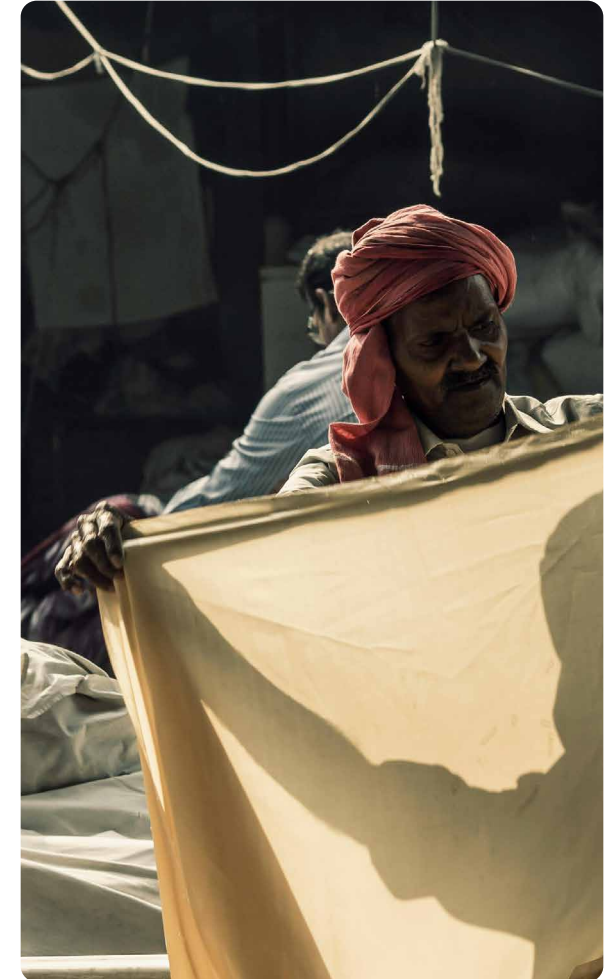
As much as 80% of a textile product's environmental impact is determined at design stage. To support businesses lay the foundations of a circular textiles economy, in 2023 WRAP developed a [Circular Design Toolkit for Fashion and Textiles](#) in collaboration with Textiles 2030 signatories.



2023 PRIORITIES

Identify the behaviour to prioritise, and circumstances required, for pre-loved textiles to replace new

A strategy has been developed to increase the supply of good quality clothing for purchase and to increase the number of people buying pre-loved clothing – for example through wardrobe stocktakes, selling or passing on good quality clothing and selecting pre-loved over new. WRAP will continue this work in 2024/25.



Circular Living - Transforming textiles

2023 PRIORITIES

Identify the financial incentives and policy changes that are required for a global, closed loop textiles recycling system

The need to introduce policy systems to manage textile waste has become acute in recent years, and consequently, WRAP is providing guidance on Extended Producer Responsibility (EPR) for policy makers. WRAP produced a report in January 2024 to summarise the proliferation of Textiles EPR systems across the world, providing guidance for future policy development.

In 2023, WRAP was commissioned by Defra to identify key [waste hotspots in the textiles lifecycle](#). The report looks at waste by fibre type, waste by life cycle stage, and waste by product type to pinpoint not only where textile waste is happening, but also the types of textile waste occurring.



2023 PRIORITIES

Create the industry standard for minimum durability guidelines that enables consistency globally

Increasing the length of time clothing is kept in use is one of the key ways to reduce the environmental footprint of the industry. Central to this is building durability into design and development processes to ensure products are made to last. WRAP is working with the Leeds Institute of Textiles and Colour, a world leading research centre, on a three-year project to create industry-first [product specific benchmarks for durability](#). In 2023, the partners began Phase 1 testing and surveying customer attitudes and behaviours to durability. Hear about some of the impact of this work so far from Textiles 2030 signatory [John Lewis](#).

25

brand and retailers

4,800

specimens tested

850

Phase 1 individuals tested



Collaboration really is key. If as brands we try to solve our problems in silo we are only going to keep coming up with the same solutions. The Durability Project makes us think differently and will really help building our own customer communication and develop product for the future.

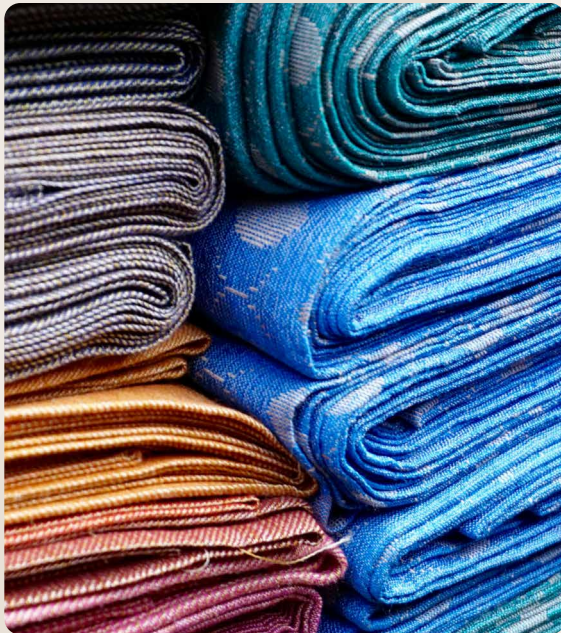
Katharine Ball
John Lewis

Circular Living - Transforming textiles



2023 PRIORITIES

Publish a landscape review of UK textiles recycling infrastructure



WRAP's 2024 [Textiles Market Situation Report](#) is a snapshot of the present state of the UK textiles market, providing depth insights on economic trends impacting the capture, re-use and recycling of key materials, and enabling the identification of future opportunities and risks. The report finds that mechanical recycling is taking place in the UK for wool and cotton, with expected business developments for thermo-recycling polyester. Fibre to Fibre (F2F) recycling is still in its infancy in the UK (Page 29) and requires significant investment to operate at scale. Developments are expected in the next few years, which would likely increase the value per kilo of post-consumer textiles once sorted, to create mass balance suitable for F2F technologies. This represents a substantial market opportunity as well as increased and enhanced UK sorting capacity.



Circular Living - Transforming textiles



2023 PRIORITIES

Develop new partnerships to link our work with other parts of the supply chain and create opportunities with international partners

UK: [Automatic sorting for circularity](#) demonstrator (ACT UK) Every year, the UK generates over 1 million tonnes of used textiles, with an estimated third of these non-re-wearable textiles that end up in landfill, incineration or exported to regions with lower labour costs. WRAP is working in consortium with the [UK Fashion and Textile Association](#), Textiles 2030 signatories, textiles businesses and recycling experts to establish an innovative Advanced Textile Sorting and Pre-processing facility (ATSP). The ATSP will take in non-re-wearable textiles and deliver them as feedstock

for fibre-to-fibre recyclers. This project will prepare the UK market for a transition to textiles circularity. ACT UK is a two-year project supported with funding from Innovate UK.

GLOBAL: In 2023 WRAP brought together learnings from Textiles 2030 and the Textiles Action Network to develop a Circular Fashion Blueprint for Voluntary Agreements that support circular textiles systems, to be published in 2024.

DENMARK: [The Danish Voluntary Sector Collaboration](#) on Textiles was launched in 2022 as part of [WRAP's Textiles Action Network](#), managed by delivery partner [Lifestyle & Design Cluster](#). Signatories are committed to common goals on the use of recycled materials, circular design practices and circular business models such as resale. In 2023 the Danish Collaboration undertook its first data reporting exercise, a challenging task involving extensive data collection and collaboration, which paves the way for future progress and reporting.

SWITZERLAND: In 2023 WRAP became a partner in a new European initiative, [Sustainable Textiles Switzerland](#). The initiative has engaged key actors of the Swiss textile and clothing sector in a multi-stakeholder dialogue to develop common sustainability targets for 2030.

Case study

Seamless, a circular clothing agreement with the Australian Fashion Council



1.4 billion units of clothing are imported into Australia each year, half of which ends up in landfill. In 2023, WRAP Asia Pacific worked in consortium with the [Australian Fashion Council](#), Charitable Recycling Australia, Sustainable Resource Use and Queensland University of Technology along with Australian retailers, recycling and waste management organisations to design and launch [Seamless](#), a circular textiles product stewardship scheme.

Funded on an EPR model by a pioneering group of brands, SEAMLESS has 4 priority areas: (1) Incentivising clothing that is more durable, repairable, sustainable and recyclable, (2) Fostering new circular business models based on reuse, repair, remanufacture and rental, (3) Expanding clothing collections and sorting for reuse (4) Encouraging citizen behaviour change.

FUTURE PLANS





Future Plans - Our Strategic Priorities for 2024/25

Accelerate the Circular Economy

✓ Policy

- Progress EPR for packaging (UK) and textiles (UK, Australia)
- Evaluate EPR for electronics (Global)

✓ Partners

- Support the implementation of resource management changes (UK)
- Launch circular products certification scheme (United States, UK)

✓ People

- Champion reuse and recycling



Future Proof Food

✓ Policy

- Identify and advocate for new policies to reduce waste, greenhouse gas and water impacts

✓ Partners

- Reduce food waste through voluntary agreements (South Africa, Brazil, Mexico, Australia, India and the UK)
- Mobilise a net zero action plan with the UK food sector

✓ People

- Champion less household food waste in the UK and Australia



Prevent Problem Plastics

✓ Policy

- Advocate a policy framework for better reuse and recycling (UK)
- Drive for an ambitious global plastics treaty

✓ Partners

- Reduce plastic use and increase recycling through Plastics Pact Voluntary agreements

✓ People

- Champion recycling and understand how to promote re-use and re-fill (UK)



Transform Textiles

✓ Policy

- Propose EPR policies in the UK, Australia and Europe

✓ Partners

- Scale up Voluntary Agreements, prioritising impact measurement (UK, Denmark, +1)

✓ People

- Build collaborations to grow pre-loved clothing (UK)



The background of the image shows cotton plants with green leaves and white cotton bolls. The lighting is warm, suggesting a sunset or sunrise. In the bottom right corner, there are several thick, curved green lines that overlap each other, creating a stylized, abstract graphic element.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Future Plans - Our Strategic Priorities for 2024/25

Replenish our Roots – organisational development

- Increase and diversify our income streams to enable our 2030 strategic plan
- Reposition and relaunch WRAP with our stakeholders
- Implement an operating model that supports greater efficiency, in-country presence and global governance
- Attract and develop our people and skills
- Build an organisation that reflects the diversity of our global presence

Structure, governance and management

We were set up as The Waste and Resources Action Programme (WRAP), a charitable company limited by guarantee, incorporated on 11 December 2000, and registered as a charity in England and Wales on 5 December 2014. On 28 November 2022, WRAP converted to a Charitable Incorporated Organisation.

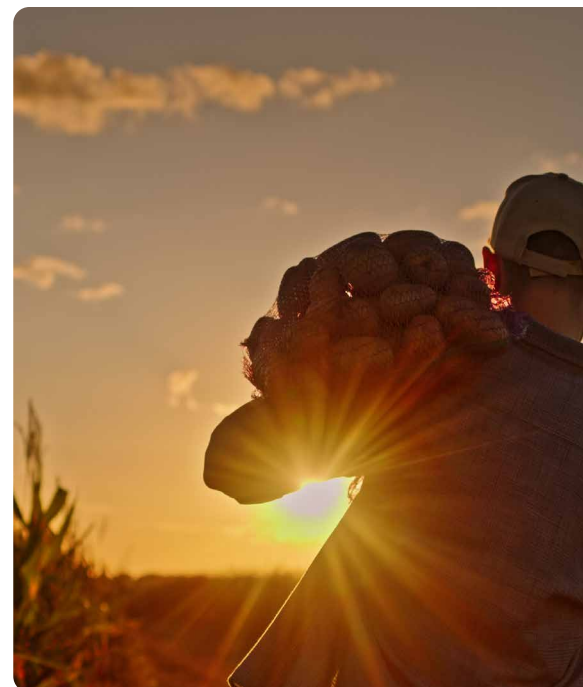
WRAP's object (purpose) is:

To promote for the benefit of the public the conservation, protection, and improvement of the physical and natural environment.

In reviewing our charitable objects and as part of forward-planning, our Trustees have taken account of the Charity Commission's guidance on public benefit and considered how our planned programme of work will consistently contribute to the charity's aims and objects.

The Trustees present their report and the audited financial statements for the year ended 31 March 2024.

Reference and administrative information set out on [page 55](#) forms part of this report. The financial statements comply with current statutory requirements, the governing document, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.



Board of Trustees

The Board of Trustees administers the charity. The Board can have up to 12 Members and currently comprises the Chair and ten additional Trustees.

The Board is responsible for:

- determining the strategy;
- approving the business plan;
- approving the budget;
- monitoring the charity's performance;
- ensuring WRAP achieves and maintains its equality, diversity, and inclusion objectives;
- monitoring the business risks; and
- the health and safety issues of the charity.

The Board met four times during the year to 31 March 2024.

- The company applies the relevant principles of good governance in UK Charity Governance Code, as set out below. -
- The Board meets as often as it needs to be effective, and at least four times per year.
- There is a clarity of responsibilities and delegation between the Board and the Executive. -

Structure, governance and management

- There is a formal procedure for the appointment of new Trustees.
- The Board is supplied in a timely manner with sufficient information to discharge its duties.
- The Board periodically undertakes an evaluation of its effectiveness.
- Trustees submit themselves for re-election after a maximum term of four years.
- The Trustees meet as necessary without the executive officers present.

Trustee induction and training

New Trustees undergo orientation to brief them on their legal obligations under charity law, the Charity Commission guidance on public benefit, and inform them of the content of the Constitution, the Committee and decision-making processes as well as WRAP's strategy, programmes, business plan and recent financial performance. During their induction they meet key employees and other Trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Nominations and Remuneration Committee

In view of the size of the company, it is considered appropriate to combine the roles of the Nominations Committee and Remuneration Committee. The Committee comprises a minimum of two Trustees and met four times during the year to 31 March 2024.

The main responsibilities of the Committee are to:

- establish a procedure for the appointment of Trustees and executive officers;
- oversee the process of the appointment of Trustees;
- review the remuneration of the executive officers; and

- review equality, diversity, and inclusion progress and strategy.

The Committee has agreed a procedure for the selection of Trustees, which will accord with the following principles:

- Posts will be publicly advertised. The advertisement (and the supporting information for candidates) will make it clear what specialist expertise is required, depending on the need to replace the expertise of the retiring Board members, and to take account of any additional requirements.
- The advertisements will make it clear that WRAP is committed to diversity and welcomes applicants irrespective of religion, age, sex, sexual orientation, gender reassignment, marital status, disability, or race.
- An independent individual who is skilled in the making of similar non-executive appointments will be included on the interview panel.
- The interview panel will proceed by consensus as far as possible, but with no member having a veto.
- Candidates will be provided with a decision as quickly as possible after the interview and information will be made publicly available about the appointments made, which will include any other relevant positions held by those appointed.

Remuneration

All Trustees, apart from the Chair, give their time freely and receive no remuneration. The main objectives of the company's remuneration policy are to provide a remuneration package that will attract, retain, and motivate individuals of an appropriate calibre. The pay of the executive officers and staff is reviewed annually. The company benchmarks pay using a leading, commercially available service. Annual review of salary also relates to performance in the year and is based on achievement of specific objectives.

Expenses are reimbursed to the extent that they have been incurred wholly, necessarily, and exclusively for the purposes of the charity. Full details of Trustees' remuneration, expenses and related party transactions are disclosed in notes 8 and 10 of the accounts.

Audit and Risk Committee

The Committee comprises a minimum of two Trustees and met three times during the year to 31 March 2024. The external auditors were present at two meetings.

The main responsibilities of the Audit and Risk Committee are to:

- monitor the integrity of the financial statements;
- review the charity's internal financial controls and the charity's control and risk



Structure, governance and management

management systems;

- make recommendations to the Board on the appointment and remuneration of the external auditors;
- review the findings of the audit with the external auditor;
- review the independence of the external auditor; and
- appoint the internal auditor, agree work plans, review internal audit reports, and monitor
- completion of agreed actions.

Maintenance of a sound system of internal control

The Board is responsible for the company's system of internal control and for reviewing its effectiveness. Such a system is designed to minimise the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss. The Audit and Risk Committee assists the Board in discharging its review responsibilities.

The main features of the company's risk and control framework are outlined below.

- WRAP's Business Plan, including the annual budget, is discussed and approved by the Board. An update on progress and a forecast for the remainder of the financial

year is given at each Board meeting.

- Matters needing the Board's attention are clearly defined: financial procedures, procurement procedures and authorisation levels are set by, and any changes approved by, the Audit and Risk Committee. Appropriate reporting procedures have been established.
- Risk assessments are made by staff from across all the charity's programmes. The results of these assessments are discussed and kept under regular review by the senior management team and key risks are reported to the Audit and Risk Committee. An enterprise risk register is regularly updated.
- The Chair of the Audit and Risk Committee reports the outcome of Committee meetings to the Board.
- The company has established a whistleblowing policy whereby staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters.

The Board has reviewed the effectiveness of the company's systems of internal control for the financial year 2023/24 and up to the date of approval of the annual report and accounts. The charity is committed to the development and enhancement of existing systems of internal control and risk management as appropriate for the charity and its activities.

Haysmacintyre are appointed as internal auditors for WRAP. This appointment strengthens the Board confidence in enterprise risk management by adding to the third line of defence, and to provide external insights and best practice to the Executive team.

Investment Committee

The Committee comprises a minimum of two Trustees and met three times during the year to 31 March 2024. The main responsibilities of the Investment Committee are to:

- at least maintain the real value of the financial return focused investment portfolio over the long term whilst generating a sustainable contribution to unrestricted income. The strategy for the financial return portfolio is managed by the WRAP Board; and to
- monitor delivery of impact objectives and financial return for the mixed-motive investment portfolio. This portfolio has twin goals of delivering financial return whilst furthering our charitable impact, hence 'mixed motive'.



Structure, governance and management

Executive Committee

The Board has delegated the day-to-day operations to the Chief Executive Officer (CEO). The CEO, supported by the Executive Committee, is accountable to the Board for providing information to enable Trustees to monitor the organisation's operating and financial results. Individual matters that are novel or contentious are referred to the Board.

The Trustees and Executive Committee are deemed to be key management personnel of the charity (see [page 55](#) for membership).

Related Parties

At the year-end, WRAP had five wholly owned subsidiary companies, established where it has been deemed appropriate to house specific programmes in separate legal entities. Two companies (Accelerating Growth Fund Ltd and WRAP Enterprises Ltd) are limited by shares and three (Behaviour Change Ltd, WRAP Asia-Pacific and WRAP Americas) are limited by guarantee. Accelerating Growth Fund Ltd is also a designated member of Circular Plastics – Accelerating Growth LLP, which was established to further Accelerating Growth Fund Ltd.'s investment objectives. During the year WRAP Americas Inc was not operational and WRAP began to establish activities in the Americas via a fiscal sponsorship arrangement with the National Environmental Education Foundation.

Accelerating Growth Fund Ltd

The company provides financial support and investments to organisations, principally small and medium-sized enterprises (SMEs), which are investing in, or changing to, 'circular economy' business models.

Accelerating Growth Fund Ltd.'s profits are gift aided to WRAP; the sum gift aided amounted to £110,000 in 2023/24 (2022/23: £43,000). The Chair of Accelerating Growth Fund Ltd is the Insights and Innovation Director. All directors are appointed by WRAP, and WRAP owns all the shares in Accelerating Growth Fund Ltd; hence WRAP has control over the operating and financial policies of Accelerating Growth Fund Ltd and consolidates the results in the WRAP Group accounts.

Behaviour Change Ltd

The company helps businesses, charities, governments, and foundations to create social and environmental change through applying behavioural science, insights, and interventions. Behaviour Change Ltd's profits are gift aided to WRAP; the sum gift aided amounted to £16k in 2023/24 (2022/23: nil). The Chair of Behaviour Change Ltd is the Director of Behaviour Change and Business Programmes. WRAP is the sole member and appoints the directors of the company; hence WRAP has control over the operating and financial policies of Behaviour Change Ltd and consolidates the results in the WRAP Group accounts.

WRAP Enterprises Ltd (WEL)

WEL is established as a trading subsidiary to capture any revenues arising from commercial contracts. To date WEL has not traded. The Chair of WEL is the Insights and Innovation Director.

Related party information and transactions can be found in Note 10.

WRAP Asia-Pacific (WRAP APAC)

WRAP APAC was incorporated on 30 June 2022, with the goal to grow WRAP's impact across the Asia-Pacific region. WRAP APAC is a wholly owned subsidiary of WRAP and supports WRAP's overarching goals and work on food, textiles, and plastics. WRAP APAC leads on projects in the Asia-Pacific region. Our 2024/25 focus will be on beginning to deliver our new food waste prevention programme in the region with our partners End Food Waste Australia and the Indonesian Business Council for Sustainable Development, building our business development pipeline, and setting WRAP APAC up for success.

The Chair of WRAP APAC during the year was the Director of Impact Growth, who has since been succeeded by an appointed non-executive Chair. WRAP is the sole member, designates the Chair and Deputy Chair and determines the number of directors; hence WRAP has control over the operating and financial policies of WRAP APAC and consolidates the results in the WRAP Group accounts.





Structure, governance and management

WRAP Americas Inc (WRAP Americas)

WRAP Americas Inc was incorporated on 14 August 2023 to lead WRAP's efforts and impact across the Americas region. It is controlled by WRAP. During the year WRAP Americas Inc was not operational whilst we worked to establish its registrations and administrative arrangements.

WRAP entered into a fiscal sponsorship arrangement with the National Environmental Education Foundation (NEEF) on 1 July 2023 to commence activities in the region.

Related party information and transactions can be found in Note 10.

Relations with stakeholders, and approach to fundraising

In compliance with the Charities (Protection and Social Investment) Act 2016, the Trustees can confirm the following:

The Group did not participate in any fundraising schemes nor use the service of a professional fundraiser or commercial participator to carry on any of those activities, and therefore no monitoring of such activity is applicable.

Neither the Group nor any person acting for the Group was subject to any voluntary scheme of regulated fundraising, and therefore no failure to comply has been noted, nor any complaints received.

Although WRAP does not receive or solicit donations of income from the general public, including vulnerable people, it seeks to follow best practice in its interactions with both public and private sector donors, including practice recommended in codes such as the UK Code for Fundraising Practice, with which we are registered.

WRAP receives its funding from UK and devolved government departments, businesses, international organisations and foundations. WRAP maintains strong collaborative relationships with its funders and is grateful for their support and confidence.

Details of collaboration with governments and the achievements of the Business Voluntary Agreements are included in our achievements and impacts section. Thank you also to the following funders for their support this year:

The Posner Foundation of Pittsburgh, which is helping us to deliver a citizen behaviour change programme on food waste in the USA

Ballmer Group for supporting the acceleration of impact throughout our Food Pact network, particularly in South Africa, Indonesia, Mexico, Brazil and Australia.

The Norwegian Retailers Environment Fund for work on Extended Producer Responsibility in plastics globally.

Stewart Investors for Plastics Pact work in India, particularly support to the India Plastics Pact

and for unlocking innovations to address the challenge of unrecyclable flexible packaging in India

Robertson Foundation for supporting the development of a roadmap for philanthropic investment in tackling food waste

World Bank for technical support to the government of Peru in their capacity as chair of the UN Plastics Treaty negotiations

World Economic Forum – Global Plastics Action Partnerships

Ellen MacArthur Foundation for supporting the development and operation of Plastics Pacts in the Global Plastics Pact Network

Esmee Fairburn Trust for supporting our global work on sustainable water catchments

Paul M Angell Foundation to eliminate problematic and unnecessary plastics in Mexico.

Our fundraising priorities for 2024/25 are to continue our UK government collaboration and funding, urgently grow our private sector business income and increase donations from philanthropic trusts, to accelerate our impact around the globe in line with our 2030 strategy.

WRAP is recognised as a charity for the purposes of American philanthropy after attaining equivalency status in the American market.

Safety, Health, and Environmental Report

The health, safety, and wellbeing of all our employees continues to be our number one priority. The Safety, Health and Environmental (SHE) Committee meets monthly and represents all departments across WRAP. It provides a central conduit for all employees to share their concerns and an effective mechanism to disseminate key SHE messages. The Committee proactively encourage 'near miss' reporting, including in the home setting since hybrid working has become the norm. The increased vigilance, and shared learnings from near miss attention, is expected to reduce the occurrence of actual incidents, which remain very low in WRAP (two minor accidents were reported in 23/24, one in 22/23).

Cleaning routines, discouraging staff with symptoms of any respiratory or infectious illness from attending our offices, and air circulation and monitoring (via CO2 meters) remain in place as travel and other measures have returned to normal, post-COVID.

Overseas visits are an important part of how WRAP achieves its impact and we continue to manage these carefully, particularly when colleagues are travelling to higher-risk locations. Targeted training and travel protocols are in place to minimise the risk to staff and include regular check-ins and monitoring of colleagues.

Structure, governance and management

As an environmental charity we wish to demonstrate a proactive commitment to meet high environmental performance standards. The environmental pledges introduced in 2021/22 continued to challenge all employees to reduce their environmental impact when at home. Employees were encouraged to improve their overall resource management – reduce food waste and the environmental impact of their clothes and textiles, alongside energy and water use.

In January 2024 we published an update to our Carbon Reduction Plan, which sets out what our emissions are and how we plan to address them, moving beyond offsetting to real reductions where possible.

To be in line with requirements set out in the 'Technical standard for completion of carbon reduction plans' (2021), we will quantify and report on emissions in six of the 15 categories within Scope 3: upstream transportation and distribution; waste disposal; business travel; employee commuting; upstream leased assets (where practical); and downstream transportation and distribution. Our ESG focused financial investments, employee sustainable investments default pension plan, and circularity impact investments via Accelerated Growth Fund Ltd further reduce our overall carbon footprint beyond the formal calculation.

WRAP has quantified the carbon emissions associated with its activities over many years and offset anything we cannot eliminate since then. We will continue to do this, and to take on

the very real challenge of finding further ways to minimise our emissions while we also extend the scope of our work.

We will continue to identify further ways to reduce emissions that are indirectly associated with our charity's activities. Emissions that cannot be eliminated are offset.

Employment policies

WRAP keeps colleagues informed through regular interactive briefings, news updates, and training. Employees are encouraged to get involved in discussions related to their specific interests and to take an active interest in all aspects of WRAP's performance. Continuous improvement is sought through a structured feedback process, with a full colleague survey carried out twice a year and informal feedback gathered throughout.

WRAP actively encourages employment applications from all suitably qualified applicants, regardless of religion, age, sex, sexual orientation, gender reassignment, marital status, disability, or race.

Assistance and adaptations are provided as necessary through the recruitment process and once employed, tailored performance management and personal development meetings support colleagues to develop a career plan, identifying all the opportunities available. Arrangements are made where possible for retraining employees who become disabled, enabling them to perform work appropriate to their aptitudes and abilities.





Reference and administrative information

The Waste and Resources Action Programme

Charity number: 1159512

Country of registration: England and Wales

Registered office and operational address: 2nd Floor

Blenheim Court

19 George Street

Banbury

OX16 5BH

Trustees

Trustees who served during the year and up to the date of this report were as follows:

- Sebastian Munden (Chair)
- Robert Longley Cook (Vice-Chair) (retired 30 April 2023)
- Sarah Chapman (Vice-Chair) (appointed as Vice-Chair 1 May 2023)
- Marc Stephens (retired 27 March 2024)
- Michaelene Welsh
- Sachin Kapila (retired 5 July 2023)
- Sophie Thomas
- Sue Corbett (retired 13 December 2023)
- Vijay Doshi (appointed 1 October 2023)
- Chris Jones (appointed 22 May 2023)
- Shruti Dudhia (appointed 22 May 2023)
- Dario Soto Abril (appointed 27 March 2024)
- Jill Riseley (appointed 13 June 2024)
- Michael Kwame Nkonu (appointed 13 June 2024)
- Robert ter Kuile (appointed 10 July 2024)

Executive Committee

Members who served during the year and up to the date of this report were as follows:

- Harriet Lamb – Chief Executive
- Richard Swannell – Director of Impact Growth
- Angela Pulley – HR Director
- Catherine David – Collaboration and Change Director (until 1st June 2023)
 - Director of Behaviour Change and Business Programmes (1st June 2023)
- Claire Shrewsbury – Insights and Innovation Director
- David Rogers – International Director
- Paul Suller – Commercial, Finance and Operations Director (until 6th January 2024)
- Dan Youmans – Chief Finance Officer (appointed 5th December 2023)
- Tom Lewis-Reynier – Strategic Engagement Director (in post until 30 May 2023)
- David Wilson – Marketing & Communications Director (appointed 16th October 2023)

Reference and administrative information

Our advisers

External auditor

Sayer Vincent LLP, 110 Golden Lane, London, EC1Y 0TG

Legal advisers

Bates Wells, 10 Queen Street Place, London, EC4R 1BE

Internal auditor

Haysmacintyre, 10 Queen Street Place, London, EC4R 1AG

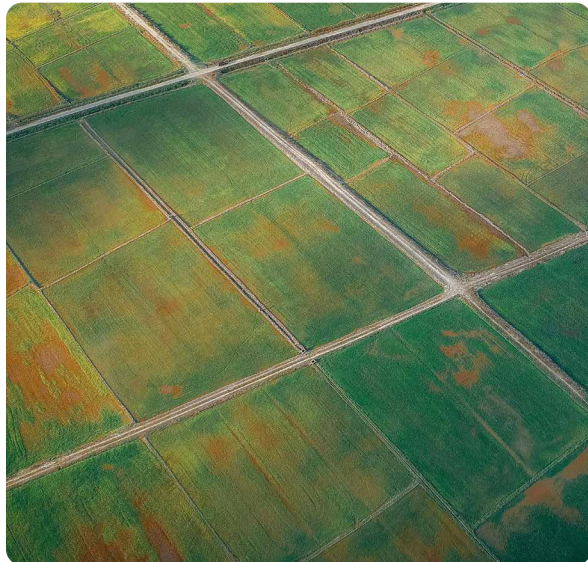
Bankers

Barclays Bank PLC, 25 High Street, Coventry, CV1 5RE

Lloyds Bank PLC, Faryners House, 25 Monument Street, London, EC3R 8BQ

Investment managers

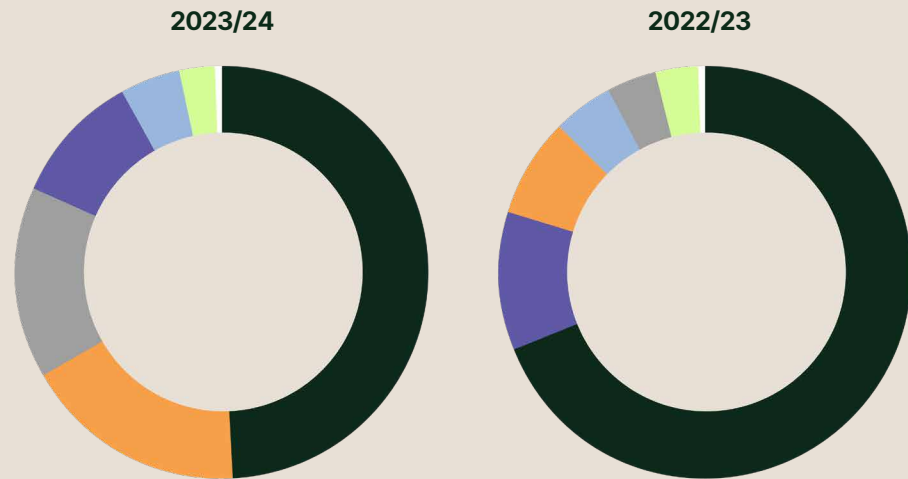
Rathbone Greenbank Investments, 8 Finsbury Circus, London, EC2M 7AZ



An aerial photograph of terraced rice fields, showing the intricate patterns of the terraces and the lush green vegetation. The fields are arranged in a series of curved, overlapping steps that follow the contours of a hillside. The water in the terraces reflects the surrounding greenery, creating a shimmering effect. In the bottom right corner, there is a large, stylized graphic element consisting of several thick, curved lines in a vibrant green color, resembling a stylized leaf or a modern logo.

FINANCIAL REVIEW

Financial Review



Income (£m)	2023/24	2022/23
● UK government grants	14.9	16.2
● Other UK government bodies and local authorities	0.9	0.8
● Non-UK governments	0.1	0.1
● Business contributions to UK voluntary agreements	3.1	2.6
● Trusts, and foundations	4.6	0.9
● Other income	5.3	1.8
● Trading and investment	1.4	1.1
Total income	30.3	23.5

WRAP’s income for 23/24 of £30.3m was £6.8m (29%) higher than 22/23, with increases across both unrestricted and restricted income. Income from Trusts and Foundations and commercial income and gifts in kind (categorised as ‘other income’) increased considerably, validating our income diversification strategy.

Investment income almost doubled compared to 22/23, aligned to higher market interest rates.

Further highlights are set out below.

UK government grants

Government funding is received from Defra, the Welsh Government, and DAERA in Northern Ireland.

Total core grant funding from Defra was £8.6m with additional grants of £0.4m bringing the total to £9.0m (2022/23: £9.6m). The Welsh Government provided grant funding of £4.9m in 2023/24 (2022/23: £3.3m). Included within this amount is £2.9m for the Collaborative Change Programme. Additionally, we received a core grant from DAERA in Northern Ireland, of £1m (2023/24: £1m).

Other UK government bodies

Zero Waste Scotland granted WRAP £0.2m (2022/23: £0.3m); other government departments and local authorities granted WRAP £0.7m (2022/23: £0.5m).

Trusts and Foundations

Trusts and foundation income increased significantly in the year to £4.6m (2022/23: £0.9m), including donations from the Ballmer Group (£4.0m) and Posner Foundation (£0.4m).

Financial Review

Business contributions to UK voluntary agreements

Contributions from businesses for our three UK voluntary agreements increased to £3.1m (2022/23: £2.6m).

Other income

Other income includes work the charity does on a commercial basis fulfilling its charitable objectives and the recognition of gifts in kind that the charity received in the financial year, which collectively amounted to £5.0m (2022/23: £1.7m).

The largest commercial undertakings in the financial year have been with various retailer consortiums working in collaboration for both WRAP's Greenhouse Gas Climate Accelerator Programme (£268k), and Water Scarcity Programme (£671k); also included is annual sponsorship for Recycle Week (£145k), eBay's Circular Furniture Council (£192k), and work with Amazon to tackle Textile Re-use (£301k).

The Charity was also the recipient of gifts in kind generously provided by a small group of benefactors. UKTV provided free advertising on its TV channels and 'on-demand' service to promote reduction in food waste (£1.07m), Google provided additional free on-line

advertising (£438k), along with John Lewis, through their Jubilee funding programme, that paid for the secondment of a technical specialist (£23k).

Trading and investment income

Investment income increased to £0.6m (2022/23: £0.3m). Trading income from Behaviour Change Ltd was £1.2m (2022/23: £1m)

Investment policy

WRAP has an investment policy to invest in managed funds or direct equity investments with the intention of furthering the company's charitable objects and providing a greater return than cash. Investments in countries embargoed by the UN or UK are excluded (e.g. Russia).

Listed investments

The WRAP group currently has £11.6m of financial investments managed by Rathbones Greenbank (2022/23: £11.3m).

The investments are long-term in nature and short-term volatility is to be expected – this year resulting in a capital gain of £283k (2022/23: loss of £692k).

The portfolio is sustainability focused, with investments positively screened for their environmental, social and governance (ESG) credentials, and excludes companies deriving most of their revenues from the sale of tobacco, mining, or fossil fuels. The portfolio has recovered some of the value it previously lost.

Mixed-motive investments

Mixed-motive investments are held within our subsidiary company Accelerated Growth Fund Ltd. to deliver charitable impact whilst also generating a financial return, aiming at least for capital retention over the medium-term.

Accelerated Growth Fund Ltd. holds £9.4m (2023: £8.9m) of mixed motive investments; £4.3m (2023: £4.2m) in the Circularity European Growth Funds, £3.9m (2023: £3.9m) in Sicut Enterprises Ltd, £0.5m in Greyparrot (2023: £0.5m), £0.7m in Winnow (2023: £0.4m).

The historical cost of the portfolio is £5.2m, and now has an estimated fair value of £9.4m. The portfolio is therefore meeting its financial objective in addition to adding impact.

The Circularity European Growth Fund's mission is to deliver value for investors by supporting SME growth and innovation in the circular economy. Accelerated Growth Fund Ltd. holds £3.2m in Fund 1 and £1.0m in a second fund.

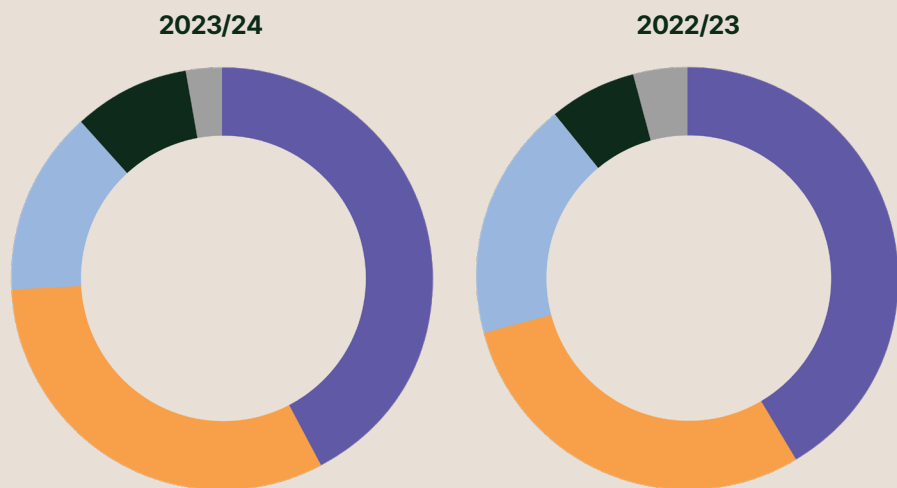
Sicut Enterprises is primarily a supplier of sustainable railway sleepers manufactured from recycled plastic which reduces material to landfill and the use of chemically treated hardwood timbers.

Greyparrot is the leading AI waste analytics platform for the circular economy, digitalising waste flows for analysis and improved sorting to increase recovery rates for recycling.

Winnow provides food waste technology with an analytics platform to deliver insights to commercial kitchens thereby driving operational improvements that save on the bottom-line and the planet.



Expenditure



Expenditure (£m)	2023/24	2022/23
● Textiles	2.4	1.7
● Food	8.5	7.4
● Plastics	3.7	4.6
● Resource management	11.3	10.4
Subtotal	25.9	24.1
● Other including trading	0.7	1
Total income	26.6	25.1

Total expenditure in the year was £26.6m (2022/23: £25.1m)

Charitable activities

Expenditure increased in three of the four charitable activity areas, reflecting our ambitions to scale up our work.

Textiles expenditure increased to £2.4m (2022/23: £1.7m) reflecting further investment in our Textiles 2030 and material systems transformation work.

Food system transformation expenditure increased to £8.5m (2022/23: £7.4m). Plastics expenditure decreased to £3.7m (2022/23: £4.6m) and resource management non-grant expenditure increased to £11.3m (2022/23: £10.4m).

Across our fundraising and business development activity we actively seek to raise funding across all our programmes of work as we seek to accelerate our impact.

Net movement in funds

There was a net increase of £4.0m in total funds during the year to £38.3m (2023: £34.3m), made up of a £3.7m increase in restricted funds, a £1.3m decrease in designated funds and a £1.6m increase in general funds.

The increase in restricted funds is primarily a product of the increase in Trusts & Foundations income which was received but not spent in the period.

Designated funds have decreased to £23.2m (2023: £24.5m). The largest balance of £22.4m (2023: £22.3m) relates to investment funds and the slight increase reflects the increase in value of investment funds held described above.

Consolidated balance sheet

At 31 March 2024 net assets were £38.3m (2023: £34.3m).

The most significant movements in this financial year are:

- A £1m increase in investments' carrying value,
- A £0.3m increase in current assets, made up of a significant increase in cash held offset by decreases in current debtors and short-term investments, and
- A £2.7m reduction in creditors, primarily driven by a reduction in accruals and deferred income

Expenditure

Reserves policy and going concern

WRAP holds financial reserves to be applied to future activities in these categories:

- General funds – unrestricted funds to be applied generally to further WRAP’s charitable purposes. At 31 March 2024 WRAP held general funds of £6.7m (equivalent to 5 months’ salary and overheads).
- Restricted funds – to be applied only to the purpose(s) specified by the donor. At 31 March 2024 WRAP held restricted funds of £8.5m.
- Designated funds – to be applied to a given purpose specified by the Trustees. At 31 March 2024 WRAP held designated funds of £23.2m.

The Trustees have set a target for unrestricted reserves based on an analysis of the potential financial risk facing WRAP. The Trustees consider the appropriate level of general reserves to be between three and six months of salary and overhead costs.

Funds in excess of this will be transferred to the financial investment fund to generate a predictable level of unrestricted income. Should general reserves fall below three months, then a call on the financial investment fund can be made.

The Trustees have reviewed the circumstances of the charity and the group and consider that adequate resources continue to be available to fund activities for the foreseeable future. The Trustees are therefore of the view that the WRAP group is a going concern.

Principal risks and uncertainties

The Trustees have a risk management strategy which comprises:

- a quarterly review of the principal risks and uncertainties facing WRAP and its subsidiaries led by the Audit and Risk Committee and reported back to the Board at each meeting;
- the establishment of policies, systems and procedures to mitigate those risks identified in the quarterly reviews;
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise; and
- ongoing review of risk mitigation and controls via the Audit and Risk Committee of the Board, including reviews by an independent internal audit team (Haysmacintyre) to further strengthen assurance activities.

The principal risk and uncertainty for WRAP relates to the levels of future funding. In the year we made good progress in diversifying our funding mix, with core grants from UK governments decreasing from 72% to 52% of total income from charitable activities.

We continue to deliver value and impact for our government funders and work together to navigate downward pressure on public finances and continue to drive value for money through our work.

However, we continue to consider this a significant risk and work actively to further mitigate it, by:

1. Maximising WRAP’s value to its principal government funders.
2. Diversifying our funding mix, as we have begun to demonstrate in 2023/24 particularly in relation to Trusts and Foundations and Business contributions income.
3. Ensuring sufficient flexibility in our cost base to respond to any future changes in funding without compromising the organisation’s ability to deliver impact.

Our 2030 strategy and annual business plan are ensuring we make progress in this area, including through expanding our global footprint

and deepening our delivery partnerships, both of which will further support our income diversification strategy.

The Trustees consider safeguarding those we interact with from harm as critically important, and work continues to strengthen our policies and practice in this area.

Health, Safety and Environment is of paramount importance to WRAP’s Trustees, and to mitigate potential risks, WRAP maintains comprehensive health, wellbeing, and safety policies and procedures, including the reporting and review of any accidents or near misses (see [page 53](#)).

Statement of responsibilities of the Trustees

Law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the period. In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

- Select suitable accounting policies and then 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 and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to

ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor

Sayer Vincent LLP was re-appointed as the charity's auditor during the year and has expressed its willingness to continue in that capacity. The Trustees' Annual Report has been approved by the Trustees on 27th September 2024 and signed on their behalf by

Sebastian Munden, Chair





Independent auditor's report to the trustees of The Waste and Resources Action Programme

Opinion

We have audited the financial statements of The Waste and Resources Action Programme (the 'parent charity') for the year ended 31 March 2024 which comprise the consolidated statement of financial activities, the group and parent charity balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group and parent charity's affairs as at 31 March 2024 and of the group's incoming resources and application of resources, for the year then ended

- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Charities Act 2011

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation

of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on The Waste and Resources Action Programme's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether

the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- The information given in the trustees' annual report is inconsistent in any material respect with the financial statements
- Sufficient accounting records have not been kept; or



Independent auditor’s report to the trustees of The Waste and Resources Action Programme

- the financial statements are not in agreement with the accounting records and returns; or
- We have not received all the information and explanations we require for our audit

Responsibilities of trustees

As explained more fully in the statement of trustees’ responsibilities set out in the trustees’ annual report, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and the parent charity’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charity or to cease operations, or have no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the audit and risk committee, which included obtaining and reviewing supporting documentation, concerning the group’s policies and procedures relating to:
- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws

and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.

- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Independent auditor's report to the trustees of The Waste and Resources Action Programme

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the parent charity's trustees as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the parent charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not

accept or assume responsibility to anyone other than the parent charity and the parent charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Jonathan Orchard

Date 30 September 2024

Sayer Vincent LLP, Statutory Auditor

110 Golden Lane, LONDON, EC1Y 0TG

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006



FINANCIAL STATEMENTS





The Waste and Resources Action Programme

Consolidated statement of financial activities (incorporating an income and expenditure account) For the year ended 31 March 2024

		2024				2023	
		Unre- stricted	Restrict- ed	Total	Unre- stricted	Restricted	Total
		£'000	£'000	£'000	£'000	£'000	£'000
		Note					
Income from:							
Charitable activities	2						
Textiles		1,319	1,427	2,746	571	1,178	1,749
Food		2,784	9,336	12,120	1,318	5,573	6,891
Plastics		1,922	1,538	3,460	1,298	1,551	2,850
Resource Management		689	9,947	10,636	874	10,063	10,938
Other trading activities		757	-	757	756	-	756
Investments	3	602	-	602	317	-	317
Total income		8,073	22,248	30,321	5,135	18,365	23,500
Expenditure on:							
Charitable activities	4						
Textiles		825	1,542	2,367	542	1,169	1,711
Food		3,047	5,436	8,483	1,171	6,193	7,364
Plastics		1,645	2,051	3,696	1,473	3,087	4,560
Resource Management		1,824	9,483	11,307	637	9,792	10,429
Other Trading Activities		742	-	742	1,012	-	1,012
Total expenditure		8,083	18,512	26,595	4,835	20,242	25,076
Net income / (expenditure) before net gains/(losses) on investments		(10)	3,736	3,726	301	(1,877)	(1,576)
Net gains / (losses) on investments		283	-	283	(692)	-	(692)
Net income / (expenditure) for the year	7	273	3,736	4,009	(391)	(1,877)	(2,268)
Net income / (expenditure) before other recognised gains and losses		273	3,736	4,009	(391)	(1,877)	(2,268)
Other gains / (losses)		(1)	-	(1)	47	-	47
Net movement in funds		272	3,736	4,008	(344)	(1,877)	(2,221)
Reconciliation of funds:							
Total funds brought forward	23b	29,584	4,756	34,340	29,928	6,633	36,561
Total funds carried forward		29,856	8,492	38,348	29,584	4,756	34,340
Restricted funds		-	8,492	8,492	-	4,756	4,756
Designated funds		23,155	-	23,155	24,486	-	24,486
General funds		6,701	-	6,701	5,098	-	5,098
Total		29,856	8,492	38,348	29,584	4,756	34,340

The statement of financial activities includes all gains and losses recognised in the year. The notes on pages 69-92 form part of the financial statements. All of the above results are derived from continuing activities. Movements in funds are disclosed in Note 23a to the financial statements.



The Waste and Resources Action Programme

Consolidated and charity balance sheets As at 31 March 2024

	Note	The group		The charity	
		2024	2023	2024	2023
		£'000	£'000	£'000	£'000
Fixed assets:					
Tangible assets	12	12	5	5	
Investments	13	21,210	20,210	7,502	7,368
		21,222	20,215	7,507	7,368
Current assets:					
Debtors due within one year	17	4,356	7,732	4,777	7,412
Short term investments	16	1,051	5,958	1,051	4,750
Cash at bank and in hand		16,752	8,275	15,041	7,306
		22,159	21,965	20,869	19,467
Creditors: amounts falling due within one year	18	(4,677)	(7,366)	(4,152)	(6,698)
Net current assets		17,482	14,599	16,717	12,769
Total assets less current liabilities		38,704	34,814	24,223	20,137
Provision for liabilities and charges	20	(356)	(474)	(356)	(474)
Net assets		38,348	34,340	23,867	19,662
Reserves					
Restricted funds	23a	8,492	4,756	8,492	4,756
Unrestricted funds:					
Designated funds		23,155	24,486	8,374	9,553
General funds		6,701	5,098	7,001	5,353
Total reserves		38,348	34,340	23,867	19,662

Approved by the trustees on 27th September 2024 and signed on their behalf by



The Waste and Resources Action Programme

Consolidated statement of cash flows For the year ended 31 March 2024

	2024		2023	
	£'000	£'000	£'000	£'000
Cash flows from operating activities				
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	4,007		(2,221)	
Depreciation charges	2		21	
(Gains)/losses on listed and unlisted investments	(242)		862	
Foreign exchange (gains)/losses	1		(47)	
Dividends and interest from investments	(602)		(317)	
Increase/(Decrease) in debtors	3,376		(3,401)	
Decrease in creditors	(2,689)		(2,523)	
(Decrease) in provision	(118)		(250)	
Net cash (used in) operating activities		3,735		(7,875)
Cash flows from investing activities:				
Dividends and interest from investments	602		317	
Purchase of fixed assets	(9)		(3)	
Proceeds from sale of investments	3,805		2,139	
Purchase of listed and unlisted investments	(4,650)		(3,565)	
Decrease/(increase) in cash held by investment manager	87		20	
Net cash used in investing activities		(165)		(1,092)
Change in cash and cash equivalents in the year		3,570		(8,967)
Cash and cash equivalents at the beginning of the year		14,233		23,153
Change in cash and cash equivalents due to exchange rate movements		(1)		47
Cash and cash equivalents at the end of the year		17,803		14,233

Analysis of cash and cash equivalents and of net debt				
	At 1 April 2023	Cash flows	Other non-cash changes	At 31 March 2024
	£	£	£	£
Cash at bank and in hand	8,275	8,478	(1)	16,752
Short term investments	5,958	(4,908)	-	1,050
Total cash and cash equivalents	14,233	3,570	(1)	17,802



Notes to the financial statements

For the year ended 31 March 2024

1. Accounting policies

a) Basis of financial statements and accounting policies

WRAP is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office address is 2nd Floor, Blenheim Court, 19 George Street, Banbury, OX16 5BH.

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) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and Charities Act 2011. WRAP 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 note(s).

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other

factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

b) Basis of consolidation

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiaries: Accelerating Growth Fund Limited (AGF), Behaviour Change Limited (BC) and Asia Pacific Limited (APAC), on a line by line basis. Transactions and balances between the charitable company and its subsidiaries have been eliminated from the consolidated financial statements. Balances between AGF, BC and APAC are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by the Unincorporated Companies Act 2009.

The Charity is included in the consolidated financial statements and is considered to be a qualifying entity under FRS 102 paragraphs 1.8 to 1.12. The following exemptions available under

FRS 102 in respect of certain disclosures for the Charity financial statements have been applied:

- No separate parent company Statement of Cash Flows with related notes is included;
- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

c) Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the trustees' report. The financial position of the Group, its cash flows and liquidity position are also described in the trustees' report and the financial statements. As highlighted in the financial statements, the Group meets its day-to-day working capital requirements through grants and other funding. Whilst the current economic and political conditions may create uncertainty over the level of future funding, the trustees have reviewed the Group's committed funding, obligations and reserves and have concluded that the Group is able to meet all its liabilities as they fall due.

As the Charity has £15m of liquid unrestricted reserves, and the funding for the next financial year is highly probable, the trustees consider there are no material uncertainties. The trustees therefore have a reasonable expectation that the Group has adequate resources to continue in operational existence for 12 months from the date of approval of the accounts. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

d) Income

Income is recognised when: the charity has entitlement to the funds; any performance conditions attached to the income have been met, and it is probable that the income will be received and that the amount can be measured reliably.

Revenue grants are credited to the statement of financial activities in the period in which the funding is receivable. Where unconditional entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the income is recognised when there is sufficient evidence that conditions will be met. Where there is uncertainty as to whether the charity can meet such conditions, the income is deferred. Investment income is included in the statement of financial activities when



Notes to the financial statements

For the year ended 31 March 2024

receivable. Grant income is either restricted or unrestricted, depending on the conditions attached to the grant.

Income received from the sale of goods and services is recognised in the financial statement in the year in which the good is sold or the service provided. Where contributions from voluntary agreement members have been received in one year, but relate to future years, they are treated as deferred income so that income is recognised in accordance with the membership fee timeframe.

e) Expenditure

All expenditure is charged in the period to which it relates on an accruals basis and a liability is recognised when there is a legal or constructive obligation, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. The Charity is registered for VAT due to income generated by some activities and accordingly expenditure excludes any recoverable VAT. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Expenditure that relates directly to a particular activity is allocated to that activity. Support costs are attributed to programmes with

reference to the proportion of staff working directly on project based activities.

Fundraising costs relate to the costs incurred by the group and charitable company in raising funds for the charitable work. Investment management fees are not allocated to charitable activities.

Governance costs are the costs associated with the governance arrangements of the charitable company. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the organisation's activities.

f) Grant making

Grants payable are charged to the statement of financial activities in the year in which the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year-end are noted as a commitment, but not accrued as expenditure.

g) Leases

Operating lease rentals are charged to the statement of financial activities on a straight-line basis over the period of the lease.

h) Taxation

WRAP is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of 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. The subsidiary trading company makes qualifying donations of all taxable profit to the charity. Deeds of covenant have been prepared to allow the subsidiary trading company to make qualifying donations of all taxable profit to the charity.

i) Funds

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund together with a fair allocation of management and support costs.

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity.

Designated funds are unrestricted funds ring fenced by the trustees for particular purposes.

j) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation is provided on all fixed assets at rates calculated to write-off the cost of each asset evenly over its expected useful life, as follows:

Office equipment and IT Equipment: 33% on cost.

k) Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the Statement of Financial Activities. The charity does not acquire put options, derivatives or other complex financial instruments.

Unlisted investments are included at their fair value if this can be quantified accurately otherwise they are included at cost less impairment. Where a company has raised a further round of investment, the fair value of the

Notes to the financial statements

For the year ended 31 March 2024

investment held is based on the latest value of the Company's shares. Any change in valuation is taken to the Statement of Financial Activities.

l) Investments in subsidiaries

Investments in subsidiaries are at cost.

m) Pension costs

Pension costs represent the costs of providing defined contribution retirement benefits under personal pension arrangements and are charged as incurred.

n) Creditors and Provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that can be reliably measured, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligations at the reporting date.

o) Cash and liquid resources

Cash, for the purpose of the cash flow statement, comprises cash in hand and deposits repayable on demand.

p) Short term investments

Short term investments include bank deposits under which access to cash is restricted for up to 100 days from the date of the deposit and other deposits held by Fund Managers. Cash held in 32 day notice accounts is treated as a short-term investment as it is held for investment purposes.

q) Debtors

Debtors are recorded at their recoverable amount which constitutes the present value for long term debts, the time value of money having been deemed immaterial.

r) Financial instruments

The group only has financial assets of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Cash held in 32 day notice accounts is treated as a short term investment as it is held for investment purposes.





Notes to the financial statements

For the year ended 31 March 2024

2) Income from charitable activities

	2024			2023		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£'000	£'000	£'000	£'000	£'000	£'000
UK Governments Grants	-	14,920	14,920	-	16,200	16,200
EU Governments	-	40	40	12	105	117
Non EU Governments	-	29	29	-	12	12
Other UK Government & Local Authorities	511	419	930	434	364	798
Total income from Governments	511	15,408	15,919	446	16,681	17,127
Business contributions to voluntary agreements	3,092	-	3,092	2,631	-	2,631
Trusts & Foundations	17	4,612	4,629	-	878	878
Restricted donations	-	358	358	-	67	67
Other income	3,094	1,870	4,964	985	740	1,725
Total income from charitable activities	6,714	22,248	28,962	4,062	18,365	22,427

3) Income from investments

	2024	2023
	Total	Total
	£'000	£'000
Bank interest receivable	447	73
Income from listed investments	155	244
	602	317

All income from investments is unrestricted.



Notes to the financial statements

For the year ended 31 March 2024

4a) Analysis of expenditure (current year)

	Charitable activities												
	Tex- tiles	Food	Plastics	Resource Management	Trading Costs	Other Ex- penditure	Fundraising Costs	Governance Costs	Support Costs	2024 Total	2023 Total		
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000		
Staff costs (Note 8)	1,439	3,112	2,115	4,214	590	-	278	126	2,424	14,298	13,102		
Contracted services	350	3,319	625	4,912	22	-	5	97	2,107	11,437	11,295		
Other expenditure	68	68	-	-	130	-	-	-	-	266	100		
Grants awarded (Note 5)	47	348	217	(18)	-	-	-	-	-	594	24		
	1,904	6,847	2,957	9,108	742	-	283	223	4,531	26,595	24,521		
Fundraising costs	37	82	54	110	-	-	(283)	-	-	-	-		
Governance costs	20	73	33	97	-	-	-	(223)	-	-	-		
Support costs	406	1,481	652	1,992	-	-	-	-	(4,531)	-	-		
Total expenditure 2024	2,367	8,483	3,696	11,307	742	-	-	-	-	26,595	-		



Notes to the financial statements

For the year ended 31 March 2024

4b) Analysis of expenditure (prior year)

	Charitable activities										
	Textiles	Food	Plastics	Resource Management	Trading Costs	Other Expenditure	Fundraising Costs	Governance Costs	Support Costs	2023 Total	2022 Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Staff costs (Note 9)	1,055	2,840	2,378	3,780	548	-	214	147	2,141	13,102	13,102
Contracted services	103	2,989	1,180	4,778	37	-	5	142	2,062	11,295	11,295
Other expenditure	65	111	52	-	427	-	-	-	-	655	100
Grants awarded (Note 5)	-	-	(151)	175	-	-	-	-	-	24	24
	1,223	5,941	3,459	8,733	1,012	-	219	288	4,202	25,076	24,521
Fundraising costs	12	135	51	21	-	-	(219)	-	-	-	-
Governance costs	31	82	28	147	-	-	-	(288)	-	-	-
Support costs	446	1,206	1,023	1,528	-	-	-	-	(4,202)	-	-
Total expenditure 2023	1,711	7,364	4,560	10,429	1,012	-	-	-	-	25,076	-



Notes to the financial statements

For the year ended 31 March 2024

5a) Grant making					
	Grants to Community Interest Groups & Charity/Not for Profit	Grants to Institutions	Grants to Local Authorities	Grants to Business	2024 Total
	£'000	£'000	£'000	£'000	£'000
Cost					
Textiles	47	-	-	-	47
Food	295	-	-	53	348
Plastics	451	-	(17)	(217)	217
Resource Management	169	-	81	(268)	(18)
At the end of the year	962	-	64	(432)	594



Notes to the financial statements

For the year ended 31 March 2024

5b) Grant making (prior year)					
	Grants to Community Interest Groups & Charity/Not for Profit	Grants to Institutions	Grants to Local Authorities	Grants to Business	2023 Total
	£'000	£'000	£'000	£'000	£'000
Cost					
Textiles	-	-	-	-	-
Food	-	-	-	-	-
Plastics	-	-	-	(151)	(151)
Resource Management	-	-	175	-	175
At the end of the year	-	-	175	(151)	24

The grants were principally awarded under the following schemes: Global Sustainable Plastic Packaging Programme funded by UKRI, Recycling Sack Trials in Wales, and Support to Local Authorities through the 'Be Mighty' consumer food waste campaign both funded by Welsh Government. WRAP did recover funding back from two grant beneficiaries, one in the Global Sustainable Plastic Packaging

Programme, and one in Circular Economy Fund where conditional restrictions were not met.

Details of grants awarded can be found at www.wrap.org.uk/awarded-grants.



Notes to the financial statements

For the year ended 31 March 2024

6) Analysis of support costs			
	2024	2023	
	£'000	£'000	
			Basis of allocation
Finance	544	386	Across all heads
Information technology	761	866	Across all heads
Office Facilities	456	436	Across location heads
Human resources	711	626	Across all heads
Commercial	437	328	Across delivery heads
Corporate Communication & Digital	887	791	Across delivery heads
Executive & CFO office	734	769	Across delivery heads
Total	4,530	4,202	

Analysis of governance costs			
	2024	2023	
	£'000	£'000	
Staff	132	147	Actual costs incurred
Audit	37	46	Actual costs incurred
Trustees Expenses	5	2	Actual costs incurred
Professional fees	55	95	Actual costs incurred
Total	229	288	

Notes to the financial statements

For the year ended 31 March 2024

7) Net income / (expenditure) for the year		
This is stated after charging / (crediting):		
	2024	2023
	£'000	£'000
Depreciation of tangible fixed assets	2	21
Operating lease rentals - land and buildings	313	271
Auditor's remuneration (excluding VAT):		
Audit	37	31
Other services	-	7
Foreign exchange gains/(losses)	(1)	47

8) Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel				
Staff costs were as follows:				
	Group		Charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Wages and salaries	11,120	10,675	10,643	10,229
Social security costs	1,209	1,140	1,152	1,085
Other pension costs	1,831	1,138	1,786	1,092
Other staff costs	54	96	41	96
Redundancy and termination	85	52	85	52
	14,299	13,102	13,707	12,553

8) continued	2024	2023
	No.	No.
£60,000 - £69,999	7	8
£70,000 - £79,999	5	3
£80,000 - £89,999	1	1
£90,000 - £99,999	3	3
£100,000 - £109,999	3	-
£110,000 - £119,999	-	1
£120,000 - £129,999	2	-
£170,000 - £179,999	-	1

Other pension costs represent employer contributions to defined contribution pension schemes.

The number of employees whose total employee benefits (excluding employer pension costs and employers' national insurance) was above £60,000 for the reporting period as follows:

Notes to the financial statements

For the year ended 31 March 2024

Key Management Personnel

The key management personnel are the trustees and the executive team (listed on page 55). The total employee benefits, including employer's NI and pension, paid to key management personnel was £1,216,223 (2023: £1,111,998).

Board of Trustees Remuneration

The Board of Trustees are the Directors of the Charity. During the year there were 12 (2023: 8) non-executive directors.

None of the non-executive directors has a service contract. Since becoming a charity in 2014 all the non-executive directors, apart from the Chair, give of their time freely and receive no remuneration. The remuneration of the Chair was as follows:

	Fees	Fees
	2024	2023
	£'000	£'000
Julie Hill - Chair (Resigned 18.11.2022)	-	22
Sebastian Munden - Chair (Appointed 21.11.2022)	39	13

Expenses reimbursed to trustees totalled £4,863 (2023: £1,635). Expenses were reimbursed in the year to 8 trustees (2022: 5), as follows:

	2024	2023
	£	£
Travel	4,106	1,635
Subsistence	757	-
Total	4,863	1,635

9) Staff numbers

Employees	Group		Charity	
	2024	2023	2024	2023
The average number of staff was:	No.	No.	No.	No.
Banbury	162	174	162	174
Wales	62	56	62	56
Northern Ireland	10	9	10	9
London	37	5	30	-
USA	2	-	2	-
Adelaide	1	-	-	-
Total	274	245	266	240

Average number of staff in FTE in 2024 was 240 (2023: 233). The Charity staff work on programmes for all funders

Notes to the financial statements

For the year ended 31 March 2024

10) Related party transactions

In 2024 WRAP charged AGF Ltd £21k (2023: £19k) for the provision of staff. As at 31 March 2023 there is a creditor balance of £101k (2023: £43k) which relates to staff charges and £65k Gift Aid distribution (2023: £43k) to WRAP.

In 2024 WRAP charged WRAP Asia Pacific Ltd £145k (2023: £228k) to recover the costs associated with establishing the subsidiary. At 31 March there is a creditor balance of £441k (2023: £228k) associated with the establishment cost to date for the subsidiary.

As at 31 March 2024 Behaviour Change Limited have a creditor balance of £65k (2023: Debtor balance £4k) to WRAP which relates to outstanding VAT payable from the group VAT arrangement with HMRC.

Aggregate donations and distributions from related parties were £126k (2023: £43k) which relates to a Gift aid distribution from AGF (£110k) and Behaviour Change Ltd. (£16k) to the Charity.

11) Taxation on surplus on ordinary activities

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary Accelerating Growth Fund Limited distributes under Gift Aid available profits to the parent charity. Its charge to corporation tax in the year was:

Factors affecting tax charge for the period

The current tax charge for the period is lower for the Group (2023: lower) and for the Company (2023: lower) than the standard rate of corporation tax in the UK of 25% (2023: 19%). Taxation is only payable on the interest income earned by the Group.

a) Analysis of charge in the period

	The group		The charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Current tax	-	-	-	-
UK corporation tax at 19% (2022: 19%) on the surplus for the year on ordinary activities	-	-	-	-
Current tax on income for the period	-	-	-	-
Total current tax	-	-	-	-



Notes to the financial statements

For the year ended 31 March 2024

	The group		The charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Surplus before tax on ordinary activities for subsidiary companies	103	(6)	-	-
Surplus on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2023: 19%)	17	3	-	-
Effects of:				
Non-taxable income	89	40	-	-
Adjustments to charge in respect of previous periods	-	-	-	-
Current tax charge for the period before donation and group relief	109	43	-	-
Distribution under Gift Aid to parent undertaking	(126)	(43)	-	-
Current tax on income for the period	-	-	-	-

12) Tangible fixed assets

	The group			The charity	
	Fix- tures & Fitting	IT Equip- ment	Total	IT Equip- ment	Total
Cost	£'000	£'000	£'000	£'000	£'000
At the start of the year	4	9	13	-	-
Additions in year	1	7	8	5	5
At the end of the year	5	16	21	5	5
Depreciation					
At the start of the year	1	6	7	-	-
Charge for the year	1	1	2	-	-
At the end of the year	2	7	9	-	-
Net book value					
At the end of the year	3	9	12	5	-
At the start of the year	2	3	5	-	-

All of the above assets are used for charitable purposes.



Notes to the financial statements

For the year ended 31 March 2024

13) Listed investments

	The group		The charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Fair value at the start of the year	11,102	12,399	7,273	8,157
Additions at cost	3,737	1,987	2,116	1,168
Disposal proceeds	(3,805)	(2,139)	(2,170)	(1,290)
Net gain on change in fair value	426	(1,146)	271	(763)
	11,460	11,102	7,490	7,273
Cash held by investment broker pending reinvestment	78	166	12	96
Fair value at the end of the year	11,538	11,267	7,502	7,368

13a) Unlisted investments

	The group		The charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Fair value at the start of the year	8,943	7,081	-	-
Additions at cost	913	1,578	-	-
Net gain / (loss) on change in fair value	(184)	283	-	-
Fair value at the end of the year	9,672	8,943	-	-



Notes to the financial statements

For the year ended 31 March 2024

13b) Investments comprise

	The group		The charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Listed investments (UK)	2,884	3,656	751	2,693
Listed investment (outside the UK)	4,581	3,886	3,032	2,902
Property investments	312	1,065	312	786
Cash	78	166	12	96
Other investments	3,683	2,495	3,394	891
	11,538	11,267	7,502	7,367
Unlisted shares in UK registered companies	9,672	8,943	-	-
	21,210	20,210	7,502	7,367

14) Subsidiary undertakings

The Charity owns the whole of the issued ordinary share capital of the Accelerating Growth Fund Limited (company number 4698093) and WRAP Enterprises Limited (company number 4217608), companies registered in England. The share capital of each of the companies is £1. On 31 December 2021, the Charity became the sole member of Behaviour Change Limited (company number 7099594 limited by guarantee). The registered office address for all three entities is 2nd Floor Blenheim Court, 19 George Street, Banbury, OX16 5BH.

The subsidiaries are used for trading activities which may be for primary purpose trading and impact or for other trading activities where the profits are reinvested in charitable activity. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are distributed under Gift Aid to the parent charity.

Sarah Chapman, Trustee of WRAP, Vijay Doshi, Trustee of WRAP and Claire Shrewsbury, Insights & Innovation Director are directors of the Accelerating Growth Fund Limited. Susan Corbett was a Trustee of WRAP and Director Accelerating Growth Fund Ltd until December 2023. Vijay

Doshi, Trustee of WRAP, became a Director of Accelerating Growth Fund Ltd in October 2023.

David Hall, Robert Moore, Sebastian Munden, Board Chair of WRAP, Harriet Lamb, WRAP CEO, Catherine David, Collaboration and Change Director and Giles Bristow (Resigned May'24) are also directors of Behaviour Change Limited. Susan Corbett was a Trustee of WRAP and Director of Behaviour Change until December 2023. Sebastian Munden, Board Chair of WRAP, became a Director of Behaviour Change in September 2023. Harriet Lamb, WRAP CEO, became a Director of Behaviour Change in May 2023.

Claire Shrewsbury, Insights & Innovation Director, and Daniel Youmans, CFO and Charity Secretary, are directors of WRAP Enterprises Ltd. Paul Suller was WRAP's CFO and Charity Secretary and Director of WRAP Enterprises until December 2023.

The amounts owed to/from the parent undertaking are shown in note 17.

A summary of the results of the subsidiaries are shown below:



Notes to the financial statements

For the year ended 31 March 2024

14) Subsidiary undertakings	Accelerating Growth Fund Ltd		Behaviour Change Limited		WRAP Asia Pacific	
	2024	2023	2024	2023	12 Months ending March 2024	9 Months ending March 2023
	£	£	£	£	£	£
Income	-	-	1,194,374	952,925	24,727	-
Direct expenditure	(33,496)	(50,270)	(458,783)	(347,912)	-	-
Operating deficit / surplus	(33,496)	(50,270)	735,591	605,013	24,727	-
Administrative expenses	(10,364)	(5,618)	(723,949)	(627,178)	(152,230)	(228,104)
Operating (deficit)/surplus on ordinary activities	(43,860)	(55,888)	11,642	(22,165)	(127,503)	(228,104)
Interest receivable and similar income	131,441	71,660	4,160	504	-	-
Interest payable	-	-	-	-	-	(2,479)
Net (losses) / gains on investments	(19,916)	(28,711)	-	-	-	-
Operating surplus	67,665	(12,939)	15,802	(21,661)	(127,503)	(230,583)
Taxation surplus on ordinary activities	-	-	-	-	-	-
Total comprehensive income	67,665	(12,939)	15,802	(21,661)	(127,503)	(230,583)
Retained earnings	-	-	-	-	-	-
Total retained earnings brought forward	14,932,720	14,988,711	(67,273)	(45,612)	(230,583)	-



Notes to the financial statements

For the year ended 31 March 2024

Total comprehensive income	67,665	(12,939)	15,802	(21,661)	(127,503)	(230,583)
Distribution under Gift Aid to parent charity	(110,157)	(43,051)	-	-	-	-
Distribution	-	-	-	-	-	-
Total retained earnings carried forward	14,890,229	14,932,720	(51,471)	(67,273)	(358,086)	(230,583)
The aggregate of the assets, liabilities and reserves was:						
Assets	15,044,688	14,999,476	438,675	597,644	87,581	-
Liabilities	(154,460)	(66,757)	(489,911)	(664,917)	(445,667)	(230,583)
Reserves	14,890,228	14,932,720	(51,236)	(67,273)	(358,086)	(230,583)

Included within administrative expenses for AGF is a management charge of £20,504 (2023: £19,306).

Included within income for Behaviour Change Limited is £461,951 (2023: £197,774) of sales to WRAP for project and strategy work. Behaviour Change Limited's sales less the amount to WRAP represents the trading activity of £757,150 (2023: £755,151) in the year.

15) Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2024	2023
	£'000	£'000
Gross income	29,577	22,695
Result for the year	4,162	(1,955)



Notes to the financial statements

For the year ended 31 March 2024

16) Short term investments				
	The group		The charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Bank deposits	1,051	1,487	1,051	1,487
Royal London Asset Management funds	-	4,471	-	3,263
Total	1,051	5,958	1,051	4,750

Bank deposits are held at a number of High Street banks, under which access to cash is restricted for up to 100 days. Funds invested in Royal London Asset Management are financial assets were divested in the year in favour of higher banking interest rates.

17) Debtors: amounts falling due within one year				
	The group		The charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Trade debtors - Grants receivable	403	3,899	403	3,899
Trade debtors	546	3,400	442	2,883
Amounts due from group undertakings	-	-	565	226
Other debtors	3,111	188	3,077	174
Prepayments	296	245	290	230
Total	4,356	7,732	4,777	7,412



Notes to the financial statements

For the year ended 31 March 2024

18) Creditors: amounts falling due within one year

	The group		The charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Trade creditors	640	1,026	632	1,007
Other taxes and social security	335	661	306	499
Other creditors	180	36	180	36
Amounts due to group undertakings	-	-	-	-
Accruals and deferred income	3,522	5,643	3,034	5,156
	4,677	7,366	4,152	6,698

19) Deferred income

Deferred income comprises				
	The group		The charity	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Balance at the beginning of the year	3,437	2,367	2,969	2,205
Amount released to income in the year	(4,454)	(1,637)	(3,986)	(1,637)
Amount deferred in the year	2,813	2,707	2,353	2,401
Balance at the end of the year	1,796	3,437	1,336	2,969

Additions relate to grants and contracts where payment has been made but performance conditions have not yet been satisfied. These monies will be repaid if the performance conditions are not satisfied in the future. Releases relate to grants awarded in prior years where performance conditions have now been satisfied during the year.



Notes to the financial statements

For the year ended 31 March 2024

20) Provisions for liabilities

Provisions for liabilities comprises

	WRAP	Behaviour Change Limited	Total
	£'000	£'000	£'000
At 1 April 2023	474	1	475
Amount released in the year	(138)	(1)	(139)
Increase in provision in the year	20	-	20
At 31 March 2024	356	-	356

	WRAP	Behaviour Change Limited	Total
	£'000	£'000	£'000
At 1 April 2022	723	1	724
Amount released in the year	(249)	-	(249)
Increase in provision in the year	-	-	-
At 31 March 2023	474	1	474

The Provisions in WRAP represent the directors' best estimates of the future costs of liabilities relating to operational activities including dilapidations on the rented properties, the holiday pay provision and monitoring provisions for grants awarded. Refer to Note 24 for indications of expected timing of expiry of property leases.

21) Financial instruments

	2024	2023
	£'000	£'000
Financial assets measured at fair value through profit and loss		
Listed investments	7,465	7,542
Unlisted investments	3,995	4,154
Short term investments	-	4,471



Notes to the financial statements

For the year ended 31 March 2024

22a) Analysis of group net assets between funds (current year)

	General unrestricted	Designated funds	Restricted funds	Total funds
	£'000	£'000	£'000	£'000
Tangible fixed assets	-	-	12	12
Investments	-	21,210	-	21,210
Net current assets	6,701	1,945	8,836	17,482
Provisions	-	-	(356)	(356)
Net assets at 31 March 2024	6,701	23,155	8,492	38,348

22b) Analysis of group net assets between funds (prior year)

	General unrestricted	Designated funds	Restricted funds	Total funds
	£'000	£'000	£'000	£'000
Tangible fixed assets	-	-	5	5
Investments	-	20,210	-	20,210
Net current assets	5,098	4,276	5,226	14,600
Provisions	-	-	(475)	(475)
Net assets at 31 March 2023	5,098	24,486	4,756	34,340



Notes to the financial statements

For the year ended 31 March 2024

23a) Movements in funds (current year)					
	At 1 April 2023	Income & gains	Expenditure & losses	Transfers	At 31 March 2024
	£'000	£'000	£'000	£'000	£'000
Restricted funds:					
Textiles	316	1,427	1,542	-	201
Food	813	9,336	5,436	-	4,712
Plastics	1,829	1,538	2,051	-	1,316
Resource Management	1,798	9,947	9,483	-	2,262
Total restricted funds	4,756	22,248	18,512	-	8,492
Unrestricted funds:					
Designated funds:					
Accelerating Growth Fund Limited	14,933	131	174	(110)	14,780
WRAP	2,177	14	1,319	-	872
WRAP Investment Fund	7,376	-	(126)	-	7,502
Total Designated funds	24,486	145	1,367	(110)	23,154
General funds	5,098	8,539	7,046	110	6,701
Total unrestricted funds	29,584	8,684	8,412	-	29,856
Total funds	34,340	30,932	26,925	-	38,347

The £8,492k (2023: £4,986k) of restricted reserves consists of £6,261k of donations and grant funding for work continuing in to 2024/25, and £2,474k to cover specific future costs (primarily shutdown costs). The large increase in restricted funding is due to £4m from the Ballmer Foundation, £380k from the Posner Foundation, and £208k Civil Sanctions, which will all fund activity in 2024/25. The restricted reserve carried forward was £4,756k of which £1,118k has been utilised in delivery in 2023/24.

The reserves in Accelerating Growth Fund Limited of £14,890k (2023: £14,933k) are designated by the trustees to support the activities of the company, namely providing financial support and investment to companies who are investing in, or changing, to more circular economy business models.

On the 31st of March 2024, WRAP had designated reserves of £872k (2023: 2,177k), £300k to provide continued support expansion and international growth, £200k loan facility for Behaviour Change Ltd, £216k for continued development of Extended Producer Responsibility models, and £135k to continue WRAP's industry leading work on Food System Transformation.

The transfer between Designated and General funds represent the surplus generated in AGF in 2024 of £110k (2023: £43k) which has been distributed to the parent charity under gift aid.



Notes to the financial statements

For the year ended 31 March 2024

23b Movements in funds (prior year)

	At 1 April 2022	Income & gains	Expenditure & losses	Transfers	At 31 March 2023
	£'000	£'000	£'000	£'000	£'000
Restricted funds:					
Textiles	307	1,178	1,169	-	316
Food	1,434	5,573	6,193	-	813
Plastics	3,365	1,551	3,087	-	1,829
Resource Management	1,527	10,063	9,792	-	1,798
Total restricted funds	6,633	18,365	20,241	-	4,756
Unrestricted funds:					
Designated funds:					
Accelerating Growth Fund Limited	14,989	72	85	(43)	14,933
WRAP	1,378	-	451	1,250	2,177
WRAP Investment Fund	8,284	-	907	-	7,376
Total Designated funds	24,650	72	1,443	1,207	24,486
General funds	5,277	5,263	4,235	(1,207)	5,098
Total unrestricted funds	29,927	5,335	5,678	-	29,584
Total funds	36,560	23,700	25,920	-	34,340

Notes to the financial statements

For the year ended 31 March 2024

24) Operating lease commitments payable as a lessee

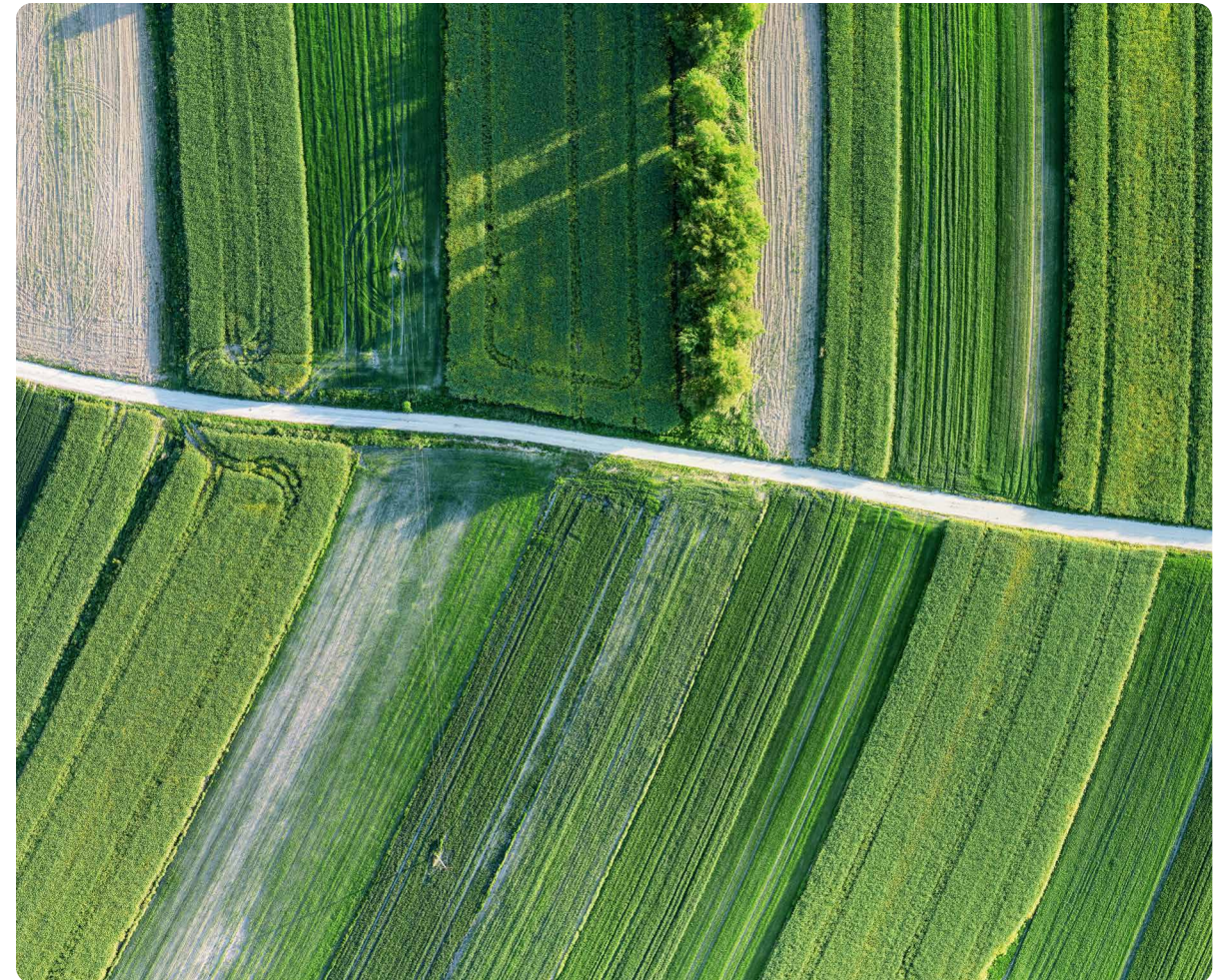
The group's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

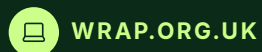
	Property			
	The group		The charity	
	2024	2023	2024	2023
Total lease commitments	£'000	£'000	£'000	£'000
Within one year	298	270	233	188
between 2-5 years	36	260	36	195
Financial commitments at the end of the year	334	530	269	383

The Charity had conditional operating commitments of £1,960k at 31 March 2024 (2023: £1,257k) which relate to purchase orders raised as at the balance sheet date for project and overhead costs which will be incurred in the following year.

25) Legal status of the charity

The charity is a Charitable Incorporated Organisation and has no share capital.





Work with WRAP to accelerate a circular economy and tackle climate change.

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WRAP
SECOND FLOOR,
BLENHEIM COURT,
19 GEORGE STREET,
BANBURY, OX16 5BH
WWW.WRAP.NGO/CONTACT-US

WRAP AMERICAS
WASHINGTON DC
USA
AMERICAS@WRAP.NGO

WRAP ASIA PACIFIC
ADELAIDE
SOUTH AUSTRALIA
WRAPASIAPACIFIC@WRAP.ORG.UK

THE WASTE AND RESOURCES ACTION PROGRAMME

England & Wales - Charity number 1159512

Accounts



wrap

Annual Report and Consolidated Accounts **2022/23**

The Waste and Resources Action Programme | CIO number 1159512

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A message from our **Chair**

It's testament to the strength of the partnerships WRAP has convened with governments, businesses, and citizens that we can look back on a year of significant achievements.

Our partners have remained resolutely committed to the shared goal to transform the systems which are driving the unsustainable and environmentally damaging way we produce and consume food, plastics, and textiles. This is despite many of them being on the front line of a cost-of-living crisis triggered by the ripple effects of COVID-19, and the war in Ukraine.

You will read of many achievements we are rightly proud of this year. Though WRAP's year was one of growth, it was also a period of reflection. This has led to changes in the way we organise and work to increase the reach of our expertise and the scale of our impact. We are resourcing to make our expertise and repeatable models more available internationally, while deepening the work we do with partners here in the UK to achieve more together. Here are a few that show the progress we are making against our new strategy.

Accelerating impact in the food system

- Our solutions for food system transformation as an essential strategy in the fight against climate change are gaining traction globally – not least at the 27th Conference of the Parties (COP27) where it was, for the first time, a specific focus of attention.
- Our work on removing Best Before date labels has been taken up by several leading UK retailers, helping citizens reduce food waste in the home.
- Our world-leading work on tackling Scope 3 emissions has given eight retailers the confidence to join a Net Zero Collaborative Action Programme, focussing on measuring and reducing greenhouse gas emissions across the entire UK food system.
- Our water stewardship projects in seven countries which are producing food for the UK are collectively replenishing more than 1.7 billion litres of water back to nature, compared to 1 billion in 2020.

Internationally, expanding our delivery model in the plastics system

Our new formal partnership with the Ellen MacArthur Foundation and World Economic Forum enables us to grow our impact in tackling plastic waste. We will unite partners in a shared network to access best practice and accelerate delivery. This year, the network welcomed the Colombia Plastics Pact, which brings the total number of global Plastics Pacts to 14.

Extending our service and capabilities globally

WRAP has built a reputation for forging collaborative partnerships which drive change beyond the UK. Our teams work across sectors with industry, other NGOs, and governments to deliver change through co-ordinated action and voluntary agreements. Governments from around the world have reached out to us more than ever before for support in achieving their net zero and waste reduction ambitions. As our first step in putting resources in locations outside the UK, we established a presence in the Asia-Pacific region with the opening of our office in Australia.

Seb Munden
Chair, WRAP



A message from our **Chair**

Doubling down on citizen behaviour change

We have completely revised our methodology based on the latest research and are scaling the application of it to the biggest opportunities in citizen behaviour change.

With the strategic integration of not-for-profit social enterprise [Behaviour Change Ltd](#), we have enhanced our capacity and capability to help citizens make sustainable choices.

Supporting citizens to waste less food in their homes is one such critical priority. We were delighted to see our third annual Food Waste Action Week continue to grow in scale. This year we reached 12 countries in seven languages. In the UK alone, 4.9 million people said they did something differently after hearing or seeing the campaign.



Leveraging our resources for bigger outcomes

An independent evaluation showed that our work in 2019/20 led to a reduction in annual greenhouse gas emissions of almost 5 million tonnes CO₂eq in the UK, which equates to savings of around 27,000 tonnes CO₂eq per WRAP employee, or the same as taking 1.6 million cars off the road for a year. It means we delivered benefits up to seven times greater in value than the costs incurred across WRAP. I believe that following our new strategy we can build this annual impact in the years ahead to deliver at an even higher level.

Thanks to the strong legacy built up by my predecessor, Julie Hill, and former Chief Executive, Marcus Gover, we are more than ready to play our part. I am delighted to welcome Harriet Lamb as our new CEO, who brings a strong track record of impact growth with her. We will need the broadest coalition of industry, supported by NGOs and empowered by governments, to work together if we are to have a hope of building a better, more sustainable world.



A message from our **CEO**

While I was still finding the best hot-desk at WRAP, colleagues in Colombia were supporting the launch of a brand-new Plastics Pact, with companies committing to accelerate the move to a more circular economy for plastics; our Food Waste Action Week was engaging the public in 12 countries; and we were celebrating supermarkets' first moves to sell more loose fruit and vegetables out of plastic packaging.

This depth and breadth of knowledge at WRAP has leapt out at me since taking on the role as Chief Executive. I am inspired by my colleagues' expertise and passion to re-make the systems which are failing to put people and planet first.

WRAP's vision chimes with my own lifelong pursuit of social and environmental justice. It is the thread which has run through my career from standing alongside farmers for a better deal at Fairtrade, to promoting just climate solutions with Ashden. So, I am excited to continue that quest to engage communities, companies and governments behind a fairer, more sustainable world.

Over the last year, WRAP has clocked up impressive achievements – as the stories in this report tell. They build on decades of pioneering radical change; a legacy which has included major successes like supporting the Welsh Government to become the third best recycler in global league tables or launching

the pioneering UK Plastics Pact with companies ready to tackle the mounds of plastic pollution. But also, inspiring changes which are quietly changing our shopping – such as from the humble plastic milk bottle tops going neutral-coloured, which enables them to be recycled, to supporting organisations redistributing surplus food to community groups engaging those in need amid the cost-of-living crisis.

Together these innovations are challenging traditional thinking and showing that a positive living alternative is possible. We know how to achieve it. We also know, though, that to do so, we need to take all our past successes as just the springboard to the next level. This is the challenge and the opportunity I am more than ready to seize as CEO.

Building on the collaborative approach at the heart of WRAP, we will capitalise on those key transformative moments where government policy, business action and citizen appetite for behaviour change

“The scale of the climate crisis demands that we harvest all the know-how, passion and partnership working WRAP has built up over the last decades to scale up, and speed up.”

coalesce around a shared goal – such as new rules on consistency between local authority collections or Extended Producer Responsibility. But we will also be driving for the one key moment of transformation: the shift from a linear model of extract, consume, chuck to a regenerative model of circular living with respect for people and planet at its core.

We plan therefore to support our partners in voluntary agreements to accelerate action in transforming how we make, use, and dispose of food, plastics and textiles.

We seek to grow our influence internationally, through the network of voluntary agreements we support; through working in partnership with international bodies; and, following the opening of our office in Australia.

We already have such a platform to spring up from, thanks to our existing powerhouse of engaged partners and the abundance of talent at WRAP. This includes the leadership of food waste expert Richard Swannell, who so ably acted as interim Chief Executive and is now Director of Impact Growth.

Never have the issues we hold been more prominent in everyone's minds, from people's kitchens to corporate boardrooms and political discourse.

Our only challenger is climate change. We are ready for the fight.

Harriet Lamb
Chief Executive,
WRAP



Our expertise

WRAP is tackling the climate crisis by bringing governments, businesses, and citizens around the world together to transform the way goods are produced, consumed, and disposed of.

We are driving **resource efficiency** and accelerating the move to **circular living**, while focussing on the areas of production and consumption with some of the biggest environmental impacts:

Food and drink

Plastic packaging

Textiles

By transforming these sectors, we can also drive progress on United Nations Sustainable Development Goals on poverty and hunger, sustainable cities, responsible consumption and production, waste, climate change, and life below water and on land.



For the public benefit

Life on Earth is facing unprecedented global challenges with a rapid rise in greenhouse gas emissions, ecosystem destruction and biodiversity loss, and dangerous levels of pollution – including mismanaged and littered plastic. This is leading to significant and irreversible environmental damage.

We believe that by driving systemic change across global supply chains, together we can put net zero within reach.

WRAP is working with partners in over **40 countries** to benefit people and the environment.

Our expertise

Our Vision

is a thriving world in which climate change is no longer a problem.

Our Mission

is to make the world a more sustainable place. We bring people together, we act on the facts, and we drive change.

Our Core Purpose

is to help you tackle climate change and protect our planet by changing the way things are produced, consumed, and disposed of.

Our strategic ambitions

Our Plan for a Sustainable Planet sets out how we will achieve WRAP's vision with partners:

We are building a food system fit for the future by halving food waste, halving greenhouse gas emissions, and protecting critical water sources.

We are transforming the global plastics economy to eliminate plastic pollution.

We are championing circularity across the global clothing and textiles industry to reduce its climate impact.

We are supporting the transition to net zero through resource efficiency and a more circular economy.

Our people

To bring about a diverse and sustainable world, we need to be a diverse and sustainable organisation.

In 2022/23, WRAP continued to embed equality, diversity, and inclusion at the core of who we are. We were awarded the National Centre for Diversity FREDIE Award for best small / medium company, reflecting the progress and commitment we have made. We also received the Inclusivity Award from Culture Pioneers who were impressed with our clear vision and the activities undertaken to drive changes with our colleagues.

Our diversity strategy has focused on embedding flexibility with hybrid working, inclusive recruitment practices, building equality impact assessments into our project work, and creating an employee-led diversity network to ensure we are equitable and diverse in our practices and continue to improve.

We are an anti-racism organisation working to remove racism in any form; overt, micro-aggression or unconscious bias. This is not only so we can support the work we do and recruit a more diverse workforce, but also so that employees feel that they can work in an environment without fear of behaviour that causes offence or upset, based on their skin colour.

We are committed to making a difference for people with disabilities and have signed up to the second level of the Disability Confident employer scheme. Our goal is to improve our recruitment and opportunities for candidates with disabilities and be recognised as a Level 3 Disability Confident Employer in 2023.


We set high expectations of the behaviours and standards we will hold ourselves accountable to, as we continue to create a workplace that represents the communities we serve, and where all our people feel they belong as their authentic selves.

The more we learn, the more we understand what we don't know. We continue to work on being comfortable with the uncomfortable and recognise the need to think and act differently. This is a journey, and we know we can continue to be better. We want to increase the diversity of the people who join WRAP and in 2023 in particular we aim to grow our ethnic diversity.



“I think we are on a journey and very aware of where we are and how much more we can do.”

WRAP colleague via our Employee Engagement Survey



How we deliver impact

250+
dedicated WRAP employees, and partners in **40+ countries**

5M tonnes
CO₂eq avoided in UK alone
(2019/20)

Equivalent to **27,000**
tonnes CO₂eq per WRAP colleague

How we deliver **impact**

WRAP's whole system approach brings together governments, businesses, local authorities, academia, Non Governmental Organisations, and citizens – because it takes collaboration to solve systemic problems.

Business voluntary agreements

The voluntary agreement model operates in tandem with policy development.

Businesses are tackling the challenges of waste, carbon, and water through innovation and appropriate pre-competitive collaboration. This drives real change and also creates new opportunities for growth and positively influences customers. Our 'Target, Measure, Act' approach ensures rigorous evaluation of progress, with publicly reported updates against targets.

Our voluntary agreement model is focused on food, textiles, and plastics, and aims to reduce the end-to-end environmental impact of production and consumption through the Courtauld Commitment 2030 (Courtauld 2030), Textiles 2030, and The UK Plastics Pact.

We are also partners to many voluntary agreements around the globe such as the India Plastics Pact, South African Plastics Pact, and Pacto por la Comida in Mexico.



See who has signed up



Textiles 2030
UK Sustainable
Textiles Action Plan

See who has signed up



See who has signed up

How we deliver **impact**

Citizen behaviour change

Using our robust insight and research, we run behaviour change programmes to help citizens live more sustainable lifestyles.

Our new strategy will see us adopt a new approach – working collaboratively across the system to catalyse ‘moments of transformation’ in how people buy, use, and dispose.

Moments of transformation capitalise on opportunities to accelerate change and deliver greater impact. When a policy change is introduced such as mandatory recycling collections from businesses, when there is a cultural shift such as the cost-of-living crisis, or when we can create a ‘moment’ thanks to a citizen call for change, such as removing packaging from fresh produce.

We will focus on the biggest opportunities across recycling, plastics, food waste, and textiles and intervene in the systems that shape behaviour, reflecting the influence of context and the importance of powerful actors including businesses and government.



Our campaigns Recycle Now and Love Food Hate Waste drive **citizen behaviour change.**



How we deliver **impact**

Technical support

We deploy technical expertise to support policy changes by international organisations and national governments, including the provision of tools and guidance. We help these organisations implement circular economy solutions and reduce their carbon impacts. Key to this is our work with local authorities, supporting them to implement government policies to reduce, reuse, and recycle resources.

For example, in Wales our Collaborative Change Programme helps local authorities to adopt the Collections Blueprint in support of the Welsh Government's ambitious recycling targets.

Policy and insights

We provide expert research, modelling, and advice to help international organisations and national governments develop waste prevention and recycling policies.

For example, there will be greater emphasis on producers – through Extended Producer Responsibility – to use more sustainable practices across the entire lifecycle of products. We support the development, implementation, and monitoring of schemes across countries, regions, and territories.



Resource Action Fund

Grants and investments

We manage grants, loans, and investments to accelerate the move to a circular economy by increasing the use of recycled materials and recycling capacity, and adopting innovative solutions to reduce resource consumption.

For example, the Resource Action Fund – designed to support resource efficiency in England, with the goal of diverting, reducing, and better managing waste – assisted projects through the provision of grants and expert support.

Furthermore, grants awarded through the International Circular Plastics Flagship Projects Competition supported solutions to specific plastic-related issues within India, Chile, South Africa, and Kenya.

We are also one of a small number of Global Alliance Partners supporting The Earthshot Prize, and an official nominator.

THE
EARTHSHOT
PRIZE

OFFICIAL NOMINATOR
2023

Our achievements and impacts

To better understand the value for money that we deliver to our funders, in 2022 we commissioned an independent evaluation, which takes into account beneficiary impacts on the economy in England, Wales, and Northern Ireland*.

This showed that in 2019/20, our UK activity led to a reduction in annual greenhouse gas emissions of almost 5 million tonnes CO₂eq, which equates to savings of around 27,000 tonnes CO₂eq per WRAP employee. This is equivalent to taking 1.6 million cars off the road for a year.

In delivering this reduction, we incurred emissions of around 167 tonnes CO₂eq in 2020/21, showing the significant overall benefit of our activities.

Here we outline some key achievements and impacts against our objectives for 1 April 2022 to 31 March 2023. Visit the [WRAP website](#) to read more about the full scope of our work.

Independent evaluation showed that our work delivered benefits up to **seven times** greater in value than the costs incurred by WRAP



*WRAP is not registered in Scotland, but we support [Zero Waste Scotland](#), whose work includes running [Love Food Hate Waste Scotland](#).

Transforming our food system

Food Waste Action Week in **12 countries** with 4.9M UK adults changing behaviour

'Best Before' removed from **thousands** of products, driven by our research

11,200+ tonnes of food redistributed by Resource Action Fund recipients (2022/23)

Transforming our food system

We are building a food system fit for the future by halving food waste, halving greenhouse gas emissions, and protecting critical water sources.

Producing food requires significant use of land, energy, and water. Globally, 25-30% of total food produced is lost or wasted*.

If food waste were a country, it would be the world's third largest emitter of greenhouse gas emissions after China and the USA. Transforming the food system depends on reducing this waste.

We work with partners around the world to tackle food waste through business action, policy, and citizen behaviour change campaigns.

The first ever Food Systems Pavilion at COP27 provided the stage for us to share our expertise on transforming the global food system. We ran and supported a number of high profile events to drive momentum and call for concrete commitments to action.

Here are our food and drink targets we set for 2022/23, along with examples of progress achieved.

2022/23 Targets

Help the food and drink sector to measure Scope 3 greenhouse gas emissions and increase contributions to net zero.

Realign our food waste efforts in and out of the home to target food items and behaviours that deliver the greatest climate outcome contributions to net zero.

Work with G20, and Commonwealth countries to continue developing and implementing food waste reduction policies.



* <https://www.ipcc.ch/srccl/chapter/chapter-5/>

TARGET

Help the food and drink sector to measure Scope 3 greenhouse gas emissions and increase contributions to net zero.

“The FDF welcomes WRAP’s new protocols as a response to industry demand for credible and consistent measurement of Scope 3 greenhouse gas emissions and will help propel the sector towards the Courtauld 50% greenhouse gas reduction target by 2030.”

Emma Piercy

Head of Climate Change & Energy Policy
The Food and Drink Federation (FDF)

Supply chain issues, the cost-of-living crisis, and rising energy prices have all impacted on the sector’s ability to provide food, while weather conditions in Spain and Morocco contributed to empty shelves of staple fresh food. However, retailers and brands have remained committed to actions which will make the global food system more sustainable.

Published in December 2022, our Courtauld 2030 Progress and Insights Report sets out signatories’ achievements, including an 8% reduction in retail food waste (2018 to 2021), saving almost £62m worth of wasted food, and 60,000 tonnes of greenhouse gas emissions. It also highlighted a 16% increase in surplus food redistribution (2020 to 2021).

In 2022/23, 11,273 tonnes of surplus food was redistributed by recipients of Defra-funded Resource Action Fund grants.

Cutting emissions is vital to achieving net zero, so we developed the world’s first methodology for consistently measuring and reporting Scope 3 emissions (those which occur outside a business’ own operations). The protocols are being piloted by 15 Courtauld 2030 signatories, with the results due late Spring 2023.

This was followed by a new Retailer Net Zero Collaborative Action Programme in March 2023 – a watershed moment in our work to transform the food system. WRAP and WWF secured commitment from Aldi, Co-op, Lidl, M&S, Morrisons, Sainsbury’s, Tesco, and Waitrose, which represent around 80% of UK grocery retail market share, to a two-phased programme to cut the climate impact of UK food and drink. The first phase, in 2023, will ensure consistent measurement and reporting of their Scope 3 greenhouse gas emissions – building on the WRAP Scope 3 measurement and reporting protocols in May 2022 – and the piloting of these with 17 businesses across the food supply chain.

“The urgency of the climate crisis means that now, more than ever, industry wide collaboration is critical to accelerate progress at the speed and scale required to limit global warming to 1.5 degrees. Through joining forces across our industry, driving consistency in our approach to measurement and committing to the innovation required to find new solutions, we can truly move the dial. We look forward to working with WRAP, the WWF and other retailers to deliver meaningful and positive change for people, the communities we source from and our planet.”

Simon Roberts

CEO
Sainsbury’s

TARGET

Realign our food waste efforts in and out of the home to target food items and behaviours that deliver the greatest climate outcome contributions to net zero.



CASE STUDY

Saving 14 million shopping baskets of food

Removing dates on everyday fresh fruit and vegetables could save the equivalent of 14 million shopping baskets of food from ending up in the bin.

Insights from our research connected the relationship between date labels and household food waste. People were throwing away perfectly edible food upon reaching its Best Before date. Selling apples, bananas, broccoli, cucumber, and potatoes loose and removing Best Before

dates could save around 100,000 tonnes of household food waste and 130,000 tonnes of CO2eq.

Sharing our important findings and recommendations (underpinned by citizen research, laboratory testing, and modelling the impact of changes) with our retail partners saw Best Before dates removed from thousands of products sold by Asda, Co-op, M&S, Morrisons, Ocado, Sainsbury's, and Tesco in 2022/23.



Our 'Good Deeds Calendar' pilot for 7-11 year-olds to use during Ramadan also helped reduce household food waste. Supported by parents, children undertook a good deed a day, helping family, community, and the environment. Of the 106 adult Muslims surveyed, 67% reported a reduction as a result. The calendar is now being used by the Indonesia Business Council for Sustainable Development as part of their mindful consumption project.

TARGET

Realign our food waste efforts in and out of the home to target food items and behaviours that deliver the greatest climate outcome contributions to net zero.

To help people save time and money by making the most of the food they buy, and shine a light on the environmental impact of food waste, we ran our third annual Food Waste Action Week – themed ‘Win. Don’t Bin.’. With sponsorship and support from a range of organisations, and celebrity ambassador Jordan Banjo, the international campaign achieved coverage around the world, and our Food Waste Action Week 2023 video attracted over three million views. Of the 15% of UK adults who saw or heard about the campaign, 61% said they did something differently as a result. This equates to 4.9 million people positively changing their behaviour.

Efforts to mitigate the environmental damage of household food waste have resulted in greater demand for our expertise in setting up food waste collections. In response to the requirement set out in the Environment Act 2021 for all English local authorities to separately collect household food waste at least once a week, we supported 48 English local authorities in considering how they could deliver this in the most efficient and cost-effective way.



CASE STUDY

The clock is ticking on tackling food waste

The [Kimpton Clocktower](#), an IHG Hotels & Resorts hotel, took part in our [Guardians of Grub](#) campaign, which empowers hospitality and food service businesses to reduce food waste and save money.

Through measuring food waste over an eight-week pilot and acting on the findings, average food waste per cover reduced by 11%.

“Taking part in WRAP’s ‘Guardians of Grub: Becoming a Champion’ initiative has made a tangible difference to our operations.”

Paul Beckley

Executive Chef

The Kimpton Clocktower



TARGET

Work with G20 and Commonwealth countries to continue developing and implementing food waste reduction policies.

CASE STUDY

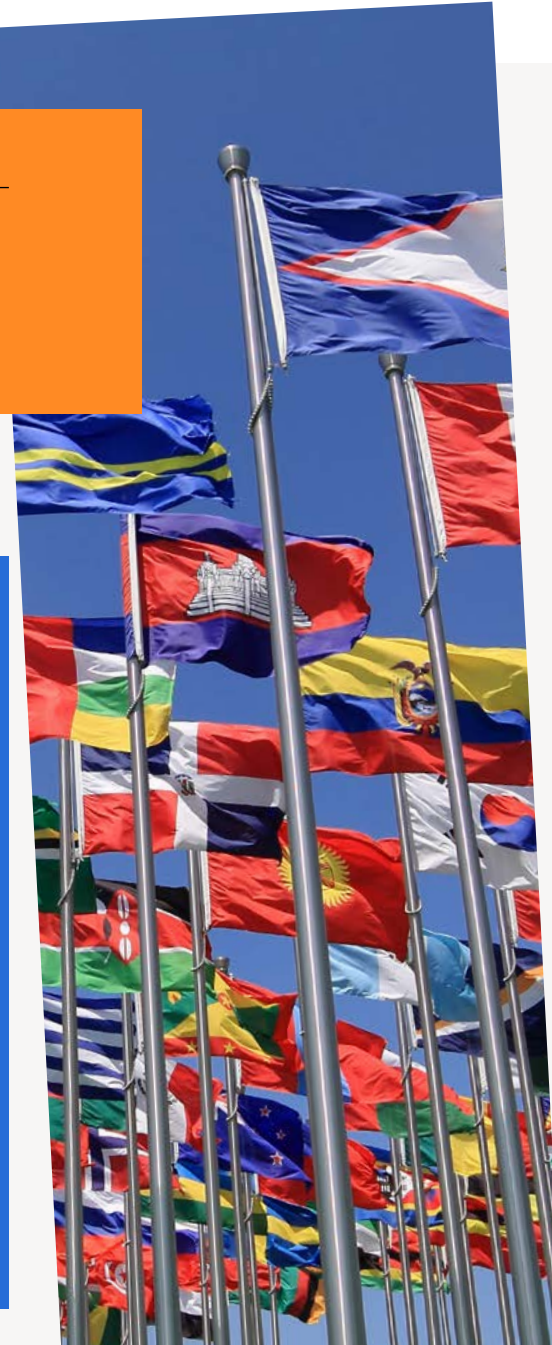
GRASPing the importance of redistribution

We supported the introduction of the voluntary agreement model in Indonesia – GRASP 2030 – which has catalysed greater surplus food redistribution. It has two food donation signatories, which are driving innovation:

FoodCycle Indonesia seeks to end the hunger cycle in underprivileged communities by redistributing surplus food, processing perfectly imperfectly products, and recycling food waste. As at April 2022, they had rescued over 365 tonnes of bread.



Surplus Indonesia enables customers to buy half-price meals from eateries and supermarkets with surplus food. In its first operational year, over six tonnes of food was rescued, avoiding 37 tonnes of CO2eq emissions, and saving businesses in excess of \$16,500 USD.



The 'FLAWLESS' project, delivered in collaboration with Partnering for Green Growth and the Global Goals 2030 (P4G), concluded in 2022. In just two years, it launched food voluntary agreements with 140 signatories in Indonesia, Mexico, and South Africa, with food waste reductions of nearly 1,200 tonnes. It also created new investment products – including a 'pay as you save' model to finance food waste measurement technology – designed to drive the prevention of food loss and waste, and deliver a commercial return.

We strengthened our relationship with the United Nations Environment Programme (UNEP) through the delivery of 32 regional workshops following the publication of the groundbreaking Food Waste Index Report 2021, which we co-authored with UNEP. The workshops supported countries in building technical capacity for a food waste measurement plan, and developed their understanding of how food waste is measured.

Working with UNEP, we have conducted exploratory research on the feasibility of developing food voluntary agreements in Brazil and Colombia.

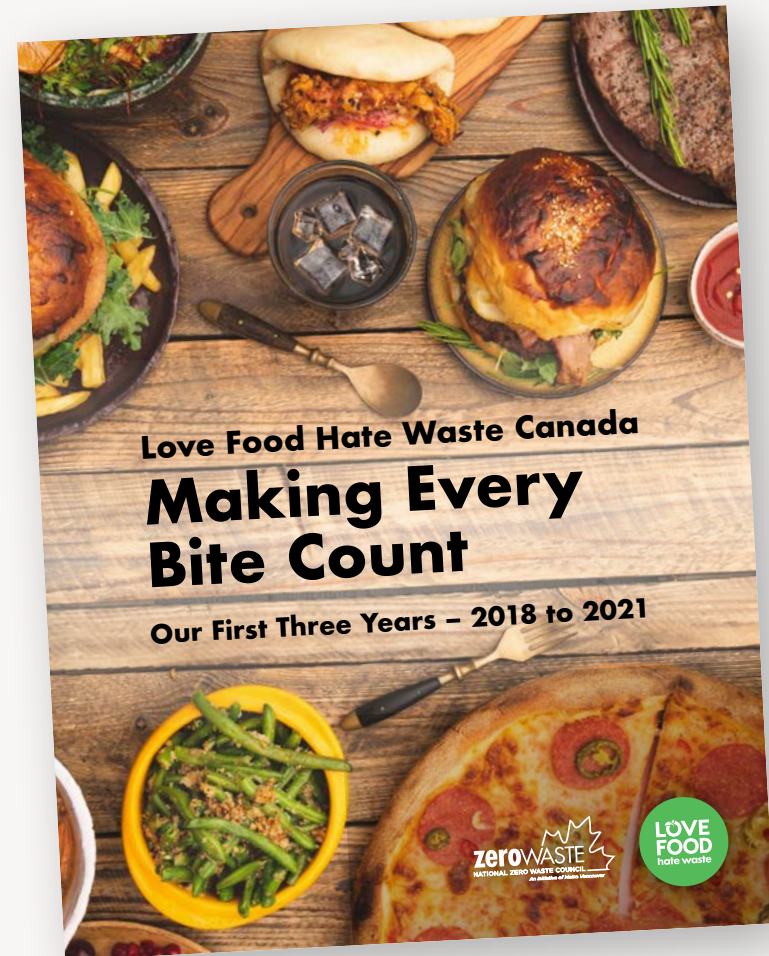
TARGET

Work with G20 and Commonwealth countries to continue developing and implementing food waste reduction policies.

As part of our Pacific Coast Food Waste Commitment – run alongside WWF, ReFED, and Cascadia – we designed intervention projects to better define where and why food waste occurs, and test food waste reduction solutions. The public-private partnership is having real impact on the ground. Here are five case studies showcasing actions by retailers and suppliers, with the potential to prevent thousands of tonnes of food waste.

In conjunction with Unilever brand, Hellmann's, and working across four markets – Australia, Canada, UK, and USA – we published a report on the impact of the cost-of-living crisis on household food waste, which reached over 162 million people via Unilever, WRAP, and partner communications.

Our Love Food Hate Waste campaign is licensed to eight countries, supported by our Love Food Hate Waste International Network. 83% of respondents to our survey gave a resounding 'yes' when asked whether Love Food Hate Waste has helped them achieve food waste reduction objectives. In June 2022, Love Food Hate Waste Canada published a snapshot of successes during their first three years.



Transforming our food system

Priorities for 2023/24

Having reviewed progress against our targets, we concluded that more of the same is not enough if we are to transform our food system and achieve our 2030 targets.

Our collaborative work with the food and drink sector will move further and faster as we develop net zero transition plans with our partners. Additionally, we aim to:

Scale up our Courtauld 2030 Water Roadmap to address the challenges in protecting critical water resources for food supply, for nature, and for local communities.

Embed our Scope 3 reporting protocols, and support retailers and their key suppliers towards net zero.

Work with key partners to increase food recycling at home and at work, and enhance the food reduction effect that can be achieved alongside collections.

Expand the geographic reach of our food systems work including in the USA, India, and Australia.

Support Department for Environment, Food & Rural Affairs (Defra) policy changes on mandatory food waste reporting and separate food waste collections. In Wales, we will continue to embed the Collections Blueprint for kerbside recycling with local authorities.



Tackling plastic pollution

Plastics Pact network grew to 14 with new Pact in Colombia

UK Plastics Pact saw 84% reduction in 'problem plastics' (2018-2021)

Resource Action Fund recipients saved 11,500+ tonnes of plastic from landfill (2022/23)

Tackling plastic pollution

We are transforming the global plastics economy to eliminate plastic pollution.

The world produces 141 million tonnes* of plastic packaging a year, and almost a quarter** of global plastic waste is mismanaged or littered.

We are collaborating with the entire plastics value chain to develop a circular economy for plastics and keep it out of the environment – while also reducing its use in the first place.

As well as running The UK Plastics Pact, we support Plastics Pacts around the world. The model has proven highly adaptable, giving a consistent approach to tackling plastic pollution by eliminating unnecessary plastic, ensuring what goes onto the market is reusable or recyclable, increasing collection and recycling, and

setting targets for the use of recycled plastic in new packaging. We also support the World Economic Forum's Global Plastic Action Partnerships (GPAPs) – collaborative, multi-stakeholder platforms focussed on tackling plastic waste via policy and investment.

Through the Plastics Pacts and GPAPs, we are helping to tackle plastic waste in over 25 countries.

Here are our plastics targets for 2022/23, and examples of what we achieved.

2022/23 Targets

Reduce the amount of plastic used in the UK by supporting businesses and shoppers to buy and sell with less plastic packaging.

Continue to drive our work in tackling plastic pollution through The UK Plastics Pact.

Continue to promote the benefits of recycling to citizens, and to work with partners to amplify our efforts and impact with the public.

Extend the global network of Plastics Pacts, bringing the model and shared learnings to new markets.



* The Plastics Predicament | Brunswick Group

** Plastics flows and their impacts on the environment

TARGET

Reduce the amount of plastic used in the UK by supporting businesses and shoppers to buy and sell with less plastic packaging.

We have seen an 84% reduction in problematic and unnecessary single-use plastic items. 620 million items – such as plastic cutlery, plates and bowls – have been taken off UK shelves. In 2022/23, we continued to focus on film packaging, which remains a significant challenge due to a lack of investment in the required infrastructure.

Thanks to The UK Plastics Pact and our members, recycled content levels have risen from 9% in 2018 to 22% in 2021, saving 260,000 tonnes of CO₂eq.



TARGET

Continue to drive our work in tackling plastic pollution through The UK Plastics Pact.

In support of Target 3 of the Pact we awarded £1m under the Resource Action Fund to help Jayplas establish a new washing and pelletising plant. This increased their recycling capacity for flexible plastics by up to 30,000 tonnes.

In 2022/23, 11,541 tonnes of plastic were diverted from landfill by Resource Action Fund grant recipients.

TARGET

Continue to promote the benefits of recycling to citizens, and to work with partners to amplify our efforts and impact with the public.

To encourage citizens to use newly-established retailer collection points for plastic bags and wrapping, we ran a 'Repeat the Cycle' campaign. Working alongside retailers, and with support from 17 UK Plastics Pact members, it increased visits to our [Recycle Now website](#) by 44%, with the campaign driving more citizens to seek information on where to recycle these plastics.

Following the publication of our ground-breaking research into the relationship between plastic packaging and food waste at home, we worked with industry to develop a [pathway to selling more uncut fresh produce loose](#).

Given the unprecedented and turbulent retail environment in recent years, and delays in key policy measures, we are not on track to meet Targets 2 and 3 of The UK Plastics Pact.

When we set the targets, we predicted that key policy measures such as consistency in recycling collections and Extended Producer Responsibility would provide the final pieces of the puzzle: building an effective and widespread collection and recycling system for bags and wrapping and ensuring non-recyclable packaging is designed out across the industry. However, we have been steadily growing the number of signatories, and welcoming more non-food members to expand our reach and impact.

“Nobody wants to see good food go to waste or add to the tide of plastic packaging. This ambitious new initiative will help to tackle both these issues and builds on recent government efforts in this area.”

Rt Hon Rebecca Pow MP

Defra Minister

CASE STUDY

Zoning in on refill

We ran [a pilot with Asda and Unilever](#) to explore how people engage with in-store Refill Zones.

With funding from Innovate UK, we shadowed people going shopping, seeing how they responded to Asda's Refill Zones. We identified three strategies to encourage shoppers to try – and continue to use – the Refill Zones: clear pricing; helping to overcome uncertainty and apprehension with easy-to-understand step-by-step guidance; and making the experience fun and enjoyable.

A series of behaviour change interventions were tested with Asda in April 2022, which led to a 46% increase in Refill Zone transactions during the first week of their introduction, and an average increase in Refill Zone sales of 27% in April and May.



TARGET

Extend the global network of Plastics Pacts, bringing the model and shared learnings to new markets.

The global network of Plastics Pacts expanded to 14 when Colombia became the second Latin American country to launch a Pact with our support. The Colombia Plastics Pact was developed with local partner, The Business Commitment to Recycling (CEMPRE), with support from UK Research and Innovation (UKRI).

In Mexico, we have been working with our local partners, WWF, and other stakeholders to prepare for the launch of a Mexican Plastics Pact in 2023.

The India Plastics Pact – delivered by the Confederation of Indian Industry and WWF India – completed its first year, with technical support from WRAP and UKRI. It is becoming an increasingly prominent voice in the challenge to tackle plastic pollution in India. The Pact has developed insight and research reports to inform where to focus action to meet its targets.

With funding from UKRI, we have also actively supported Plastics Pacts in Chile, Kenya, and South Africa to help accelerate and share knowledge and innovation across the growing network.

We launched our Circularity and Climate Champions (3C) Network, enabling peer-to-peer learning amongst Pact members around the world, and engagement with over 150 businesses.



“We appreciate and value having the support of UKRI and WRAP to test and implement solutions that allow us to tackle problematic plastics in our country.”

M. Fernanda Valdivieso

Chilean Plastics Pact Director, FCH

CASE STUDY

Making packaging disappear

In partnership with UKRI, we ran an innovation challenge fund for plastics, awarding £1.2m to six UK-based innovators to address challenges identified by the India, Chile, South African, and Kenya Plastics Pacts.

We awarded nearly £250,000 to Notpla Ltd to develop and expand their applications of seaweed-based, heat sealable film as an alternative to flexible plastic films. Compostable and biodegradable on land and sea, it disappears naturally, without human intervention. The project will contribute to Targets 1, 2 and 3 of the Chilean Plastics Pact.

Notpla went on to win an Earthshot Prize in the 2022 ‘Build a Waste-free World’ category, as well as the Tom Ford Plastic Innovation Prize.

Tackling plastic pollution

Priorities for 2023/24

Support retailers to sell more fresh fruit and vegetables loose.

Focus on plastic film recycling, and unlock the business case to achieve recycling of film at scale.

Take reuse/refill from pilot to blueprint by convening the industry and collaborating internationally with key stakeholders.

Take on the operational support for all Plastics Pacts internationally including those previously managed by the Ellen MacArthur Foundation.

Foster greater collaboration and knowledge-sharing across the international Plastics Pact network.



Transforming textiles

115 signatories committed to Textiles 2030

Textiles Action Network extended to Denmark

2 reports inform UK Extended Producer Responsibility

Transforming textiles

We are championing circularity across the global clothing and textiles industry to reduce its climate impact.

The fashion and textiles industry is responsible for 8-10% of global greenhouse gas emissions*. It contributes to biodiversity loss, water scarcity, and is exacerbating the pressure on our already overflowing landfills.

We are engaging leaders around the world to develop and scale new processes to transform the way that textiles and clothing are bought and used.

Here are our 2022/23 textiles targets, and examples of what we achieved.

2022/23 Targets

Champion circularity and seek to halve the climate change impact of clothing and textiles through Textiles 2030.

Expand the Textiles Action Network internationally.



* An overview of the contribution of the textiles sector to climate change

TARGET

Champion circularity and seek to halve the climate change impact of clothing and textiles through Textiles 2030.

Through [Textiles 2030](#), we harness the knowledge and expertise of sustainability leaders to move the UK fashion and textiles industry towards a circular economy. 115 signatories are committed to the ambitious goals, and we have extended its reach into areas such as home textiles.

Our first [Textiles 2030 Annual Progress Report](#) sets out baseline data and shares results from signatories' first year of reporting in 2021. Both bring to life the scale of the challenge that we need to overcome collectively. Progress will be tracked over the next eight years against the baseline, and this data will help signatories to set priorities for action.

We view policy as an essential tool that will complement Textiles 2030 and in March 2023, we published [two reports](#) recommending an Extended Producer Responsibility scheme for the UK's fashion and textiles industry.

45% of UK citizens buy clothes at least once a month, as revealed in WRAP's report: ['Clothing Longevity and Circular Business Models Receptivity in the UK'](#). It also revealed that 40% are likely to use a subscription service, increasing to 58% for a repair service, demonstrating a potential mainstream market for circular business models in the UK.

Together with the Leeds Institute of Textiles and Colour, we are exploring the complex nature of garment durability and how this influences opportunities for circular fashion. We aim to create minimum guidelines for durability to extend the active lifetime of our clothes. Over 20 brands and retailers are involved, with first results from the durability assessments expected in Autumn 2023.

CASE STUDY

Dunelm takes steps to improve its footprint

The complex lifecycle of textile products can make accurate footprint measurement challenging.

Our [Textiles 2030 Footprint Tool](#) provides data on the full lifecycle impacts of textiles, including carbon, water, and waste helping retailers and brands which have signed up to Textiles 2030 – such as Dunelm – to estimate Scope 3 emissions associated with textiles goods.



“This was our first year reporting our textiles baseline carbon, water, and waste figures. The Textiles 2030 Footprint Calculator Tool has been very insightful and has helped us understand our material impacts and what we need to do to improve our overall footprint. We have used these figures to support our product sustainability strategy and strengthen our position to increase the use of more sustainable materials in our Conscious Choice range.”

Lisa Ly

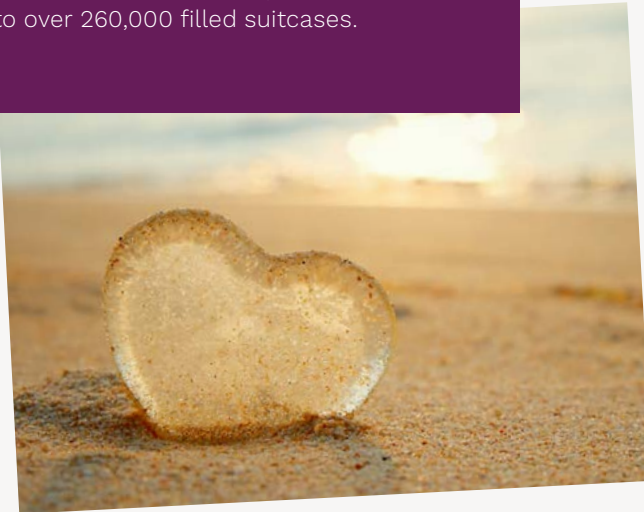
Sustainability Technologist
Dunelm

CASE STUDY

Prime time for pre-loved

In 2022, Textiles 2030 signatory eBay became reality TV show Love Island's first ever pre-loved partner, demonstrating the growing appetite for reused fashion in the mainstream, particularly among Generation Z.

Our research evidenced the value of buying and selling pre-loved. We found that if every UK shopper bought one pre-loved fashion item over a new item in a month, the nation could divert 6,000 tonnes from disposal – equivalent to over 260,000 filled suitcases.



TARGET

Expand the Textiles Action Network internationally.

With our office opening in Australia, one of our first projects has been to tackle the impact of the clothing industry in Australia.

In collaboration with partners, we designed a product stewardship scheme for clothing, led by the Australian Fashion Council. The scheme aims to bring about whole system change and transition the industry to a circular economy by 2030. Australians buy an average of 56 new items a year – second only to citizens in the USA – and the industry has over 13,000 businesses, so the transition from linear to circular will be extremely challenging.

With the support of the Danish Department of Environment, we launched our first circular fashion voluntary agreement outside the UK, which amplifies the growing international Textiles Action Network. In partnership with Lifestyle & Design Cluster, we are helping to bring Danish clothing and textile brands together – 60 since launch – around common circular goals.

We had set a 2022/23 target to explore an international licensing opportunity for Love Your Clothes. However, due to a lack of funding, the campaign was mothballed in March 2023 and is no longer public-facing. Resources remain available to organisations upon request, and sponsors or philanthropists are encouraged to contact us if they are interested in supporting a citizen-facing textiles campaign.

“WRAP has played an integral role in sharing their extensive experience of voluntary sector collaborations. We will draw on their knowledge and technical expertise to help us to go further and faster in Denmark.”

Betina Simonsen

CEO
Lifestyle & Design Cluster

Transforming textiles

Priorities for 2023/24



Further develop our Textiles 2030 Footprint Tool.

Identify the behaviour to prioritise, and circumstances required, for pre-loved textiles to replace new.

Support businesses to design clothing for longevity and to be recyclable.

Identify the financial incentives and policy changes that are required for a global, closed loop, textiles recycling system. There is not currently enough capacity or investment in textiles recycling globally.

Create the industry standard for minimum durability guidelines that enables consistency globally.

Develop new partnerships to link up our work with other parts of the supply chain and create opportunities with international partners.

Publish a landscape review of UK textiles recycling infrastructure. It will help build the national business case for optimising and increasing collection of used textiles, supporting re-use organisations, carbon reductive open-loop recycling, and scaling fibre-to-fibre recycling within the UK and internationally.

Developing a circular economy

Published **7 strategies** for G7 to tackle emissions

3.7M UK adults changed behaviour thanks to Recycle Week

Circular Economy Fund saved **8,200+ tonnes** CO₂ (2022/23)

Developing a circular economy

We are supporting the transition to net zero through resource efficiency and more circular living.

To put the world on a trajectory to net zero, we need to accelerate the move to a circular economy – increasing the amount of material that is reused or recycled, minimising waste, and reducing reliance on virgin materials.

Our world-leading evidence base, research insights, and cost modelling are helping to shape policy and drive progress towards a more sustainable, resource efficient economy.

Here are our 2022/23 circular economy targets, along with examples of our achievements.

2022/23 Targets

Remain committed to providing policy and technical support to national and local governments, and the implementation of collection and packaging reforms.

Support higher rates of recycling and a more circular economy through household collections, and more business recycling.

Citizen behaviour change campaigns across the UK will remain a focus.

Continue to work with partners around the world, embedding policies and practices that drive a more circular economy, with a focus on the Asia-Pacific region.



TARGET

Remain committed to providing policy and technical support to national and local governments, and the implementation of collection and packaging reforms.

In England, we advised Defra on its Environmental Improvement Plan, which commits to supporting our Recycle Now campaign, food waste prevention, and support governance of the Courtauld 2030 voluntary agreement, which over 180 organisations are signed up to.

We are contributing to the packaging Extended Producer Responsibility scheme across the UK; helping governments to understand the potential costs of the scheme, how it can best be delivered, and exploring the role of reuse and refill.

We advised Defra and the Department of Agriculture, Environment and Rural Affairs (DAERA) on options for standardising recycling collections, particularly from businesses. Five pilots are running across England and Wales to understand how we can support businesses to introduce new schemes for dry recycling and food waste.

We have given technical advice and guidance to 86% of English local authorities.

In support of Welsh Government's 2030 targets to reduce emissions by at least 45%, and for the public sector to become carbon neutral, we positively influenced over £1 billion of Welsh public sector spend in 2022/23 alone.

We published a tool and guidance to help public bodies in Wales evaluate how sustainable their procurement practices are, and our Sustainable Procurement Hierarchy was used by NHS Wales to keep mobility equipment in use for longer, save money, and reduce their carbon footprint by the equivalent of 885 new wheelchairs.

CASE STUDY

Thinking outside the box

The NHS has traditionally used yellow-based sharps containers made from virgin polypropylene plastics. However, as a result of our collaborative [supply chain project](#), which challenged this requirement and demonstrated the viability of recycled content, NHS Wales has switched to using Vernacare's grey-based containers made from up to 100% recycled polypropylene. This more sustainable option now also represents a third of containers used by the NHS in England, and over half in Scotland, and is being supplied to organisations around the world.

In 2019, we awarded Vernacare in Wales a Circular Economy Fund grant of nearly £400,000 to support the development of the range. In 2022, 1,307 tonnes of recycled material was used, and the company prevented 2,313 tonnes CO₂e.



TARGET

Support higher rates of recycling and a more circular economy through household collections, and more business recycling.

Through our [Circular Economy Fund](#), technical support, and [supply chain projects](#), we supported Welsh businesses to use recycled content in products and reduce the carbon footprint of the goods they produce by as much as 50%.

We continue working with Welsh local authorities on their recycling targets, including support to Carmarthenshire County Council for planning and delivering a major service change – rolling out three-weekly collections of residual waste and separate collection of glass from households.

In England, we worked with Basildon Council to increase their recycling rate from 46% to 55% by 2025 by helping them review alternative collection scenarios and select a preferred option for public consultation.

Several projects backed by the [Resource Action Fund](#) became operational in 2022/23. Together, four plastics reprocessing projects are on track to deliver nearly 30,000 tonnes of additional plastics recycling capacity every year for

the UK. Over their lifetime these facilities are expected to divert over 110,000 tonnes of plastic waste from landfill and avoid over 200,000 tonnes of CO₂eq emissions.

Many recipients of [Circular Economy Fund grants](#) in Wales became operational in 2022/23. They are on track to exceed targets to use an additional 62,000 tonnes of recycled content in products and increase their turnover by more than £70m over their lifetime.

Many recipients of [Circular Economy Fund grants](#) in Wales became operational in 2022/23. They are on track to exceed targets to use an additional 62,000 tonnes of recycled content in products and increase their turnover by more than £70m over their lifetime.

In 2022/23, CO₂ savings surpassed 8,200 tonnes and 29 jobs were created as a result of this Welsh Government initiative delivered by WRAP.

CASE STUDY

Increasing the impact of Impact Recycling

We awarded a £546,000 Resource Action Fund grant to Impact Recycling to commercially scale its pilot plant. This state-of-the-art facility has the capacity to recycle over 6,000 tonnes of hard plastic per annum, of which 2,500 tonnes is plastic packaging.

Impact Recycling exceeded its reprocessing targets for its first year of operation, recycling over 4,000 tonnes of plastic and making fantastic progress towards achieving full capacity in year three.

“The support provided by WRAP was key in helping with the decision making for councillors to change waste and recycling collections with the understanding of the impact it will have on the environment, meeting government legislation and the financial implications. We aim to introduce the preferred option in the autumn. These changes, alongside the recent introduction of separate food waste collections, should see an increase in our recycling rate to over 50% keeping us on track to meet our 55% target by 2025.”

Charlie Baggallay

Service Modernisation Manager
Basildon Council



TARGET

Citizen behaviour change campaigns across the UK will remain a focus.

Our 2022 [Recycle Week](#) challenged perceptions and myths around recycling as well as helping people reduce contamination in their recycling bins. Of those who saw or heard about the campaign, 47% – equivalent to 3.7 million UK citizens – said they did something differently (recycling more, more often, or something new) as a result. Our campaign video won an [OCFA Charity Film Award](#), a [New York Festival TV & Film Award](#), and a [Brand Film Award](#).

We also supported [Circula el Plástico](#) to deliver a [Recycle Week in Chile](#), promoting re-use and refill as a key theme. Citizens collected more than half a tonne of waste for recovery.

In February 2023, we launched the first burst of our 2023/24 'Be Mighty' campaign through [Wales Recycles](#), encouraging citizens to recycle their food waste. Over a fifth of people in Wales engaged with the campaign, and a third did something differently as a result.



Recycle Week ambassador, Mark Foster.



'Be Mighty. Recycle.' ambassador, Matt Pritchard.

TARGET

Continue to work with partners around the world, embedding policies and practices that drive a more circular economy, with a focus on the Asia-Pacific region.

At COP27 we called on G7 countries to monitor and set targets to reduce their consumption-based emissions alongside their territorial emissions. By taking our [seven steps towards net zero](#), emissions can be reduced in a way that creates jobs and value.

By adopting our blueprint, G7 countries could reduce consumption-based emissions by 0.8 billion tonnes of CO₂ per year.

Developing a circular economy

Priorities for 2023/24

Deliver evidence and activities to increase the quality and quantity of recycling, with increased focus on business recycling.

Reduce resource consumption and carbon emissions by supporting all system actors to adopt and implement circular economy strategies.

Deliver key strategic partnership activities, developing new grant programmes, and working with the private sector to drive investment.

Secure income to develop three new circular economy opportunities in target markets.

Support citizen readiness for upcoming national policy changes such as the Deposit Return Scheme.

Continue to support UK Governments to deliver against their net zero targets.





Delivering impact in **collaboration** with UK Governments

Delivering impact in collaboration with UK Governments

WRAP **would not have informed and changed** the face of the UK resource landscape **without** continued **government support.**



Department for Environment Food & Rural Affairs



Department of Agriculture, Environment and Rural Affairs

www.daera-ni.gov.uk



Ariennir gan Lywodraeth Cymru
Funded by Welsh Government

Defra, DAERA, and Welsh Government's funding and support in 2022/23 allowed us to continue to engage UK industry, local authorities and citizens while supporting their policy ambitions. For example:

We reported that in 2021, 63% of the cotton used by Textiles 2030 signatories was from preferred sustainable sources, with 53% of this cotton being sourced under the Better Cotton Initiative, compared to a 19% global average.

Defra and Welsh Government funding of Textiles 2030 resulted in WRAP and signatories winning £4m Innovate UK funding to deliver a pilot of automated sorting technologies for non-rewearable post-consumer textiles recycling. This will unlock innovation and the potential for more to be recycled, and contribute to improving the current global position that less than 1% of clothes are recycled as clothing.

In Northern Ireland, we partnered with Bryson Recycling to undertake trials about bottle cap recovery. Our findings could help to recover additional bottle caps within the UK dairy and beverage sectors, avoid littering and increase the recycling rate.

The creation of the [My Recycling NI](#) website, and updated [My Recycling Wales](#) website, means residents can see exactly where their recycling goes and the impact of their actions.

Delivering impact in collaboration with UK Governments

In 2022/23, our continued policy support and local authority technical and operational support focused on preparations to implement the various collections and packaging reforms.

This involved delivering multi-year policy implementation plans and helping more than 63 local authorities to make changes needed to meet the recycling and waste service ambitions of the Resource and Waste Strategy for England, the Climate Change Act (Northern Ireland) 2022, and Wales' Beyond Recycling strategy. For example:

We shared best practice and the latest evidence with more than 120 authorities via 11 webinars and workshops. Topics included food waste collection, effective service change implementation, and how to support Recycle Week and Food Waste Action Week.

We engaged extensively with manufacturers to develop interventions to encourage more investment and capacity needed to deal with the increased local authority demand for vehicles and containers. There is currently insufficient UK and international capacity to meet the expected demand, which could result in the delayed implementation of the English food waste collections. One intervention saw WRAP engage over 30 container and liner manufacturers, and 12 vehicle manufacturers, to agree to work towards a standard specification which will speed up both procurement and production of the units needed by councils.

We are incredibly proud of our strong relationships with Defra, DAERA, and Welsh Government, and the on-the-ground impact they enable us to deliver year on year. From informing government policy-making and local authority decision-making, to working with industry and citizens to ensure a fair and just transition to a net zero world, we will continue to deliver value for money and public benefit for our government funders.

Structure, governance and management



Structure, governance and management

We were set up as The Waste and Resources Action Programme (WRAP), a charitable company limited by guarantee, incorporated on 11 December 2000, and registered as a charity in England and Wales on 5 December 2014. On 28 November 2022, WRAP converted to a Charitable Incorporated Organisation.

The object is:

To promote for the benefit of the public the conservation, protection and improvement of the physical and natural environment.

In reviewing our charitable objects and as part of forward-planning, our Trustees have taken account of the Charity Commission's guidance on public benefit and considered how our planned programme of work will consistently contribute to the charity's aims and objects.

The Trustees present their report and the audited financial statements for the year ended 31 March 2023.

Reference and administrative information set out on page 49 forms part of this report. The financial statements comply with current statutory requirements, the governing document and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.



Board of Trustees

The Board of Trustees administer the charity. The Board can have up to 12 Members and currently comprises the Chair and six additional Trustees.

The Board is responsible for:

- determining the strategy;
- approving the business plan;
- approving the budget;
- monitoring the charity's performance;
- ensuring WRAP achieves and maintains its equality, diversity, and inclusion objectives;
- monitoring the business risks; and
- the health and safety issues of the charity.

The Board met four times during the year to 31 March 2023.

The company applies the relevant principles of good governance in UK Charity Governance Code, as set out below.

- The Board meets as often as it needs to be effective, and at least four times per year.
- There is a clarity of responsibilities and delegation between the Board and the Executive.
- There is a formal procedure for the appointment of new Trustees.
- The Board is supplied in a timely manner with sufficient information to discharge its duties.
- The Board periodically undertakes an evaluation of its effectiveness.
- Trustees submit themselves for re-election after a maximum term of four years.
- The Trustees meet as necessary without the executive officers present.

Trustee induction and training

New Trustees undergo orientation to brief them on their legal obligations under charity law, the Charity Commission guidance on public benefit, and inform them of the content of the Constitution, the Committee and decision-making processes as well as WRAP's strategy, programmes, business plan and recent financial performance. During the induction day they meet key employees and other Trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Nominations and Remuneration Committee

In view of the size of the company, it is considered appropriate to combine the roles of the Nominations Committee and Remuneration Committee. The Committee comprises a minimum of two Trustees and met six times during the year to 31 March 2023.

The main responsibilities of the Committee are to:

- establish a procedure for the appointment of Trustees and executive officers;
- oversee the process of the appointment of Trustees;
- review the remuneration of the executive officers; and
- review equality, diversity, and inclusion progress and strategy.

The Committee has agreed a procedure for the selection of Trustees, which will accord with the following principles:

- Posts will be publicly advertised. The advertisement (and the supporting information for candidates) will make it clear what specialist expertise is required, depending on the need to replace the expertise of the retiring Board members, and to take account of any additional requirements.
- The advertisements will make it clear that WRAP is committed to diversity and welcomes applicants irrespective of religion, age, sex, sexual orientation, gender reassignment, marital status, disability, or race.
- An independent individual who is skilled in the making of similar non-executive appointments will be included on the interview panel.
- The interview panel will proceed by consensus as far as possible, but with no member having a veto.
- Candidates will be provided with a decision as quickly as possible after the interview and information will be made publicly available about the appointments made, which will include any other relevant positions held by those appointed.

Remuneration

All Trustees, apart from the Chair, give their time freely and receive no remuneration. The remuneration of the Chair has been approved by the Charity Commission.

The main objectives of the company's remuneration policy are to provide a remuneration package that will attract, retain, and motivate individuals of an appropriate calibre. The pay of the executive officers and staff is reviewed annually. The company benchmarks pay using a leading, commercially available service. An element of pay is variable and relates to performance in the year and is based on achievement of specific objectives.

Expenses are reimbursed to the extent that they have been incurred wholly, necessarily, and exclusively for the purposes of the charity.

Full details of Trustees' remuneration, expenses and related party transactions are disclosed in notes 10 and 12 of the accounts.

Audit and Risk Committee

The Committee comprises a minimum of two Trustees and met four times during the year to 31 March 2023. The external auditors were present at three meetings.

The main responsibilities of the Audit and Risk Committee are to:

- monitor the integrity of the financial statements;
- review the charity's internal financial controls and the charity's control and risk management systems;
- make recommendations to the Board on the appointment and remuneration of the external auditors;
- review the findings of the audit with the external auditor;
- review the independence of the external auditor; and
- appoint the internal auditor, agree work plans, review internal audit reports, and monitor completion of agreed actions.

Maintenance of a sound system of internal control

The Board is responsible for the company's system of internal control and for reviewing its effectiveness. Such a system is designed to minimise the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss. The Audit and Risk Committee assists the Board in discharging its review responsibilities.

The main features of the company's risk and control framework are outlined below.

- WRAP's Business Plan, including the annual budget, is discussed and approved by the Board. An update on progress and a forecast for the remainder of the financial year is given at each Board meeting.
- Matters needing the Board's attention are clearly defined: financial procedures, procurement procedures and authorisation levels are set by, and any changes approved by, the Audit and Risk Committee. Appropriate reporting procedures have been established.
- Risk assessments are made by staff from across all the charity's programmes. The results of these assessments are discussed and kept under regular review by the senior management team and reported to the Audit and Risk Committee. A risk register is regularly updated.
- The Chair of the Audit and Risk Committee reports the outcome of Committee meetings to the Board.
- The company has established a whistleblowing policy whereby staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters.

The Board has reviewed the effectiveness of the company's systems of internal control for the financial year 2022/23 and up to the date of approval of the annual report and accounts. The charity is committed to the development and enhancement of existing systems of internal control and risk management as appropriate for the charity and its activities. Haysmacintyre are appointed as internal auditors for WRAP. This appointment strengthens the Board confidence in enterprise risk management by adding to the third line of defence, and to provide external insights and best practice to the Executive team.

Investment Committee

The Committee comprises a minimum of two Trustees and met twice during the year to 31 March 2023.

The main responsibilities of the Investment Committee are to:

- at least maintain the real value of the financial return focused investment portfolio over the long-term whilst generating a sustainable contribution to unrestricted income. The strategy for the financial return portfolio is managed by the WRAP Board; and
- monitor delivery of impact objectives and financial return for the mixed-motive investment portfolio. This portfolio has twin goals of delivering financial return whilst furthering our charitable impact, hence 'mixed-motive'. The Accelerating Growth Fund Ltd Board is responsible for the investment strategy.

Executive Committee

The Board has delegated the day-to-day operations to the Chief Executive Officer (CEO). The CEO, supported by the Executive Committee, is accountable to the Board for providing information to enable Trustees to monitor the organisation's operating and financial results. Individual matters that are novel or contentious are referred to the Board.

The Trustees and Executive Committee are deemed to be key management personnel of the charity (see page 49 for membership).

Related Parties

At the year-end, WRAP had four wholly owned subsidiary companies, established where it has been deemed appropriate to house specific programmes in separate legal entities. Two companies (Accelerating Growth Fund Ltd and WRAP Enterprises Ltd) are limited by shares, two (Behaviour Change Ltd and WRAP Asia-Pacific) are limited by guarantee.

Accelerating Growth Fund Ltd

The company provides financial support and investments to organisations, principally small and medium-sized enterprises (SMEs), which are investing in, or changing to, 'circular economy' business models. Accelerating Growth Fund Ltd's profits are gift aided to WRAP; the sum gift aided amounted to £43,000 in 2022/23 (2021/22: £29,000). An additional £866,000 was distributed from retained earnings in 2021/22 to add to the Investment Fund in WRAP (2022/23: nil). The Chair of Accelerating Growth Fund Ltd is the Insights and Innovation Director, and all directors are appointed by WRAP; hence WRAP has control over the operating and financial policies of Accelerating Growth Fund Ltd and consolidates the results in WRAP Group accounts.

Behaviour Change Ltd

The company helps businesses, charities, governments, and foundations to create social and environmental change through applying behavioural science, insights, and interventions. Behaviour Change Ltd's profits are gift aided to WRAP; the sum gift aided amounted to nil in 2022/23 (2021/22: nil). The Chair of Behaviour Change Ltd is the Collaboration and Change Director. WRAP is the sole member and appoints the directors; hence WRAP has control over the operating and financial policies of Behaviour Change Ltd and consolidates the results in WRAP Group accounts.

WRAP Enterprises Ltd (WEL)

WEL is established as a trading subsidiary to capture any revenues arising from commercial contracts. To date WEL has not traded, and it is currently dormant. The Chair of WEL is the Insights and Innovation Director.

Related party information and transactions can be found in Note 10.

WRAP Asia-Pacific (WRAP APAC)

WRAP APAC was incorporated on 30 June 2022, with the goal to grow WRAP's impact across the Asia-Pacific region. WRAP APAC is a wholly owned subsidiary of WRAP and supports WRAP's overarching goals and work on food, textiles, and plastics. WRAP APAC leads on projects in the Asia-Pacific region. Our 2023/24 focus will be on building the capacity and capability of the WRAP APAC team so we can undertake programmes including on textiles. The Chair of WRAP APAC is the Director of Impact Growth. WRAP is the sole member, appoints the Chair and Deputy Chair, determines the number of directors, and holds three of the five board seats; hence WRAP has control over the operating and financial policies of WRAP APAC and consolidates the results in the WRAP Group accounts.

Related party information and transactions can be found in Note 10.

Relations with stakeholders, and approach to fundraising

In compliance with the Charities (Protection and Social Investment) Act 2016, the Trustees can confirm the following:

The Group did not participate in any fundraising schemes nor use the service of a professional fundraiser or commercial participator to carry on any of those activities, and therefore no monitoring of such activity is applicable.

Neither the Group nor any person acting for the Group was subject to any voluntary scheme of regulated fundraising, and therefore no failure to comply has been noted, nor any complaints received.

Although WRAP does not receive or solicit donations of income from the general public, including vulnerable people, it seeks to follow best practice in its interactions with both public and private sector donors, including practice recommended in codes such as the English Code for Fundraising Practice, with which we are registered. WRAP receives its funding from UK Government departments, Businesses, International Organisations and Foundations. WRAP maintains strong collaborative relationships with its funders and is grateful for their support and confidence.

Details of collaboration with Governments and the achievements of the Business Voluntary Agreements are included in Our achievements and impacts section; thank you also to the following funders for their support this year:

- The Posner Foundation in the USA, which helped us to deliver a citizen behaviour change programme on food waste in Mexico, through the Mexican food voluntary agreement. This is running from September 2022 to September 2023.
- The Norwegian Retailers Environment Fund for work on Extended Producer Responsibility in plastics globally.
- Stewart Investors for Plastics Pact work in India.
- Avery Dennison Foundation for continuation of Flawless work in Indonesia
- Walmart Foundation for behaviour change in Household Food Waste Prevention
- Tomoro Foundation unrestricted donation to be used to support our charitable activities
- Laudes Foundation for National Blueprint for CE in Fashion
- MAVA for Phase 2 of Advancing Circular Economy of Plastics in Senegal
- Ellen MacArthur Foundation for supporting the development & operation of Plastics Pacts

Our fundraising priorities for 2023/24 are to continue our UK government collaboration and funding, grow our private sector business income, increase donations from philanthropic trusts, develop our work internationally, and seek to grow our funding portfolio to drive forward our strategy. WRAP is now recognised as a charity for the purposes of American philanthropy after attaining equivalency status in the American market, and will seek to establish a US based subsidiary next year to further our work and fundraising in the Americas.

Safety, Health and Environmental Report

The health, safety, and wellbeing of all our employees continues to be our number one priority. The Safety, Health and Environmental (SHE) Committee meets monthly and represents all departments across WRAP. It provides a central conduit for all employees to share their concerns and an effective mechanism to disseminate key SHE messages. The Committee proactively encourage 'near miss' reporting, including in the home setting since hybrid working has become the norm. The increased vigilance, and shared learnings from near miss attention, is expected to reduce the occurrence of actual incidents, which remain very low in WRAP (only one minor incident in 2022/23 compared with four in 2021/22).

Cleaning routines, discouraging staff with symptoms of any respiratory or infectious illness from attending our offices, and air circulation and monitoring (via CO₂ meters) remain in place as travel and other measures return to normal, post-COVID.

Overseas visits have recommenced and probably remain the highest risk activity for WRAP employees, particularly travel in high risk and developing countries. Targeted training and travel protocols are in place to minimise the risk to staff and include regular check-ins and monitoring of colleagues.

As an environmental charity we wish to demonstrate a proactive commitment to meet high environmental performance standards. The environmental pledges introduced in 2021/22 continued to challenge all employees to reduce their environmental impact when at home. Employees were encouraged to improve their overall resource management – reduce food waste and the environmental impact of their clothes and textiles, alongside energy and water use.

Initiatives to reduce our environmental impact are detailed in our revised [Carbon Reduction Plan](#), published in September 2022, which sets out what our emissions are and how we plan to address them, moving beyond offsetting to real reductions where possible.

To be in line with requirements set out in the 'Technical standard for completion of carbon reduction plans' (2021), we will quantify and report on emissions in six of the 15 categories within Scope 3: upstream transportation and distribution; waste disposal; business travel; employee commuting; upstream leased assets (where practical); and downstream transportation and distribution. Our ESG focused financial investments, employee sustainable investments default pension plan, and circularity impact investments via Accelerated Growth Fund Ltd further reduce our overall carbon footprint beyond the formal calculation.

From 2022 WRAP will be net zero, including offsets. We will continue to identify further ways to reduce emissions that are indirectly associated with our charity's activities. Emissions that cannot be eliminated are offset.

Employment policies

WRAP keeps colleagues informed through regular interactive briefings, news updates, and training. Employees are encouraged to get involved in discussions related to their specific interests and to take an active interest in all aspects of WRAP's performance. Continuous improvement is sought through a structured feedback process, with a full colleague survey carried out twice a year and informal feedback gathered throughout.

WRAP actively encourages employment applications from all suitably qualified applicants, regardless of religion, age, sex, sexual orientation, gender reassignment, marital status, disability, or race. Assistance and adaptations are provided as necessary through the recruitment process and, once employed, tailored performance management and personal development meetings support colleagues to develop a career plan, identifying all the opportunities available. Arrangements are made where possible for retraining employees who become disabled, enabling them to perform work appropriate to their aptitudes and abilities.



Reference and administrative information

The Waste and Resources Action Programme

Charity number:	1159512
Country of registration:	England and Wales
Registered office and operational address:	2nd Floor Blenheim Court 19 George Street Banbury OX16 5BH

Trustees

Trustees who served during the year and up to the date of this report were as follows:

- Julie Hill (Chair) (retired 18 November 2022)
- Sebastian Munden (Chair) (appointed 21 November 2022)
- Robert Longley Cook (Vice-Chair) (retired 30 April 2023)
- Jim Oatridge (retired 17 May 2022)
- Marc Stephens
- Michaelene Welsh
- Sachin Kapila (retired 5 July 2023)
- Sarah Chapman (Vice-Chair) (appointed as Vice-Chair 1 May 2023)
- Sophie Thomas
- Sue Corbett
- Chris Jones (appointed 22 May 2023)
- Shruti Dudhia (appointed 22 May 2023)

Executive Committee

Members who served during the year and up to the date of this report were as follows:

- Marcus Gover – Chief Executive (in post until 30 September 2022)
- Harriet Lamb – Chief Executive (in post from 15 March 2023)
- Richard Swannell
 - International Development Director (to 30 September 2022)
 - Interim Chief Executive (from 1 October 2022 to 14 March 2023)
 - Director of Impact Growth (from 15 March 2023)
- Angela Pulley – HR Director
- Catherine David – Collaboration and Change Director
- Claire Shrewsbury – Insights and Innovation Director
- David Rogers – International Director (in post from 3 October 2022)
- Paul Suller – Commercial, Finance and Operations Director
- Tom Lewis-Reynier – Strategic Engagement Director (in post until 30 May 2023)

Reference and administrative information

Our advisers

External auditor

Sayer Vincent LLP
Invicta House
108-114 Golden Lane
London
EC1Y 0TL

Legal advisers

Bates Wells
10 Queen Street Place
London
EC4R 1BE

Internal auditor

Haysmacintyre
10 Queen Street Place
London
EC4R 1AG

Bankers

Barclays Bank PLC
25 High Street
Coventry
CV1 5RE

Lloyds Bank PLC
Faryners House
25 Monument Street
London
EC3R 8BQ

Investment managers

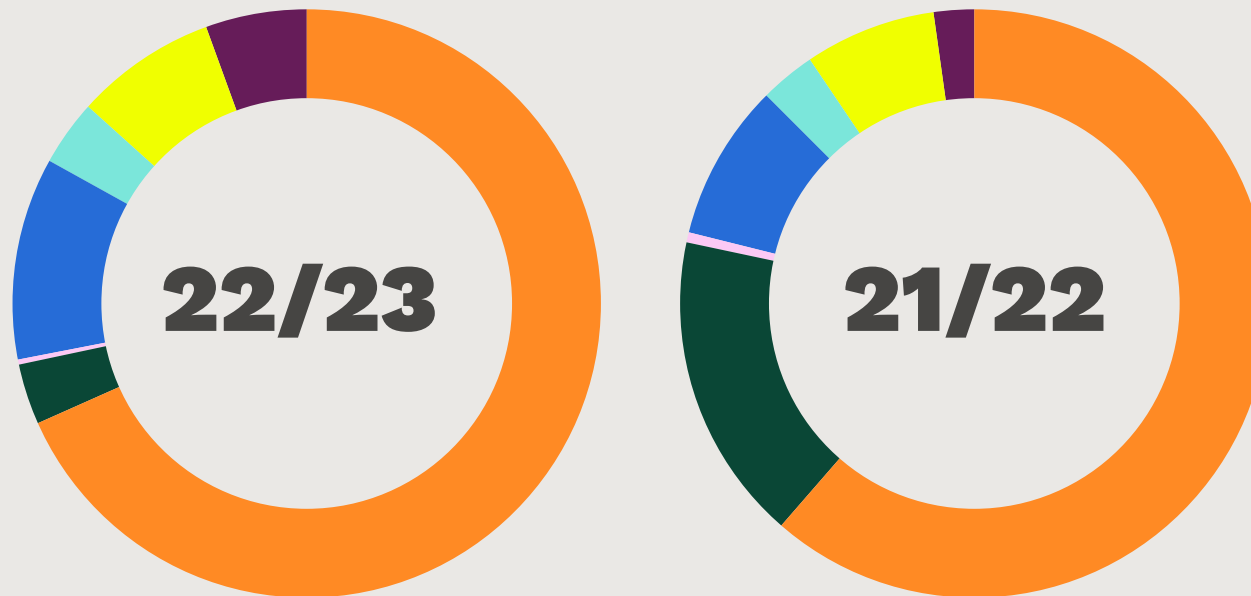
Rathbone Greenbank Investments
8 Finsbury Circus
London
EC2M 7AZ



Financial review

Income

£m	2022/23	2021/22
UK government grants	16.2	16.6
Other UK government bodies and local authorities	0.8	4.5
Non-UK governments	0.1	0.2
Business contributions to UK voluntary agreements	2.6	2.3
Trusts, and foundations	0.9	0.8
Other income	1.8	1.9
Trading and investment	1.1	0.4
Total income	23.5	26.7



WRAP's income of £23.5m was £3.2m lower than the previous year of £26.7m. This was mainly due to a large one-off grant of £3.3m received in 2021/22 from UKRI for international plastics. Business contributions were slightly higher with the continuation of Textiles 2030 and associate memberships, whilst trading income included a full year of Behaviour Change Ltd in the Group accounts.

Further highlights are included below.

UK government grants

Government funding is from Defra, the Welsh Government, and DAERA.

Total core grant funding from Defra was £8.6m with additional grants of £1.0m bringing the total to £9.6m (2021/22: £9.7m).

The Welsh Government awarded a core grant of £3.3m in 2022/23 (2021/22: £4.3m) and £2.4m for the Collaborative Change Programme (2021/22: £2.1m). The Circular Economy Fund grant programme was closed for new applications in 2022/23 so no further income was awarded (2021/22: £1.4m).

In Northern Ireland, the core grant from DAERA was £1.0m (2021/22: £1.0m).

Other UK government bodies

WRAP was previously awarded a grant of £3.3m in 2021/22 from UKRI for an International Plastics Innovation Fund (2022/23: nil).

Zero Waste Scotland granted WRAP £0.3m (2021/22: £0.3m).

Other government departments and local authorities granted WRAP £0.5m (2021/22: £0.4m).

Trusts and Foundations

Trusts and foundation income increased in the year to £0.9m (2021/22: £0.8) including donations from Posner Foundation (£0.4m), Stewart Investors (£0.3m), C&A Foundation (£0.1m), Ellen MacArthur Foundation (£0.1m).

Business contributions to UK voluntary agreements

Contributions from businesses for our three UK voluntary agreements increased to £2.6m (2021/22: £2.3m).

Other income

Other income amounted to £1.8m (2021/22: £1.9m) with the largest being Google (£0.1m), Pacific Coast Food Waste (£0.1m), World Economic Forum (£0.1m), UNEP (£0.1m), Partnering for Green Growth (£0.1m), Fight Food Waste Australia (£0.1m), European Plastics Pact (£0.1m), Amazon (£0.1m), Ecosurity (£0.1m), Food Waste Action Week (various, £0.2m), Recycle Week (various, £0.1m).

Trading and investment income

Investment income increased to £0.3m (2021/22: £0.2m). Trading income from Behaviour Change Ltd was £1.0m which included a full year versus three months in 2021/22 (£0.3m).

Investment policy

WRAP has an investment policy to invest in managed funds or direct equity investments with the intention of furthering the company's charitable objects and providing a greater return than cash. Investments in countries embargoed by the UN or UK are excluded (e.g. Russia).

Listed investments

The WRAP group currently has £11.3m of financial investments managed by Rathbones Greenbank (2021/22: £12.6m).

The investments are long-term in nature and short-term volatility is to be expected, as has been seen in global markets over the year, resulting in a capital loss of £692k (2021/22: gain £1.1m).

The portfolio is sustainability focused, with investments positively screened for their ESG credentials, and excludes companies deriving most of their revenues from the sale of tobacco, mining, or fossil fuels. This has had an adverse effect on the portfolio versus the general market during the last year due to out-performance from these excluded sectors and the listed investments have failed to meet the policy of a return greater than cash over this time period.

Mixed-motive investments

Mixed-motive investments are held within our subsidiary company Accelerated Growth Fund Ltd. to deliver charitable impact whilst also generating a financial return, aiming at least for capital retention over the medium-term.

Accelerated Growth Fund Ltd. holds £8.9m (2021/22: £7.1m) of mixed motive investments; £4.2m (2021/22: £3.2m) in the Circularity European Growth Funds, £3.9m (2021/22: £3.9m) in Sicut Enterprises Ltd, £0.5m in Greyparrot (2021/22 nil), £0.4m in Winnow (2021/22: nil). The historical cost of the portfolio is £4m, and now has an estimated fair value of £8.9m with £3.4m of recognised gains in Sicut. The portfolio is therefore meeting its financial objective in addition to adding impact.

The Circularity European Growth Fund's mission is to deliver value for investors by supporting SME growth and innovation in the circular economy. Accelerated Growth Fund Ltd. holds £3.7m in Fund 1 and £0.5m in a second fund.

Sicut Enterprises is primarily a supplier of sustainable railway sleepers manufactured from recycled plastic which reduces material to landfill and the use of chemically treated hardwood timbers.

Greyparrot is the leading AI waste analytics platform for the circular economy, digitalising waste flows for analysis and improved sorting to increase recovery rates for recycling.

Winnow provides food waste technology with an analytics platform to deliver insights to commercial kitchens thereby driving operational improvements that save on the bottom-line and the planet.

Expenditure

£m	2022/23		2021/22	
	Sub-grant	Non-grant	Sub-grant	Non-grant
Textiles	-	1.7	-	1.7
Food	-	7.4	0.1	6.6
Plastics	-0.2	4.7	0.9	4.0
Resource management	0.2	10.3	1.8	9.6
Subtotal	-	24	2.8	21.9
Other including trading	-	1.0	-	0.3
Total Expenditure	-	25.0	2.8	22.2

Total expenditure in the year was £25.0m (2021/22: £25.0m), which included £0.2m in sub-grants offset by a reduction of the same amount from grants provided for in the prior year (2021/22: £2.8m).

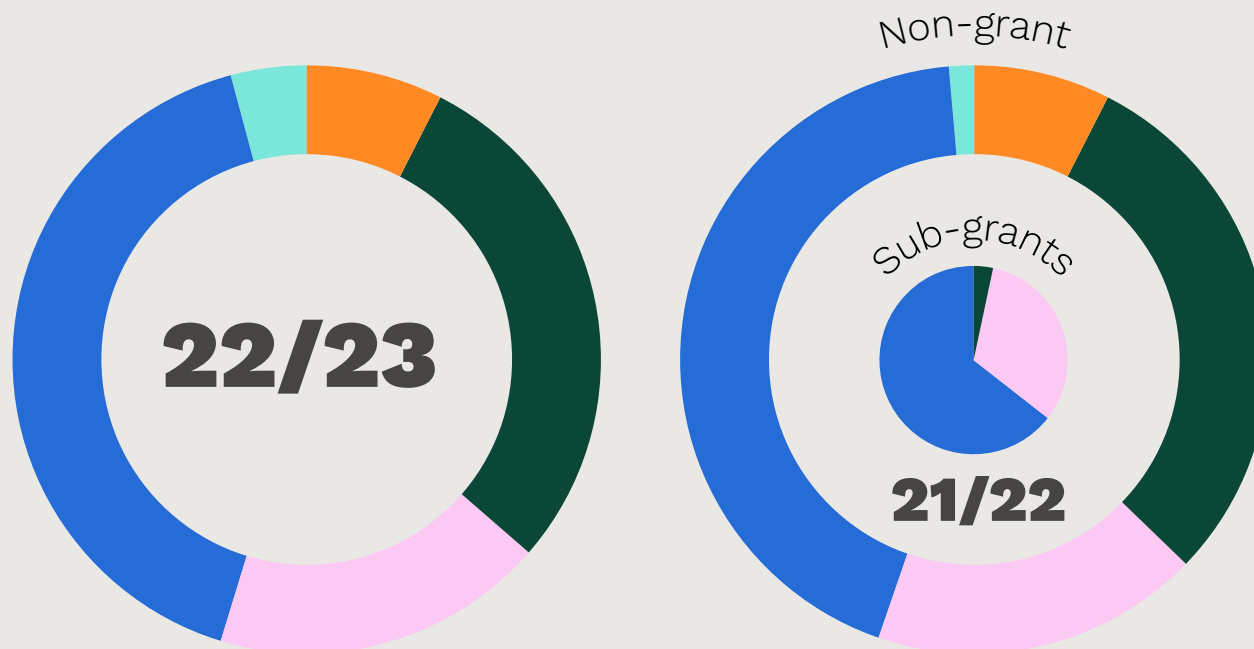
Charitable activities

Textiles non-grant expenditure remained flat at £1.7m (2021/22: £1.7m) reflecting progress on Textiles 2030.

Food system non-grant expenditure increased to £7.4m (2021/22: £6.7m).

Plastics non-grant expenditure reduced to £4.7m (2021/22: £4.9m), and included £1.8m on UKRI funded international pacts in India, Colombia, Mexico, South Africa, Chile, and Kenya. Plastic grants reversal of £0.2m related to a terminated grant provided for in the previous year (2021/22: £0.9m).

Resource management non-grant expenditure increased to £10.3m (2022/22: £9.6m). Grants of £0.2m (2021/22 £1.8m) related to Be Mighty boost with local authorities in Wales.



Net movement in funds

There was a net decrease of £2.2m in funds during the year to £34.3m (2021/22: £36.6m). This consists of a £1.9m decrease in restricted funds, a £0.2m decrease in designated funds, and a £0.2m decrease in general funds.

The decrease in restricted reserves is mainly due to a restricted grant from UKRI to fund international Plastics Pacts – this was receivable in 2021/22 but only the sub-grant elements were expended in the year, £1.2m together with £0.2m of non-grant expenditure, the remainder (£1.9m) was spent with international partners in 2022/23.

Designated funds have decreased to £24.5m (2021/22: £24.6m). The largest balance of £22.3m (2021/22: £23.3m) is for investment funds and the decrease reflects the fall in market value of the Rathbones managed ESG fund.

Consolidated balance sheet

At 31 March 2023 net assets were £34.3m (2022: £36.6m).

The most significant movements in this financial year are:

- £1.3m decrease in listed investments offset by £1.9m in additions to the unlisted portfolio.
- £3.0m reduction in net current assets:
 - Debtors increase of £3.4m, including a mix of government grants and business invoices – none are at risk of default.
 - Creditors reduced by £2.5m as sub-grants were paid according to milestones.
 - Short-term investments and cash reduced by £8.9m.

Reserves policy and going concern

WRAP holds financial reserves to be applied to future activities in these categories:

- General funds – unrestricted funds to be applied generally to further WRAP's charitable purposes. At 31 March 2023 WRAP held general funds of £5.1m (equivalent to four months' salary and overheads).
- Restricted funds – to be applied only to the purpose(s) specified by the donor. At 31 March 2023 WRAP held restricted funds of £4.8m.
- Designated funds – to be applied to a given purpose specified by the Trustees. At 31 March 2023 WRAP held designated funds of £24.5m.

The Trustees have set a target for unrestricted reserves based on an analysis of the potential financial risk facing WRAP. The Trustees consider the appropriate level of general reserves to be between three and six months of salary and overhead costs. Funds in excess of this will be transferred to the financial investment fund to generate a predictable level of unrestricted income. Should general reserves fall below three months, then a call on the financial investment fund can be made.

The Trustees have reviewed the circumstances of the charity and the group and consider that adequate resources continue to be available to fund activities for the foreseeable future. The Trustees are therefore of the view that the WRAP group is a going concern.

Principal risks and uncertainties

The Trustees have a risk management strategy which comprises:

- a quarterly review of the principal risks and uncertainties facing WRAP and its subsidiaries led by the Audit and Risk Committee and reported back to the Board at each meeting;
- the establishment of policies, systems and procedures to mitigate those risks identified in the quarterly reviews;
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise; and
- ongoing review of risk mitigation and controls via the Audit and Risk Committee of the Board, including reviews by an independent internal audit team (Haysmacintyre) to further strengthen assurance activities.

The principal risk and uncertainty for WRAP relates to the level of future funding. Our primary source of funding continues to be grant funding from the UK's central and devolved governments. Continued downward pressure on public finances presents a risk to WRAP, as to any organisation in receipt of government funding.

The Trustees' mitigation for these risks is threefold:

1. Maximising WRAP's value to its principal government funders.
2. Diversifying our funding mix – we are seeing the impact of this through the increase in our business income and international work.
3. Ensuring sufficient flexibility in our cost base to respond to any future changes in funding without compromising the organisation's ability to deliver impact. This is further supported by a prudent level of reserves enabling a considered response to sustained funding reductions.

A revitalised Board and Executive team, including a new CEO and Chair, has enhanced the governance and added new experience to drive WRAP's ambition into this and the next decade. An updated 2030 strategy has been framed and is now in the detailed design phase to accelerate our impact and ambition.

Health, Safety and Environment is of paramount importance to Trustees, and to mitigate potential risks, WRAP maintains comprehensive health, wellbeing, and safety policies and procedures, including the reporting and review of any accidents or near misses (see page 47). High workload is noted in several teams as a recurring theme in our half-yearly employee surveys and is being addressed through departmental discussions and action plans to alleviate the underlying issues.



Statement of **responsibilities** of the Trustees

Statement of responsibilities of the Trustees

Law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the period and of its financial position at the end of the period. In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

- Select suitable accounting policies and then 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 and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor

Sayer Vincent LLP was re-appointed as the charity's auditor during the year and has expressed its willingness to continue in that capacity.

The Trustees' Annual Report has been approved by the Trustees on 5 July 2023 and signed on their behalf by

Sebastian Munden.
Chair



Independent auditor's report to the Trustees of The Waste and Resources Action Programme

Opinion

We have audited the financial statements of The Waste and Resources Action Programme (the 'parent charity') for the year ended 31 March 2023 which comprise the consolidated statement of financial activities, the group and parent charity balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group and parent charity's affairs as at 31 March 2023 and of the group's incoming resources and application of resources, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Charities Act 2011

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on The Waste and Resources Action Programme's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- The information given in the trustees' annual report is inconsistent in any material respect with the financial statements
- Sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- We have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the audit and risk committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.

- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the parent charity's trustees as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the parent charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent charity and the parent charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Date

**Sayer Vincent LLP,
Statutory Auditor**

**Invicta House, 108-114 Golden Lane,
LONDON, EC1Y 0TL**

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Financial statements

The Waste and Resources Action Programme consolidated statement of financial activities

For the year ended 31 March 2023

				2023			2022
	Note	Unrestricted	Restricted	Total	Unrestricted Restated	Restricted	Total Restated
		£'000	£'000	£'000	£'000	£'000	£'000
Income from:							
Charitable activities	2						
Textiles		571	1,178	1,749	441	933	1,374
Food		1,318	5,573	6,891	1,007	5,647	6,654
Plastics		1,299	1,551	2,850	1,544	5,743	7,288
Resource Management		874	10,063	10,938	639	10,313	10,952
Other trading activities		756	-	756	269	-	269
Investments	3	317	-	317	187	-	187
Total income		5,135	18,365	23,500	4,088	22,636	26,724
Expenditure on:							
Charitable activities:	4						
Textiles		542	1,169	1,711	694	976	1,671
Food		1,171	6,193	7,364	1,219	5,493	6,712
Plastics		1,473	3,087	4,560	1,588	3,301	4,889
Resource Management		637	9,792	10,429	479	10,926	11,405
Other Trading Activities		1,012	-	1,012	232	-	232
Other Expenditure	4b	-	-	-	100	-	100
Total expenditure		4,835	20,241	25,076	4,312	20,696	25,009
Net income / (expenditure) before net gains / (losses) on investments		301	(1,877)	(1,576)	(225)	1,940	1,715
Net gains / (losses) on investments		(692)	-	(692)	1085	-	1085
Net income / (expenditure) for the year	7	(391)	(1,877)	(2,268)	860	1,940	2,800
Transfers between funds		-	-	-	-	-	-
Net income / (expenditure) before other recognised gains and losses		(391)	(1,877)	(2,268)	860	1,940	2,800
Other gains / (losses)		47	-	47	44	-	44
Net movement in funds		(344)	(1,877)	(2,221)	904	1,940	2,844
Reconciliation of funds							
Total funds brought forward	26	29,928	6,633	36,561	29,024	4,693	33,717
Total funds carried forward		29,584	4,756	34,340	29,928	6,633	36,561
Restricted funds		-	4,756	4,756	-	6,633	6,633
Designated funds		24,486	-	24,486	24,651	-	24,651
General funds		5,098	-	5,098	5,277	-	5,277

The statement of financial activities includes all gains and losses recognised in the year. The notes on pages 67-90 form part of the financial statements.

All of the above results are derived from continuing activities. Movements in funds are disclosed in Note 23a to the financial statements.

Consolidated and charity balance sheets

For the year ended 31 March 2023

	Note	The group		The charity	
		2023	2022	2023	2022
		£'000	Restated £'000	£'000	£'000
Fixed assets:					
Tangible assets	12	5	23	–	20
Investments	13	20,210	19,666	7,368	8,285
		20,215	19,689	7,368	8,305
Current assets:					
Debtors due within one year	17	7,732	4,331	7,412	4,216
Short term investments	16	5,958	12,334	4,750	9,214
Cash at bank and in hand		8,275	10,819	7,306	10,205
		21,965	27,484	19,467	23,635
Creditors: amounts falling due within one year	18	(7,366)	(9,888)	(6,698)	(9,599)
Net current assets		14,599	17,596	12,769	14,036
Total assets less current liabilities		34,814	37,285	20,137	22,341
Provision for liabilities and charges	20	(474)	(724)	(474)	(724)
Net assets		34,340	36,561	19,662	21,617
Reserves	23a				
Restricted funds		4,756	6,633	4,756	6,633
Unrestricted funds:					
Designated funds		24,486	24,651	9,553	9,662
General funds		5,098	5,277	5,353	5,322
Total reserves		34,340	36,561	19,662	21,617

Approved by the trustees on 5 July 2023 and signed on their behalf by

Sebastian Munden
Chair of Trustees

Charity number 1159512

Consolidated statement of cash flows

For the year ended 31 March 2023				
	2023		2022	
	£'000	£'000	£'000	£'000
Cash flows from operating activities				
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(2,221)		2,844	
Depreciation charges	21		33	
(Gains)/losses on listed and unlisted investments	862		(1,098)	
Foreign Exchange (gains)/losses	(47)		(44)	
Dividends and interest from investments	(317)		(187)	
(Increase) in debtors	(3,401)		(2,583)	
(Decrease) in creditors	(2,523)		(4,738)	
(Decrease) in provision	(250)		(285)	
Net cash (used in) by operating activities		(7,875)		(6,058)
Cash flows from investing activities:				
Dividends and interest from investments	317		187	
Purchase of fixed assets	(3)		(3)	
Proceeds from sale of investments	2,139		3,534	
Purchase of listed and unlisted investments	(3,565)		(11,010)	
Decrease/(increase) in cash held by investment manager	20		2,511	
Net cash used in investing activities		(1,092)		(4,781)
Change in cash and cash equivalents in the year		(8,967)		(10,839)
Cash and cash equivalents at the beginning of the year		23,153		33,948
Movements due to acquisition				
Change in cash and cash equivalents due to exchange rate movements		47		44
Cash and cash equivalents at the end of the year		14,233		23,153
Analysis of cash and cash equivalents and of net debt				
	At 1 April 2022	Cash flows	Other non-cash changes	At 31 March 2023
	£	£	£	£
Cash at bank and in hand	10,819	(2,591)	47	8,275
Short term investments	12,334	(6,376)	-	5,958
Total cash and cash equivalents	23,153	(8,967)	47	14,233

Notes to the financial statements for the year ended 31 March 2023

1. Accounting policies

a. Basis of financial statements and accounting policies

WRAP is a Charitable Incorporated Organisation, incorporated in England and Wales. The registered office address is 2nd Floor, Blenheim Court, 19 George Street, Banbury, OX16 5BH.

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) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and Charities Act 2011. WRAP 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 note(s).

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following 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) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

In applying the financial reporting framework, the Trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

b. Basis of consolidation

These financial statements consolidate the results of the Charity and its wholly-owned subsidiaries: Accelerating Growth Fund Ltd, Behaviour Change Ltd and WRAP Asia Pacific Ltd, on a line by line basis. Transactions and balances between the Charity and its subsidiaries have been eliminated from the consolidated financial statements. Balances between Accelerating Growth Fund Ltd, Behaviour Change Ltd and WRAP APAC are disclosed in the notes of the Charity's balance sheet. A separate statement of financial activities, or income and expenditure account, for the Charity itself is not presented because the Charity has taken advantage of the exemptions afforded by the Unincorporated Companies Act 2009.

The Charity is included in the consolidated financial statements and is considered to be a qualifying entity under FRS 102 paragraphs 1.8 to 1.12. The following exemptions available under FRS 102 in respect of certain disclosures for the Charity financial statements have been applied:

- No separate parent Charity Statement of Cash Flows with related notes is included;
- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

c. Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Trustees' report. The financial position of the Group, its cash flows and liquidity position are also described in the Trustee's report and the financial statements. As highlighted in the financial statements, the Group meets its day-to-day working capital requirements through grants and other funding. Whilst the current economic and political conditions may create uncertainty over the level of future funding, the Trustees have reviewed the Group's committed funding, obligations and reserves and have concluded that the Group is able to meet all its liabilities as they fall due.

As the Charity has £14m of liquid unrestricted reserves and the funding for the next financial year is highly probable, the Trustees consider there are no material uncertainties. The Trustees therefore have a reasonable expectation that the Group has adequate resources to continue in operational existence for 12 months from the date of approval of the accounts. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

1. Accounting policies (cont.)

d. Income

Income is recognised when: the Charity has entitlement to the funds; any performance conditions attached to the income have been met, and it is probable that the income will be received and that the amount can be measured reliably.

Revenue grants are credited to the statement of financial activities in the period in which the funding is receivable. Where unconditional entitlement to grants receivable is dependent upon fulfilment of conditions within the Charity's control, the income is recognised when there is sufficient evidence that conditions will be met. Where there is uncertainty as to whether the charity can meet such conditions, the income is deferred. Investment income is included in the statement of financial activities when receivable. Grant income is either restricted or unrestricted, depending on the conditions attached to the grant.

Income received from the sale of goods and services is recognised in the financial statement in the year in which the good is sold or the service provided. Where contributions from voluntary agreement members have been received in one year, but relate to future years, they are treated as deferred income so that income is recognised in accordance with the membership fee timeframe.

e. Expenditure

All expenditure is charged in the period to which it relates on an accruals basis and a liability is recognised when there is a legal or constructive obligation, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. The Charity is registered for VAT due to income generated by some activities and accordingly expenditure excludes any recoverable VAT. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Expenditure that relates directly to a particular activity is allocated to that activity. Support costs are attributed to programmes with reference to the proportion of staff working directly on project based activities.

Fundraising costs relate to the costs incurred by the group and charitable company in raising funds for the charitable work. Investment management fees are not allocated to charitable activities.

Governance costs are the costs associated with the governance arrangements of the charitable company. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the organisation's activities.

f. Grant making

Grants payable are charged to the statement of financial activities in the year in which the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year-end are noted as a commitment, but not accrued as expenditure.

g. Leases

Operating lease rentals are charged to the statement of financial activities on a straight-line basis over the period of the lease.

h. Taxation

WRAP is a charity within the meaning of Paragraph 1 Schedule 6 Finance Act 2010. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of 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. The subsidiary trading companies makes qualifying donations of all taxable profit to the Charity. Deeds of covenant have been prepared to allow the subsidiary trading companies to make qualifying donations of all taxable profit to the Charity.

1. Accounting policies (cont.)

i. Funds

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund together with a fair allocation of management and support costs.

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the Charity.

Designated funds are unrestricted funds ring fenced by the Trustees for particular purposes.

j. Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation is provided on all fixed assets at rates calculated to write-off the cost of each asset evenly over its expected useful life, as follows:

Office equipment: 33% on cost.

k. Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the Statement of Financial Activities. The Charity does not acquire put options, derivatives or other complex financial instruments.

Unlisted investments are included at their fair value if this can be quantified accurately otherwise they are included at cost less impairment. Where a company has raised a further round of investment, the fair value of the investment held is based on the latest value of the Company's shares. Any change in valuation is taken to the Statement of Financial Activities.

l. Investments in subsidiaries

Investments in subsidiaries are at cost.

m. Pension costs

Pension costs represent the costs of providing defined contribution retirement benefits under personal pension arrangements and are charged as incurred.

n. Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that can be reliably measured, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligations at the reporting date.

o. Cash and liquid resources

Cash, for the purpose of the cash flow statement, comprises cash in hand and deposits repayable on demand.

p. Short term investments

Short term investments include bank deposits under which access to cash is restricted for up to 1 year from the date of the deposit and other deposits held by Fund Managers. Cash held in 32 day notice accounts is treated as a short-term investment as it is held for investment purposes.

q. Debtors

Debtors are recorded at their recoverable amount which constitutes the present value for long term debts, the time value of money having been deemed immaterial.

r. Financial instruments

The Group only has financial assets of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Cash held in 32 day notice accounts is treated as a short term investment as it is held for investment purposes.

Notes to the financial statements for the year ending 31 March 2023

2. Income from charitable activities

			2023			2022
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£'000	£'000	£'000	£'000	£'000	£'000
UK Governments Grants		16,200	16,200	58	16,521	16,579
Return of grants to UK Governments	-	-	-	-		
EU Governments	12	105	117	7		7
Non EU Governments		12	12	6	178	184
Other UK Government & Local Authorities	434	364	798	329	4,143	4,471
Total income from Governments	446	16,681	17,127	400	20,841	21,241
Business contributions to voluntary agreements	2,631	-	2,631	2,284		2,284
Trusts & Foundations		878	878	40	795	835
Restricted donations		67	67		160	160
Other income	985	740	1,725	908	840	1,748
Total income from charitable activities	4,062	18,365	22,427	3,632	22,636	26,268

3. Income from investments

All income from investments is unrestricted.

	2023	2022
	Total	Total
	£'000	£'000
Bank interest receivable	73	6
Income from listed investments	244	182
	317	187

Notes to the financial statements for the year ending 31 March 2023

4a. Analysis of expenditure (current year)

	Charitable activities					Other Expenditure	Fundraising Costs	Governance Costs	Support Costs	2023 Total	2022 Total
	Textiles	Food	Plastics	Resource Management	Trading Costs						
			£'000	£'000	£'000		£'000	£'000	£'000	£'000	£'000
Staff costs (Note 8)	1,055	2,840	2,378	3,780	548	-	214	147	2,141	13,102	11,075
Contracted services	103	2,989	1,180	4,778	37	-	5	142	2,062	11,295	11,040
Other expenditure	65	111	52		427	-	-	-	-	655	100
Grants awarded (Note 5)			(151)	175	-	-	-	-	-	24	2,794
	1,223	5,941	3,459	8,733	1,012	-	219	288	4,202	25,076	25,009
Fundraising costs	12	135	51	21	-	-	(219)	-	-	-	-
Governance costs	31	82	28	147	-	-	-	(288)	-	-	-
Support costs	446	1,206	1,023	1,528	-	-	-	-	(4,202)	-	-
Total expenditure 2023	1,711	7,364	4,560	10,429	1,012	-	-	-	-	25,076	

4b. Analysis of expenditure (prior year)

Other expenditure relates to the fair value of the net liabilities of the acquisition of Behaviour Change Limited. Details of WRAP's investment in Behaviour Change Limited is in Note 14

	Charitable activities					Other Expenditure	Fundraising Costs	Governance Costs	Support Costs	2022 Total	2021 Total
	Textiles	Food	Plastics	Resource Management	Trading Costs						
			£'000	£'000	£'000		£'000	£'000	£'000	£'000	£'000
Staff costs (Note 9)	850	2,629	2,150	3,246	114	-	227	137	1,722	11,075	9,848
Contracted services	482	2,874	880	5,055	118	-	5	58	1,568	11,040	10,473
Other expenditure	-	-	-	-	-	100	-	-	-	100	-10,036
Grants awarded (Note 6)	-2	78	925	1,793	-	-	-	-	-	2,794	12,274
	1,331	5,580	3,955	10,094	232	100	232	195	3,290	25,009	22,559
Fundraising costs	18	103	100	11	-	-	(232)	-	-	-	-
Governance costs	13	53	39	90	-	-	-	(195)	-	-	-
Support costs	309	976	796	1,209	-	-	-	-	(3,290)	-	-
Total expenditure 2022	1,671	6,712	4,890	11,405	232	100	-1	-	-	25,009	

Notes to the financial statements for the year ending 31 March 2023

5a. Grant making

	Grants to Community Interest Groups & Charity/Not for Profit	Grants to Institutions	Grants to Local Authorities	Grants to Business	2023 Total
	£'000	£'000	£'000	£'000	£'000
Cost					
Textiles	-	-	-	-	-
Food	-	-	-	-	-
Plastics	-	-	-	(151)	(151)
Resource Management	-	-	175	-	175
At the end of the year	-	-	175	(151)	24

5b. Grant making (prior year)

	Grants to Community Interest Groups & Charity/Not for Profit	Grants to Institutions	Grants to Local Authorities	Grants to Business	2022 Total
	£'000	£'000	£'000	£'000	£'000
Cost					
Textiles	-	-	-	(2)	(2)
Food	49	(54)	83	-	78
Plastics	220	-	-	705	925
Resource Management	-	-	578	1,215	1,793
At the end of the year	269	(54)	661	1,918	2,794

The grants were principally awarded under the following schemes: Global Sustainable Plastic Packaging Programme funded by UKRI, Flytipping grants scheme funded by Defra, and Welsh Government support to Local Authorities to the 'Be Mighty' consumer food waste campaign.

Details of grants awarded can be found at www.wrap.org.uk/awarded-grants.

Notes to the financial statements for the year ending 31 March 2023

6. Analysis of support costs

During 2023 Corporate Communications & Digital charged £791k (2022: Nil) to support costs, this was to reflect the changing needs of Corporate Communications to raise awareness of the Charity and its objectives.

	2023	2022	
	£'000	£'000	
			Basis of allocation
Finance	386	394	Across all heads
Information technology	866	753	Across all heads
Office	436	381	Across location heads
Human resources	626	704	Across all heads
Commercial	328	348	Across delivery heads
Corporate Communication & Digital	791	-	
Executive & CFO office	769	710	Across delivery heads
Total	4,202	3,290	
Analysis of governance costs			
	2023	2022	
	£'000	£'000	
Staff	147	137	Actual costs incurred
Audit	46	33	Actual costs incurred
Trustees Expenses	2	1	
Professional fees	95	24	Actual costs incurred
Total	290	195	

7. Net income (expenditure) for the year

This is stated after charging / (crediting):		
	2023	2022
	£'000	£'000
Depreciation of tangible fixed assets	21	33
Operating lease rentals - land and buildings	271	167
Auditor's remuneration (excluding VAT):		
Audit	31	27
Other services	7	9
Foreign exchange gains/(losses)	47	44

Notes to the financial statements for the year ending 31 March 2023

8. Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:				
	Group		Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Wages and salaries	10,675	9,007	10,229	8,925
Social security costs	1,140	901	1,085	891
Other pension costs	1,138	1,001	1,092	990
Other staff costs	96	95	96	90
Redundancy and termination	52	71	52	71
	13,101	11,075	12,554	10,967

Other pension costs represent employer contributions to defined contribution pension schemes.

The number of employees whose total employee benefits (excluding employer pension costs and employers' national insurance) was above £60,000 for the reporting period as follows:

	2023	2022
	No.	No.
£60,000 - £69,999	8	9
£70,000 - £79,999	3	3
£80,000 - £89,999	1	-
£90,000 - £99,999	3	4
£100,000 - £109,999	-	-
£110,000 - £119,999	1	2
£120,000 - £129,999	-	1
£170,000 - £179,999	1	-

Key Management Personnel

The key management personnel are the Trustees and the executive team (listed on page 49). The total employee benefits, including employer's NI and pension, paid to key management personnel was £1,111,998 (2022: £940,147).

8. Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel (cont.)

Board of Trustees Remuneration

During the year there were 8 (2022: 9) Trustees.

None of the Trustees has a service contract. Since becoming a charity in 2014 all the Trustees, apart from the Chair, give of their time freely and receive no remuneration. The Chair's remuneration has been approved by the Charity Commission. The remuneration of the Chair was as follows:

	Fees 2023 £'000	Fees 2022 £'000
Julie Hill – Chair (resigned 18.11.2023)	22	35
Sebastian Munden – Chair (appointed 21.11.2023)	13	-

Expenses totalling £1,635 (2022: £1,201) were reimbursed in the year to 5 trustees (2022: 5), as follows:

	2023 £	2022 £
Travel	1,635	1,062
Subsistence	-	139
Total	1,635	1,201

9. Staff numbers

Staff numbers				
Employees	Group		Charity	
	2023	2022	2023	2022
The average number of staff was:	No.	No.	No.	No.
Banbury	174	165	174	165
Wales	56	53	56	53
Northern Ireland	9	5	9	5
London	5	5	-	-
Adelaide	1	-	-	-
Total	245	228	239	223

Average number of staff in FTE in 2023 was 233 (2022: 212). The Charity staff work on programmes for all funders.

10. Related party transactions

In 2023 WRAP charged Accelerated Growth Fund Ltd. £19k (2022: £6k) for the provision of staff. As at 31 March 2023 there is a creditor balance of £43k which relates to the Gift Aid distribution to WRAP.

In 2023 WRAP charged WRAP Asia Pacific Ltd £228k (2022: Nil) to recover the costs associated with establishing the subsidiary.

As at 31 March 2023 Behaviour Change Ltd have a creditor balance of £4k (2022: Debtor balance £24k) to WRAP which relates to the recharge of enhanced pension contributions made by WRAP in line with Group policy.

Aggregate donations and distributions from related parties were £43k (2022: £895k) which relates to a Gift aid distribution from Accelerated Growth Fund Ltd. to the Charity.

11. Taxation on surplus on ordinary activities

The Charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The Charity's trading subsidiaries Accelerating Growth Fund Ltd and Behaviour Change Ltd distribute under Gift Aid available profits to the parent charity. Its charge to corporation tax in the year was:

a. Analysis of charge in the period				
	The Group		The Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Current tax				
UK corporation tax at 19% (2022: 19%) on the surplus for the year on ordinary activities	-	-	-	-
Current tax on income for the period	-	-	-	-
Total current tax	-	-	-	-
b. Factors affecting tax charge for the period				
The current tax charge for the period is lower for the group (2022: lower) and for the company (2022: lower) than the standard rate of corporation tax in the UK of 19% (2022: 19%). Taxation is only payable on the interest income earned by the Group.				
	The Group		The Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Surplus before tax on ordinary activities for subsidiary companies	(6)	73	-	-
Surplus on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2022: 19%)	(1)	14	-	-
Effects of:				
Non-taxable income	44	26	-	-
Adjustments to charge in respect of previous periods	-	(10)	-	-
Current taxable profit for the period before distributions	43	29	-	-
Distribution under Gift Aid to parent undertaking	(43)	(29)	-	-
Current tax on income for the period	-	-	-	-

12. Tangible fixed assets

The Group and Charity	Office equipment	Total
Cost	£'000	£'000
At the start of the year	641	641
Additions in year	3	3
At the end of the year	644	644
Depreciation		
At the start of the year	618	618
Charge for the year	21	21
At the end of the year	639	639
Net book value		
At the end of the year	5	5
At the start of the year	23	23

All of the above assets are used for charitable purposes.

13. Listed investments

	The Group		The Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Fair value at the start of the year	12,399	5,503	8,157	5,371
Additions at cost	1,987	10,314	1,168	5,771
Disposal proceeds	(2,139)	(3,534)	(1,290)	(3,286)
Net gain on change in fair value	(1,146)	116	(763)	301
	11,102	12,399	7,272	8,157
Cash held by investment broker pending reinvestment	166	186	96	127
Fair value at the end of the year	11,267	12,585	7,367	8,285
Unlisted investments				
	The Group		The Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Fair value at the start of the year	7,081	5,404	-	-
Additions at cost	1,578	696	-	-
Net gain/(loss) on change in fair value	283	981	-	-
Fair value at the end of the year	8,943	7,081	-	-
Investments comprise:				
	The Group		The Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Listed investments (UK)	3,656	4,171	2,693	3,113
Listed investment (outside the UK)	3,886	5,081	2,902	3,611
Property investments	1,065	407	786	408
Cash	166	186	96	127
Other investments	2,495	2,740	891	1,026
	11,267	12,585	7,368	8,285
Unlisted shares in UK registered companies	8,943	7,081	-	-
	20,210	19,666	7,368	8,285

14. Subsidiary undertakings

The Charity owns the whole of the issued ordinary share capital of the Accelerating Growth Fund Ltd (company number 4698093) and WRAP Enterprises Ltd (company number 4217608), companies registered in England.

The share capital of each of the companies is £1. On 31 December 2021, the Charity became the sole member of Behaviour Change Ltd (company number 7099594 limited by guarantee). The registered office address for all three entities is 2nd Floor Blenheim Court, 19 George Street, Banbury, OX16 5BH.

The subsidiaries are used for trading activities which may be for primary purpose trading and impact or for other trading activities where the profits are reinvested in charitable activity. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are distributed under Gift Aid to the parent charity.

The Charity also is the guarantor, and sole member of, WRAP APAC registered in South Australia (Australian company number ACN 660 633 527).

The amounts owed to/from the parent undertaking are shown in note 17.

A summary of the results of the subsidiaries are shown opposite:

Included within administrative expenses for Accelerating Growth Fund Ltd is a management charge of £19,306 (2022: £6,473).

Included within income for Behaviour Change Ltd is £197,774 (2022: £22,971) of sales to WRAP for project and strategy work. Behaviour Change Ltd's sales less the amount to WRAP represents the trading activity of £755k in the year.

Included within expenditure for WRAP APAC is £230,583 of sales from WRAP to WRAP APAC.

	Accelerating Growth Fund Ltd		Behaviour Change Ltd		WRAP APAC
	2023	2022 Restated	12 months ending 31 March 2023	3 months ending 31 March 2022	9 Months ending 31 March 2023
	£'000	£'000	£'000	£'000	£'000
Income	-	2,417	952,925	266,219	-
Direct expenditure	(50,270)	(6,473)	(347,912)	(94,767)	-
Operating deficit / surplus	(50,270)	(4,056)	605,013	171,452	-
Administrative expenses	(5,618)	(13,688)	(627,178)	(117,261)	(228,104)
Operating (deficit)/surplus on ordinary activities	(55,888)	(17,744)	(22,165)	54,191	(228,104)
Interest receivable and similar income	71,660	37,163	504	-	-
Interest payable	-	(184)	-	(59)	(2,479)
Net (losses) / gains on investments	(28,711)	(791,810)	-	-	-
Operating surplus	(12,939)	(811,045)	(21,661)	54,132	(230,583)
Taxation surplus on ordinary activities	-	-	-	-	-
Total comprehensive income	(12,939)	(811,045)	(21,661)	54,132	(230,583)
Retained earnings					
Total retained earnings brought forward	14,988,711	15,073,164	(45,612)	(99,744)	-
Total comprehensive income	(12,939)	(811,045)	(21,661)	54,132	-
Distribution under Gift Aid to parent charity	(43,051)	(29,183)	-	-	-
Distribution	-	(866,315)	-	-	-
Total retained earnings carried forward	14,932,720	14,988,711	(67,273)	(45,612)	-
The aggregate of the assets, liabilities and reserves was:					
Assets	14,999,476	15,022,415	597,644	264,455	-
Liabilities	(66,757)	(33,705)	(664,917)	(310,067)	(230,583)
Reserves	14,932,720	14,988,710	(67,273)	(45,612)	(230,583)

15. Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2023	2022
	£'000	£'000
Gross income	22,695	27,657
Result for the year	(1,955)	2,974

16. Short term investments

	The Group		The Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Bank deposits	1,487	5,071	1,487	5,071
Royal London Asset Management funds	4,471	7,263	3,263	4,143
Total	5,958	12,334	4,750	9,214

Bank deposits are held at a number of High Street banks, under which access to cash is restricted for up to 1 year. Funds invested in Royal London Asset Management are financial assets. Of the short term investments, £1,208,082 (2022: £3,119,714) is held by subsidiary trading companies and not available for use by the Charity.

17. Debtors: amounts falling due within one year

	The Group		The Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Trade debtors - Grants receivable	3,899	2,293	3,899	2,293
Trade debtors	3,400	1,807	2,883	1,676
Amounts due from group undertakings	-	-	226	29
Other debtors	188	93	174	81
Prepayments	245	138	230	137
	7,732	4,331	7,412	4,216

18. Creditors: amounts falling due within one year

	The Group		The Charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Trade creditors	1,026	2,390	1,007	2,304
Other taxes and social security	661	721	499	660
Other creditors	36	22	36	22
Amounts due to group undertakings	-	-	-	24
Accruals and deferred income	5,643	6,756	5,156	6,589
	7,366	9,888	6,698	9,599

19. Deferred income

Deferred income comprises	The Group		
	2023	2022	2022
	£'000	£'000	£'000
Balance at the beginning of the year	2,367	1,743	1,743
Amount released to income in the year	(1,637)	(1,830)	(1,699)
Amount deferred in the year	2,707	2,454	2,161
Balance at the end of the year	3,437	2,367	2,205

20. Provisions for liabilities

Additions relate to grants and contracts where payment has been made but performance conditions have not yet been satisfied. These monies will be repaid if the performance conditions are not satisfied in the future. Releases relate to grants awarded in prior years where performance conditions have now been satisfied during the year.

Provisions for liabilities comprises

	The Group £'000	The Charity £'000
At 1 April 2022	724	723
Amount released in the year	(249)	(249)
Increase in provision in the year	-	-
At 31 March 2023	474	473
	The Charity £'000	The Charity £'000
At 1 April 2021	1,010	1,009
Amount released in the year	(557)	(557)
Increase in provision in the year	271	271
At 31 March 2022	724	723

The Provisions in WRAP represent the directors' best estimates of the future costs of liabilities relating to operational activities including dilapidations on the rented properties, the holiday pay provision and monitoring provisions for grants awarded. Refer to Note 24 for indications of expected timing of expiry of property leases.

21. Financial instruments

	2023 £'000	2022 Restated £'000
Financial assets measured at fair value through the SOFA		
Listed investments	7,542	9,252
Unlisted investments	4,154	3,210
Short term investments	4,471	7,263

22a. Analysis of group net assets between funds (current year)

	General unrestricted	Designated funds	Restricted funds	Total funds
	£'000	£'000	£'000	£'000
Tangible fixed assets	-	-	5	5
Investments	-	20,210	-	20,210
Net current assets	5,098	4,276	5,226	14,599
Provisions	-	-	(474)	(474)
Net assets at 31 March 2022	5,098	24,486	4,756	34,340

22b. Analysis of group net assets between funds (prior year)

	General unrestricted	Designated funds Restated	Restricted funds	Total funds Restated
	£'000	£'000	£'000	£'000
Tangible fixed assets	-	-	23	23
Investments	-	18,387	-	18,387
Net current assets	5,277	4,985	7,334	17,596
Provisions	-	-	(724)	(724)
Net assets at 31 March 2022	5,277	23,372	6,633	35,282

23a. Movements in funds (current year)

	At 1 April 2022 Restated £'000	Income & gains £'000	Expenditure & losses £'000	Transfers £'000	At 31 March 2023 £'000
Restricted funds:					
Textiles	307	1,178	1,169	-	316
Food	1,434	5,573	6,193	-	813
Plastics	3,365	1,551	3,087	-	1,829
Resource Management	1,527	10,063	9,792	-	1,798
Total restricted funds	6,633	18,365	20,242	-	4,756
Unrestricted funds:					
Designated funds:					
Accelerating Growth Fund Ltd	14,989	72	85	(43)	14,933
WRAP	1,378	-	451	1,250	2,177
WRAP Investment Fund	8,284	-	907	-	7,376
Total designated funds	24,650	72	1,443	1,207	24,486
General funds	5,277	5,263	4,235	(1,207)	5,098
Total unrestricted funds	29,927	5,334	5,678	-	29,584
Total funds	36,561	23,699	25,919	-	34,341

23a. Movements in funds (current year cont)

The £4,756k (2022: £6,633k) of restricted reserves consists of £2,283k of grant funding for work continuing into 2023/24 and £2,473k to cover specific future commitments (primarily programme shutdown costs). The decrease in reserves is largely due to expenditure on the Global Sustainable Plastic Packaging Programme funded by UKRI in 2022. The restricted reserve carried forward was £1,847k of which £1,458k has been utilised in delivery in 2023/24.

The reserves in Accelerating Growth Fund Ltd of £14,933k (2022: £14,989k – restated) are designated by the Trustees to support the activities of the company, namely providing financial support and investment to companies who are investing in or changing to a “circular economy” business model.

The Trustees have designated £1,250k of General Funds into Designated Reserves in the parent charity (2022: £889k). This includes £500k for the set up and initial costs of a subsidiary in America, £250k to fund product development on Extended Producer Responsibility, £250k to further develop WRAP's charitable activity on Food System Transformation, and £250k to fund internal work on strategy.

At the 31st March 2023 the WRAP designated reserves include £524k to support the expansion of WRAP's international work, £109k for future fundraising costs, £72k for the Australia subsidiary, £200k loan facility for Behaviour Change Limited, £45k for EPR bid costs, £242k for internal strategic development, £247k for development on Extended Producer Responsibility, £487k for the set up costs of a subsidiary in America, and £250k to develop WRAP's charitable activity on Food System Transformation

The transfer between Designated and General funds represent the surplus generated in Accelerated Growth Fund Ltd in 2022/23 of £43k which has been distributed to the parent charity under gift aid.

23b. Movements in funds (prior year) Restated

	At 1 April 2021	Income & gains	Expenditure & losses	Transfers	At 31 March 2022
	£'000	£'000	£'000	£'000	£'000
Restricted funds:					
Textiles	350	933	976	-	307
Food	1,280	5,647	5,493	-	1,434
Rural Community Energy Fund				-	0
Plastics	923	5,743	3,301	-	3,365
Resource Management	2,140	10,313	10,926	-	1,527
Total restricted funds	4,693	22,636	20,696	-	6,633
Unrestricted funds:					
Designated funds:					
Accelerating Growth Fund Ltd	15,073	830	20	(895)	14,989
WRAP	716	-	227	889	1,378
WRAP Investment Fund	7,340	104	27	867	8,284
Total Designated funds	23,129	934	274	861	24,651
General funds	5,895	4,282	4,039	(861)	5,277
Total unrestricted funds	29,024	5,217	4,313	-	29,928
Total funds	33,717	27,853	25,009	-	36,561

24. Operating lease commitments payable as a lessee

The group's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property			
	The Group		The Charity	
	2023	2022	2023	2022
Total lease commitments	£'000	£'000	£'000	£'000
Within one year	270	215	188	203
between 2-5 years	260	68	195	68
Financial commitments at the end of the year	530	284	383	271

The Charity had conditional operating commitments of £1,256,956 at 31 March 2023 (2022: £1,386,608) which relate to purchase orders raised as at the balance sheet date for project and overhead costs which will be incurred in the following year.

25. Legal status of the charity

The charity is a Charitable Incorporated Organisation and has no share capital.

26. Prior Year adjustment

The Circular European Growth Funds held by AGF have been uplifted to fair value in line with the unlisted investment accounting policy. A reliable estimate of fair value is provided quarterly by the fund manager Circularity Capital. The adjustment has impacted funds and results for the prior year as follows:

Reserves position	Restricted	Unrestricted	Total		Restricted	Unrestricted	Total
	1 April 2021				31 March 2022		
	£'000	£'000	£'000		£'000	£'000	£'000
Funds previously reported	4,693	28,726	33,419		6,633	28,649	35,282
Prior period adjustment							
Revaluation of investment holding	-	298	298		-	1,279	1,279
Restated funds balance	4,693	29,024	33,717		6,633	29,928	36,561
Impact on income and expenditure							
	Year ended 31 March 2022						
	£'000	£'000	£'000				
Net (expenditure) / income as previously reported	1,940	(77)	1,863				
Prior period adjustment							
Revaluation of investment holding	-	981	981				
Net (expenditure) / income as restated	1,940	904	2,844				



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@WRAP_UK

**Second Floor,
Blenheim Court,
19 George Street,
Banbury, Oxon,
OX16 5BH**

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Charity No: 1159512

THE WASTE AND RESOURCES ACTION PROGRAMME

England & Wales - Charity number 1159512

Accounts

wrap

2021-22

**ANNUAL REPORT
& CONSOLIDATED
ACCOUNTS**



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Annual Report and Consolidated Accounts for the year ended 31 March 2022

Reference and Administrative Details

The Waste and Resources Action Programme

Charity number	1159512
Country of registration	England and Wales
Company number	4125764
Country of incorporation	United Kingdom
Registered office & operational address	2 nd Floor Blenheim Court 19 George Street Banbury OX16 5BH

Trustees

Trustees who served during the year and up to the date of this report were as follows:

Julie Hill (Chair)
Robert Longley Cook
Sophie Thomas
Sue Corbett
Marc Stephens
Jim Oatridge
Sachin Kapila
Sarah Chapman
Michaelene Kinnersley

Executive Committee

Members who served during the year and up to the date of this report were as follows:

Marcus Gover	Chief Executive
Claire Shrewsbury	Insights and Innovation Director
Richard Swannell	International Development Director
Paul Suller	Commercial, Finance, and Operations Director
Angela Pulley	HR Director
Tom Lewis-Reynier	Strategic Engagement Director
Catherine David	Collaboration and Change Director (in post from January 2022)
David Moon	Interim Collaboration and Change Director (in post from August 2021 to December 2021)

Our advisers

External auditor	Sayer Vincent LLP Invicta House 108-114 Golden Lane London EC1Y 0TL	Bankers	Lloyds Bank PLC Faryners House 25 Monument Street London EC3R 8BQ
Legal advisers	Bristows LLP 100 Victoria Embankment London EC4Y 0DH	Investment managers	Rathbone Greenbank Investments 8 Finsbury Circus London EC2M 7AZ
Legal advisers	Bates Wells 10 Queen Street Place London EC4R 1BE	Investment managers	Royal London Asset Management 55 Gracechurch Street London EC3V 0RL
Legal advisers	Dale Levy & Co LLP 8 Holyrood Street London SE1 2EL		
Internal auditor	Haysmacintyre 10 Queen Street Place London EC4R 1AG		
Bankers	Barclays Bank PLC 25 High Street Coventry CV1 5RE		

Statement from the Chair of Trustees and the Chief Executive

This has been a year of considerable progress and achievement for WRAP on many fronts, despite the challenging environment.

As we write, a pandemic is being followed by a war. The net zero narrative that had been gaining such extraordinary political and public support is under attack from some quarters in the face of rising energy bills and increases in the cost of living. There may well be further fallout from the pandemic.

Against this backdrop, our teams continue to step up to the challenges. We are proud of the presence and influence we were able to have at COP26 and the convening we achieved beforehand; the ground-breaking report on global food waste produced in collaboration with the United Nations (UN); our success in further illuminating the greenhouse gas (GHG) impacts of the food supply chain; and the unprecedented buy-in to our Textiles 2030 targets from across the sector. There is solid progress towards our Plastics Pact targets, including action on a greater number of unnecessary and problematic plastic products. We have also greatly enhanced our behaviour change expertise through the acquisition of Behaviour Change Ltd, which has become the latest WRAP subsidiary, and established an office in Australia as part of our growing international presence. We have provided thought leadership as well as delivery on the ground.

The environmental agenda has accelerated over the last two years, but we must strive to maintain impetus. It is imperative that those of us with climate action at our core can counter the net zero sceptics with numbers and narratives, making clear that low-

carbon lives are better lives. WRAP's entire agenda on resource efficiency and security, accelerating a circular economy, and driving out waste are key contributions to keeping 1.5°C alive. We have been pivotal in getting recognition for the role of these 'consumption' emissions.

A large proportion of WRAP's work concerns the resilience of the food system and the sustainability of supply chains. If there is disruption caused by the war in Ukraine, our work to prevent food waste and ensure the ever greater redistribution of surplus food will be of even greater importance in alleviating food insecurity.

Our brand is visible in ever more places, and we have sought stakeholder feedback on where we can improve our presence and our operations. In 2021 our commitment to equality, diversity and inclusion (ED&I) was recognised when we became an accredited Investor in Diversity as awarded by the National Centre for Diversity, and we are very proud to have been recognised by them as the best small-to-medium business at their June 2022 FREDIE awards. The more we learn, the more we realise how much further we need to go, so our aspirations and efforts on ED&I are committed and continual.

We look to the future, whatever it holds, with a firm but flexible plan and new energy.

Julie Hill
Chair

Marcus Gover
Chief Executive

Trustees Report including Strategic Report

Introduction to WRAP

[WRAP](#) acts on the climate crisis by bringing governments, businesses and citizens around the world together to transform the way goods are produced, consumed and disposed of.

We believe that by doing this we can build a thriving world in which our planet's precious resources are never wasted, and where climate change is no longer a problem.

We focus on the areas of production and consumption which have the biggest environmental impacts.

These are:

- food and drink;
- plastic packaging;
- textiles; and
- resource management.

By making these more sustainable, we can also help to drive progress on the UN Sustainable Development Goals (SDGs) on poverty and hunger, sustainable cities, responsible consumption and production, climate action, life below water and on land, and partnerships for the goals.

Our strategic ambitions

[Our Plan for a Sustainable Planet](#) sets out how we will move towards WRAP's vision for a thriving world in which climate change is no longer a problem. The plan continues to support our growth in the UK and internationally.

Our ambitions by 2025 are to:

- Build the resilience of global food systems, while reducing GHG emissions towards net zero. We will work to ensure the UK continues on a trajectory to halve food waste by 2030. We will support partners around the world to halve food waste and reduce GHGs.
- Align The UK Plastics Pact with net zero and water conservation. We will work to develop and support Plastics Pacts around the world and continue to bolster the network of Pacts that together are rapidly tackling plastic pollution.
- Confront the contribution the global clothing and textiles industry makes to climate change through forging ambitious voluntary agreements and supporting new policies to drive a shift to a circular textiles economy.
- Support the transition to net zero through resource efficiency and a more circular economy in the UK and internationally. We will work to increase the amount of material that is re-used or

recycled back into the world economy.

The impact of world-wide events

2021 was marked by continuing periods of COVID-19 lockdown restrictions. This impacted on WRAP's operations and was a challenging period for employees as they adapted to remote working.

We overcame these challenges to deliver a comprehensive programme of work which delivered demonstrable impact. This included the launch of two new voluntary agreements in the UK – Textiles 2030 and Courtauld 2030 – as well as the nation's inaugural Food Waste Action Week. Globally, we continued to grow in new directions, including the development of Plastics Pacts in Kenya and India, and a new programme in Australia. To boost our capabilities working with citizens, we were proud to have [Behaviour Change](#) come on board as a WRAP subsidiary.

We welcomed the easing of restrictions which enabled us to come together again with partners and as colleagues. Our offices re-opened, and staff were encouraged to return, while adhering to COVID-19 safe working practices. After consulting with colleagues, we committed to a 'hybrid' working model – a balance of home-working and in-office collaboration. This flexible approach has been valued by employees.

The COVID-19 pandemic has pushed more people into food insecurity and poverty. This is exacerbated by the devastating war in Ukraine. As well as the immediate human cost for civilians caught up in the conflict, the ripple effects are being felt across the world with higher fuel and food prices. The long-term impact of these events on global supply chains is unclear, but an increase in fuel and food poverty seems inevitable. This makes our work in reducing food loss and waste as relevant as ever.

Our impact this year

Food and drink

Food production and consumption are responsible for around 30% of global carbon emissions, and 60 – 80% of biodiversity loss through the destruction of natural habitats.

In 2021/22, we set out to:

- help the food and drink sector measure and increase contributions to net zero, enabling businesses to report and reduce their food waste. This included reducing water stress in the major sourcing regions for UK food;
- engage more citizens in food waste reduction around the world;

- increase surplus food redistribution;
- continue to develop and implement international food waste reduction policies; and
- support worldwide partners in delivering programmes and citizen behaviour change campaigns to reduce food waste and GHG emissions.

To achieve the required impacts, we undertook a number of crucial activities, including extending the Courtauld Commitment to [Courtauld Commitment 2030](#) (Courtauld 2030). This is a voluntary agreement that enables collaborative action across the entire UK food chain to deliver farm-to-fork reductions in food waste, GHG emissions, and water stress that will help the UK food and drink sector achieve global environmental goals.

Our standout moments under Courtauld 2030 included:

- Our food experts helping to shape one of the core [National Food Strategy](#) recommendations – the development of a National Food System data programme. Our Courtauld 2030 working groups will help to ensure it is fit for purpose.
- Launching '[A roadmap towards water security for food & drink supply](#)' with 50 supporters, in partnership with the Rivers Trust and WWF. The roadmap sets out the milestones needed to achieve the Courtauld 2030 water target of 50% of the UK's fresh food being sourced from areas with sustainable water management.
- Announcing that more than 100 food and drink organisations will help develop a [unified system for measuring Scope 3 \(supply chain\) GHG emissions](#) across the sector. A first version of the 'Scope 3 Measurement & Reporting Protocols for UK Food and Drink Businesses' and supporting 'Emission Factor Datasheet' was published in May 2022.
- Our '[Food Waste Reduction Roadmap Progress Report 2021](#)' – delivered in partnership with IGD (Institute of Grocery Distribution) – highlighted progress made in the third year of the roadmap: 250,000 tonnes of food waste were prevented, 670,000 tonnes of GHG emissions were avoided, and surplus food equivalent to 145 million meals was redistributed.

We played a central supporting role with farmers as they developed a new Global Farm Metric which will allow them to measure their sustainability performance. Some of our insights on food loss and waste on farms include:

- Working with WWF on their new report with Tesco – '[Driven to waste: The Global Impact of Food Loss and Waste on Farms](#)' – indicating that

1.2 billion tonnes of food are wasted on farms.

- Releasing our '[Financial implications for farm enterprises of reducing food surplus and waste](#)' report, which revealed a potential 20% profit increase for UK farm enterprises if food surplus and waste is reduced.

Each year, UK households waste an estimated 6.6 million tonnes of food, of which nearly two-thirds is edible. We work with partners to amplify our messages and change behaviours through in-store interventions, in the home, and on packaging. Our behaviour change work has received many accolades including winning a silver [ESG Award](#) 2021 for our Food Waste Action Week 2021 campaign, which was also shortlisted for a Purpose Award 2021. The campaign is a week of action dedicated to raising awareness of the environmental consequences of wasting food.

Throughout the pandemic, we have been monitoring citizen food waste trends. Our [latest survey](#) revealed that self-reported food waste is back in line with pre-lockdown levels, as more UK citizens now report feeling under time pressure in their day-to-day lives (45% in November 2021 compared to 37% in June 2020). The research also found a correlation between those who use their freezers efficiently (i.e. the regular freezing and defrosting of food) and those who waste less food. Given the insights, our programme of behaviour change interventions will look at motivations to help overcome barriers causing food waste.

In addition, [Food Waste Action Week 2022](#) focused on advice and guidance around defrosting, alongside labelling products prior to storage. For the first time, the week was celebrated globally in 12 countries. In the UK, the campaign was seen or heard of by over 9.6 million people, and 58% of these said that they went on to do something different about the food they waste. This equates to 5.6 million people taking action.

Along with our ambassadors, our work within the hospitality and food service industry continues as we support this sector in developing food waste reduction skills to protect profits and the planet. There are still challenges for this sector with the closing / re-opening of venues and securing both staff and food. Our work in this area included:

- Launching a Guardians of Grub '[Becoming a Champion](#)' online behaviour change course where 'champions' receive certificates and progress reports highlighting financial and carbon savings. This follows a pilot that we ran from September 2020 to April 2021, which reported a 23% to 38% reduction in food waste (grams per cover) over a four-to-eight-week period.

- We also delivered:
 - a [‘Cost Saving Skills’ course](#) to align with climate change benefits; and
 - partner webinars to share insights, policy, and action: [‘Serving Net Zero’](#), [‘Plate Waste’](#), and [‘Skills for the Future’](#).

COP26, Glasgow

Our NGO observer status at COP26 provided us with an excellent platform to champion our message that we cannot reach net zero if we do not address the 45% of global GHG emissions which are caused by the way we make and consume products. This means fixing the unsustainable global food system and shifting to a circular economy.

In the run-up to COP26, we hosted a series of four thought leadership events setting out the benefits of a net zero global food system:

- The first tackled surplus food redistribution with The Global FoodBanking Network and the Harvard Law School Food Law and Policy Clinic. We [identified key solutions](#) to prevent food waste and reduce hunger.
- The second was an [official side event to the UN Food Systems Summit Pre-summit](#). Hosted with Partnering for Green Growth and the Global Goals 2030 (P4G), we brought together retailers and brands to discuss the role that businesses can play in creating a net zero global food system.
- The third – our [‘Hidden Hero’ event](#) – explored how to achieve a net zero food system, looking at the benefits from across the entire food supply chain.
- Our final event addressed the lack of [finance targeting food waste prevention](#), and featured insights from financial institutions such as the World Bank and Rabobank.

To coincide with the events, we released major new research into [UK Food System GHG Emissions](#). This showed that a 50% reduction in food-related emissions by 2030 is possible, but only if we take urgent action.

On the global stage, our work also included:

- Launching the [Australian Food Pact](#) in October 2021. As a founding partner, we helped to develop the initiative – based on our tried-and-tested Courtauld Commitment model – which featured major signatories such as Mars Australia, McCain Foods, and Woolworths Group.
- Our coalition of [‘FLAWLESS’ project](#) partners, funded by P4G, establishing a third food waste

reduction voluntary agreement. Launched in Indonesia, it follows last year’s launches in Mexico and South Africa. With over 50 members across the three agreements, we aim to redistribute at least 15,000 tonnes of food by May 2022.

- Collaborating with the UN Environment Programme (UNEP) to launch Global Opportunities for Sustainable Development Goals food waste regional working groups, as a follow-on from the UNEP Food Waste Index Report 2021. In 2021/22, we delivered 23 workshops (with nine more in 2022/23) across four regions, building capacity for measurement and momentum for delivering UN SDG 12.3. Delegates from nearly 30 countries have been learning how they can measure food waste in line with this goal and develop a national strategy to reduce it.
- Expanding our citizen behaviour change work to Canada, by partnering with the National Zero Waste Council. This £560,000 Walmart Foundation-funded project is developing interventions to encourage people to correctly store fresh fruit and vegetables. We will pilot these during 2022/23.

Plastic packaging

The production, use, and disposal of plastic generates about 1.8 billion tonnes of CO_{2e} emissions annually. The world produces 141 million tonnes of plastic packaging a year, but around a third of all plastic packaging put on the global market leaks from collection systems, polluting the environment. At least eight million tonnes of plastic leaks into the ocean each year. Taking action will improve our environment, conserve our precious natural resources, and help make the world a more sustainable place.

In 2021/22, we set out to:

- further tackle plastic pollution through The UK Plastics Pact, agreeing action plans with members, convening collaborative actions, sharing good practice, and finding innovative solutions for film and flexible packaging recycling;
- continue to provide balanced messaging about the impact of plastics through our ‘Clear on Plastics’ campaign; and
- develop further Plastics Pacts and plastic reduction policies internationally.

As [The UK Plastics Pact](#) entered its fourth year, members accounted for two-thirds of all consumer packaging used in the UK. Our standout moments under the Pact included:

- Publishing [‘The UK Plastics Pact Annual Report 2020 – 2021’](#), demonstrating significant member progress towards each of the Pact targets. Between 2018 and 2020, single-use plastic items reduced by 46%, the amount of packaging on supermarket shelves decreased by 10%, and recycled content doubled, saving 140,000 tonnes of CO₂e. There has also been positive change by businesses on re-use and refill, and the recycling of plastic bags and wrapping, along with investment in recycling and reprocessing infrastructure. However, it is these areas where we need to see change accelerated if we are to hit our targets.
- Releasing [new guidance](#) calling on retailers to collect plastic bags and wrapping via front of store collection points. It outlines best practice for introducing and refining collections. Alongside it, we published an update to our [roadmap to creating a circular economy for flexible plastic packaging](#).
- Forging a unique partnership with Asda and Unilever to help people adopt re-use and refill as part of their weekly shop. Co-funded by Innovate UK, it is hoped that this [world-leading research](#), using behaviour change science, will pave the way for mainstream re-use and refill shopping in UK supermarkets.
- Publishing [ground-breaking new research](#) investigating the opportunities to reduce household food waste and unnecessary single-use plastic packaging on uncut fresh fruit and vegetables. We called on the UK’s major retailers to rethink how they sell this produce. The project has widespread implications for our work under both Courtauld 2030 and The UK Plastics Pact.

WRAP’s [Plastics Tracker Report 2021](#), funded by UKRI, revealed that plastic waste is an important issue to 67% of UK citizens, but changing shopping habits can be challenging. We continue to engage people with clear information on plastic packaging through our Clear on Plastics campaign. This year, we:

- Launched [‘Repeat the Cycle’](#), driving people to recycle plastic bags and wrapping at supermarket collection points. More than 4,000 locations were added to our [Recycling Locator](#), which saw a 500% increase in searches for plastic bags and wrapping in 2021/22 compared to 2020/21. Collecting this material is key to meeting our UK Plastics Pact targets.
- Delivered a series of social media videos with Queen’s University Belfast, highlighting why recycling is beneficial, with a focus on how it positively impacts the Northern Ireland economy.

WRAP plays a pivotal role in tackling plastic pollution internationally, galvanising global action. As a result of our work – alongside our partners – there is now a Plastics Pact in every populated continent on the planet. Our notable work in this area included:

- Partnering with World Economic Forum’s (WEF) Global Plastic Action Partnership to tackle the global issue of plastic waste. By actively supporting delivery of the network of Plastics Pacts and National Plastic Action Partnerships, we are combining knowledge, experience, and resources.
- Working with WEF, Algramo, P4G, and WWF on [‘Refill Revolution’](#). This project aims to address plastic waste in Mexico using smart packaging that tracks the plastic lifecycle, and an in-store platform to refill household products.
- Announcing our formal role as a strategic partner collaborating with Alliance to End Plastic Waste. The partnership aims to reduce plastic waste through knowledge and data-sharing, and to jointly fund interventions in priority areas including Africa, India, and Latin America.
- Supporting the development of the Plastics Sustainability Roadmap 2021 – 2030 in Malaysia, outlining their national targets to reduce plastic pollution. It marks another big step towards reducing the global impact of plastics.
- Completing our first annual reporting on European Plastics Pact members’ progress towards the targets. A summary report will be published in quarter one. Pact funding in 2021 was limited, which resulted in scaled back operations. For 2022, we aim to establish a more stable funding arrangement with business and government contributions and recruit new Pact signatories.
- Supporting the Australian Packaging Covenant Organisation in launching the [ANZPAC Plastics Pact](#), with more than 60 members. The Pact brings together Australia, New Zealand, and Pacific Islands region under a series of ambitious 2025 targets to eliminate plastic waste.
- Working with The Recycling Partnership and WWF US, we supported the development of the [‘U.S. Plastics Pact Roadmap to 2025’](#). Our support continued with the development of the [‘U.S. Plastics Pact’s Problematic and Unnecessary Materials List’](#), which accelerates progress towards a circular economy for plastic packaging in the United States.
- Launching the first Plastics Pact in Asia – the [India Plastics Pact](#) – with major signatories, such as Amazon, Coca Cola India, and Hindustan

Unilever Limited, committed to four ambitious targets. As a strategic partner, WRAP worked with WWF India, Confederation of Indian Industry, and UKRI to set up and launch the Pact; a collaboration that will continue as the pioneering work progresses in the region.

- Working with Defra, MAVA Foundation, Ellen MacArthur Foundation, and Sustainable Inclusive Business to develop the [Kenya Plastics Pact](#). It is the second Plastics Pact in Africa and includes members such as Bidco, Coca-Cola, and L'Oreal, all working towards ambitious 2030 targets. The first Pact in Africa – the [South African Plastics Pact](#) – launched its 'Baseline Report 2020/21', outlining progress and priorities.
- Supporting the development of the Canada Plastics Pact's ambitious action plan – '[Roadmap to 2025: A shared action plan to build a circular economy for plastics packaging](#)' – released by over 70 leading organisations and governments to eliminate plastic waste.
- Conducting a [feasibility study](#) for the Swedish Environmental Protection Agency, which explored how 'Green Nudges' can support policy to reduce the use of single-use coffee cups across Sweden.
- Tackling plastic pollution in Asia, South America, and Africa by launching the £1.7 million [International Circular Plastics Flagship Competition](#). The Innovate UK funding supported innovative solutions to plastic pollution in India, Chile, South Africa, and Kenya.

Textiles

The global fashion industry produced around four billion tonnes of GHG emissions in 2016, equating to 8% of the total. In addition, the number of times each item of clothing is worn before being discarded is significantly reducing over time.

In 2021/22, we set out to:

- publish the results of our [Sustainable Clothing Action Plan 2020](#) (SCAP 2020);
- launch a new voluntary agreement – Textiles 2030 – with a focus on carbon, water, and circular textiles targets, and enabling a wide range of textiles businesses to measure their own progress;
- pilot our Textiles Action Network;
- catalyse investment in innovative and new business models for clothing, and provide robust evidence for new policies to tackle unwanted textiles;
- continue to deliver Love Your Clothes campaigns and behaviour change interventions.

To achieve the required impacts, we undertook a number of crucial activities. Our standout projects include:

- Launching a ground-breaking UK initiative for fashion and textiles, [Textiles 2030](#). Signatories have committed to collectively reducing the carbon impacts of new products by 50%, and water impacts by 30%, by 2030. To support this, we published the '[Textiles 2030 Roadmap](#)' and '[Textiles 2030 Circularity Pathway](#)'. Textiles 2030 has already won a [gold Corporate Engagement Award 2021](#), recognising our innovative collaboration with the UK textiles sector, and the delivery support provided by Flourish CSR and QSA Partners.
- Celebrating our work in the textiles sector during our first ever [Textiles Action Week](#), which marked the publication of our '[Textiles 2030: Six Month Progress Report](#)'. Within just ten months from launch, we reached 100 signatories.
- Developing the Textiles 2030 Calculator Tool to enable all businesses to establish a baseline and track their progress against our carbon and water footprint. Our year-one Textiles 2030 benchmarking questionnaire for signatories revealed that 80% of respondents have already implemented at least one circular design action in their business.
- Publishing the [final SCAP 2020 results](#), which showed that we exceeded our carbon and water targets, and significantly improved the use of sustainable fibres in clothing by 102,000 tonnes in 2020 (compared to the 2012 baseline).
- Launching our Love Your Clothes Leeds-based '[Habits for Life](#)' pilot project, funded by The Garfield Weston Foundation and supported by several donations from The Tomoro Foundation. The project was impacted by COVID-19 travel restrictions, social distancing, and partner closures, but will run until October 2022 to teach the local community how to make the most of their clothes via a series of workshops.
- Launching the [Textiles Action Network](#) to bring together businesses, governments, and citizens across the globe to transform the landscape of the industry. Details of [our first international pilot](#), with its first year funded by Laudes Foundation, are being finalised.
- Supporting the UK government in developing Extended Producer Responsibility (EPR) policy, establishing collaborative spaces between businesses, signatories, and government. In recognition of our expertise in this area, we secured a contract to work with the Australian Fashion Council, supporting the [National Clothing Product Stewardship Scheme](#), which aims to

improve the design, recovery, re-use, and recycling of textiles.

Resource management

There is [a need for continued activity](#) to deliver government ambitions on recycling and minimising residual waste.

In 2021/22, we set out to:

- continue policy and technical support to national and local governments including the implementation of collection and packaging reforms;
- encourage more of England's local authorities to adopt consistent waste and recycling services;
- continue to deliver service changes for Welsh local authorities;
- provide support and insights required to implement EPR, payment modelling, and single-use plastics legislation in Northern Ireland;
- continue to deliver citizen behaviour change campaigns across the UK; and
- support higher rates of recycling and a more circular economy through household collections, and more business recycling, and encourage products to be designed to be recyclable or suitable for re-use.

To achieve the required impacts, we undertook a number of crucial activities. Below are examples of our regional resource management work.

England

Working with Defra, our work in England included:

- Supporting government in understanding the costs and benefits of consistent collections and [EPR](#) for packaging, informing government consultation and commitments on recycling in the Net Zero Strategy, autumn 2021 budget and Environment Act 2021.
- Updating [guidance](#) to help local authorities to manage the quality of recyclable materials collected at the kerbside. It aims to address the long-standing issue of approximately 16% of what is processed at Materials Recovery Facilities being rejected.
- Delivering our 18th annual [Recycle Week](#), with funding from 14 major commercial donors, urging the nation to 'Step It Up' through Recycle Now. For the first time, we enlisted two celebrity ambassadors to support the week – JJ Chalmers and Sara Cox.
- Publishing our [Recycling Tracker Survey](#), which revealed that while 88% of UK households regularly recycle, 55% put one or more recyclable items in the general rubbish.

- Launching our ['On-pack Labelling and Citizen Recycling Behaviour'](#) report, which examined the impact of 'nudging' citizens towards greater recycling via on-pack messaging. In a trial with Boots and Unilever, we found that a simple prompt on shampoo bottles drove the recycling rate up from 86% to 91%.
- Running two Recycle Now [Action Pack](#) campaigns designed to engage Key Stage 1 and 2 pupils in recycling. We subsequently launched an 'Action Pack Recycling Challenge', asking 4 – 11-year-olds to create a poster or film to encourage others to recycle. It generated over 700 entries.
- Providing technical advice to the 14 councils in Hampshire, to enable an 'optimal collection option' to be agreed. With our support, Portsmouth City Council approved plans to implement a [twin stream collection system](#) to meet the requirements of the Environment Bill.
- Completing our 2019 – 2022 delivery of grants under the £18 million Resource Action Fund, with project monitoring ongoing for the next three years. A total of £12.5 million was awarded to 398 organisations, with an additional £6.1 million in match-funding being demonstrated by grant recipients. Projects will divert up to 150,000 tonnes of waste from landfill, including food, plastic packaging, textiles, litter, and business waste recycling. Projects have, however, suffered some delays due to the pandemic, Brexit, and supply chain issues.

Northern Ireland

Working with the Department of Agriculture, Environment and Rural Affairs (DAERA), our work in Northern Ireland included:

- Continuing to support the development of successful waste and recycling policies, including a [report summarising the responses](#) to a 2020 consultation, which sought views on policy proposals designed to increase the quality and quantity of municipal waste collected for recycling.
- Supporting a regulatory impact assessment on policies designed to reduce the use of single-use plastic beverage cups and single-use plastic food containers.
- Working with Queen's University Belfast to [estimate flows of plastic waste](#) in Northern Ireland.
- Running a 'Better Recycling Campaign' – with all 11 councils participating – to encourage citizens to improve their recycling behaviours. Our

Recycling Tracker Survey showed that 64% of citizens said that they changed their recycling behaviour because of the campaign.

Wales

Working with the Welsh Government, our work in Wales included:

- Providing [strategic support](#) to help 15 out of 44 Welsh public sector bodies to embed sustainability into their procurement strategies and activities, positively influencing over £1.2 billion of public sector expenditure.
- Partnering with Conwy County Borough Council, Polytag, and Welsh Government to run a trial to better understand the implications of implementing and operating a [Digital Deposit Return Scheme](#).
- Completing our 2019 – 2022 delivery of grants under the £6.5 million [Circular Economy Fund](#), with project monitoring ongoing for a further three years. We awarded more than £4 million to 21 organisations, with the total investment – including match-funding – at over £11.9 million. Business hesitancy to invest during the current economic climate, along with the requirement to complete projects within the financial year, impacted on the number of applications, and some successful applicants withdrew.
- Working with over 20 organisations to deliver four [supply chain projects](#) to demonstrate how barriers to increasing recycle in manufacturing can be overcome.
- Delivering two ‘[Be Mighty. Recycle.](#)’ campaigns through Wales Recycles, to help push Wales from third to the best recycling nation in the world. The campaigns also celebrated collection crews. Due to ministerial changes, quarter four campaign expenditure was paused. Existing assets were then re-purposed.

Future plans for our focus areas

We are pleased to have successfully delivered against our 2021/22 plans for each of our focus areas, and in 2022/23, we will be prioritising the following activity.

Food and drink

We will help the food and drink sector to measure their Scope 3 GHG emissions and increase contributions to net zero. By supporting large food businesses and their suppliers we will enable them to report and reduce their food waste. We will expand collaborative projects to reduce water stress in the major sourcing regions for UK food. We will provide a clear delivery plan for the Courtauld Commitment to 2030.

We will realign our food waste efforts in and out of the home to target food items and behaviours that deliver the greatest climate outcome. There will be a particular focus on mobilising the hospitality and food service sector to act on food waste.

Working with the EU, G20, and Commonwealth countries, we will continue to develop and implement food waste reduction policies. By supporting partners around the world, we will help them to deliver programmes and citizen behaviour change campaigns to reduce food waste and GHG emissions. This will ensure that the UK remains on its trajectory to halve food waste by 2030 in line with UN SDG 12.3, and that more countries are on a similar path. We will look to develop more work in the Asia-Pacific region as we open a new office in Australia.

Plastic packaging

The UK Plastics Pact will continue to drive our work in tackling plastic pollution. We are working with Pact members to reach the targets, and to find innovative recycling solutions for film and flexible packaging. We will develop our strategy towards 2030 and bring new businesses on board.

We will reduce the amount of plastic used in the UK by supporting businesses and shoppers to buy and sell with less plastic packaging. We will re-double our efforts with businesses and local authorities to enable people to recycle more of the plastics they use, with a focus on film.

We will continue to promote the benefits of recycling to citizens, and to work with partners to amplify our efforts and impact with the public.

We will continue to extend the global network of Plastics Pacts, bringing the model and shared learnings to new markets. Our work with partners will continue to develop further Pacts and plastic reduction policies within the EU, G20, and Commonwealth countries.

Textiles

Textiles 2030 will champion circularity and seek to halve the climate change impact of clothing and textiles. We will drive progress on Textiles 2030 targets in the UK by supporting signatories and increasing business participation in the agreement.

We will look to catalyse investment in innovative and new business models for clothing and provide robust evidence for new policies to tackle unwanted textiles.

The Love Your Clothes brand and its campaigns and behaviour change interventions remain ongoing, and we will explore an international licensing opportunity for Love Your Clothes.

We will expand the Textiles Action Network internationally, with a focus on the Danish voluntary agreement and establishing a product stewardship scheme in Australia.

Resource management

We remain committed to providing policy and technical support to national and local governments, and the implementation of collection and packaging reforms. We will encourage additional English local authorities to adopt more consistent waste and recycling services while also using our evidence-based social norming messages in communications.

For Welsh local authorities, we will continue to support them with service changes and meeting their recycling targets. We will also continue our policy support by providing Welsh Government with evidence required to inform new recycling targets and update the Collections Blueprint. This includes delivery of the All Wales Waste Compositional Analysis and Food Compositional Analysis. Our plans in Northern Ireland are to provide support and insights required to implement EPR, payment modelling, and Single Use Plastics legislation support.

We will support higher rates of recycling and a more circular economy through household collections, and more business recycling. We will encourage products to be designed to be recyclable or suitable for re-use, and drive demand for low carbon, circular products and services by providing support for sustainable public procurement.

Citizen behaviour change campaigns across the UK will remain a focus. We want to inspire citizens to do more for the environment and promote positive recycling behaviours. We want to ensure the link to climate action is clear for citizens.

Our work with partners around the world will continue as we embed policies and practices that drive a more circular economy, particularly with a focus on the Asia-Pacific region.

Structure, Governance and Management

We were set up as The Waste and Resources Action Programme (WRAP), a charitable company limited by guarantee, incorporated on 11 December 2000, and registered as a charity in England and Wales on 5 December 2014.

We were established under a memorandum of association which set out the objects and powers of the charitable company and is governed under its articles of association dated 6 April 2018. The liability of the members of the company is limited to £1 per member.

The objects are:

The protection and preservation of the environment for the public benefit, in particular but without limitation by:

- the promotion and facilitation of sustainable product design, waste minimisation, re-use, recycling, and reprocessing of waste materials and sustainable waste management;
- the provision and encouragement of expertise, knowledge, and best practice in relation to sustainable resource use; and
- the improvement of understanding of the waste stream and the opportunities for re-use, recycling, and reprocessing.

Our focus on 'sustainable resource use' is intended to enable society to meet the needs of the current population without compromising the ability of future generations to meet their needs.

In reviewing our charitable objects and as part of forward-planning, the Trustees have taken account of the Charity Commission's guidance on public benefit and considered how our planned programme of work will consistently contribute to the charity's aims and objects.

For the public benefit

Human life on Earth is facing unprecedented global challenges. Our world is experiencing:

- a rapid rise in GHG emissions leading to **global warming**;
- the unsustainable **depletion of natural resources**;
- ecosystem destruction and **biodiversity loss** that is between 1,000 and 10,000 times higher than the natural background extinction rate; and
- **pollution** of the planet to dangerous levels, including by plastic, nitrogen, and phosphorus.

This is leading to significant and irreversible changes to the Earth's environment. This not only threatens our ability to sustain the current human population, but also to provide for the estimated additional 2.5 billion people who will be with us by 2050.

WRAP's greatest potential to bring benefits to humanity and the environment is through effective deployment of our skills, track record, networks, and resources, by focusing on:

- food and drink;
- plastic packaging;
- textiles; and
- the sustainable management of resources.

Working in these areas will enable us to deliver against the UN SDGs on poverty and hunger, sustainable cities, responsible consumption and production, climate action, life below water and on land, and partnerships for the goals.

Equality, diversity and inclusion (ED&I) statement

To bring about a diverse and sustainable world, we need to be a diverse and sustainable organisation.

This year WRAP has continued to follow its ED&I [strategy](#) embedding it into our approach to hybrid working, changing our recruitment processes, building ED&I outcomes into our project work and continuing to upskill our leaders in good practice.

Since our last report the percentage of WRAP employees who identify as non-white has increased from 3% to 9%. We still have a long way to go but we are encouraged by the changes we already see.

We are an anti-racism organisation working to remove racism in any form, overt, micro-aggression or unconscious bias. This is not only so we can support the work we do and recruit a more diverse workforce, but also so that employees feel that they can work in an environment without fear of behaviour that causes offence or upset, based on their skin colour.

A priority for us in the next year is WRAP's Disability Confident journey. We are committed to making a difference for disabled people and have signed up to the first level of recognition Disability Confident. Our goal is to improve our recruitment and opportunities for disabled candidates and be recognised as a Disability Confident Employer in 2023.

We have set high expectations of the behaviours and the standards we will hold ourselves to as we continue to create a workplace that represents the communities we serve and where all our people feel they belong as their authentic selves.

The more we learn the more we understand what we don't know. We continue to work on being comfortable with the uncomfortable and recognise the need to think and act differently. This is a journey; and we know we can continue to be better.

We are proud that December 2021 saw our commitment to ED&I recognised when we became an accredited Investor in Diversity as awarded by the National Centre for Diversity.

Board of Trustees

The Board of Trustees, who are also Directors of the Charity for the purposes of the Companies Act, administer the charity. The Board can have up to 12 Members and currently comprises the Chair and eight independent non-executive directors.

The Board is responsible for:

- determining the strategy;
- approving the business plan;
- approving the budget;
- monitoring the charity's performance;
- ensuring WRAP achieves and maintains its EDI objectives;
- monitoring the business risks; and
- the health and safety issues of the charity.

The Board met six times during the year to 31 March 2022.

The company applies the relevant principles of good governance in UK Corporate Governance Code, as set out below.

- The Board meets regularly.
- There is a clear division of responsibilities between the Chair and the Chief Executive.
- The Board includes a majority of independent non-executive directors.
- There is a formal procedure for the appointment of new directors.
- The Board is supplied in a timely manner with sufficient information to discharge its duties.
- The Board periodically undertakes an evaluation of its effectiveness.
- Directors submit themselves for re-election after a maximum term of four years.
- The non-executive directors meet as necessary without the executive directors present.

WRAP supports the principles of the Charity Governance Code fully, and we are reviewing our practice against the Code's requirements as part of our on-going work to build and strengthen our governance arrangements.

Trustee induction and training

New Trustees undergo an orientation day to brief them on their legal obligations under charity and company law, the Charity Commission guidance on public benefit, and inform them of the content of the Articles of Association, the committee and decision-making processes as well as WRAP's strategy, programmes, business plan and recent financial performance. During the induction day they meet key employees and other Trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Nominations and Remuneration Committee

In view of the size of the company, it is considered appropriate to combine the roles of the Nominations Committee and Remuneration Committee. The Committee comprises three non-executive directors, currently Sophie Thomas, Sue Corbett and Robert Longley-Cook (Chair). Jim Oatridge resigned from the Committee in September 2021 and Sophie Thomas was appointed to the Committee in September 2021. The Committee met four times during the year to 31 March 2022. The Chair, Julie Hill, is not a member of the committee but attended four meetings during the year. The Chief Executive, Marcus Gover, and HR Director, Angela Pulley, both attended four meetings during the year. The main responsibilities of the Committee are to:

- establish a procedure for the appointment of Trustees and executive directors;
- oversee the process of the appointment of Trustees;
- review the remuneration of the executive directors; and
- review equality, diversity and inclusion progress and strategy.

The Committee has agreed a procedure for the selection of Trustees, which will accord with the following principles:

- Posts will be publicly advertised. The advertisement (and the supporting information for candidates) will make it clear what specialist expertise is required, depending on the need to replace the expertise of the retiring Board members, and to take account of any additional requirements.
- The advertisements will make it clear that WRAP is committed to diversity and welcomes applicants irrespective of religion, age, sex, sexual orientation, gender reassignment, marital status, disability or race.
- An independent individual who is skilled in the making of similar non-executive appointments will be included on the interview panel.
- The interview panel will proceed by consensus as far as possible, but with no member having a veto.
- Candidates will be provided with a decision as quickly as possible after the interview and information will be made publicly available about the appointments made, which will include any other relevant positions held by those appointed.

Remuneration

All the non-executive directors, apart from the Chair, give of their time freely and receive no remuneration. The remuneration of the Chair has been approved by the Charity Commission.

The main objectives of the Company's remuneration policy are to provide a remuneration package that will attract, retain and motivate individuals of an appropriate calibre. The pay of the executive directors and staff is reviewed annually. The Company benchmarks pay using a leading, commercially available service. An element of pay is variable and relates to performance in the year and is based on achievement of specific objectives.

Expenses are reimbursed to the extent that they have been incurred wholly, necessarily and exclusively for the purposes of the charity.

Full details of Trustees' remuneration, expenses and related party transactions are disclosed in notes 10 and 12 to the accounts.

Audit and Risk Committee

The Audit and Risk Committee comprises four Trustees, namely Jim Oatridge (Chair), Marc Stephens, Michaelene Kinnersley, and Sarah Chapman. Sophie Thomas resigned from the Committee in September 2021 and Sarah Chapman was appointed to the Committee in September 2021. The Committee met four times during the year ended 31 March 2022, with the external auditors present at two meetings. The Chair, Julie Hill, is not a member of the Committee but attended four meetings during the year. The Chief Executive, Marcus Gover, attended two meetings during the year. The Commercial, Finance, and Operations Director, Paul Suller, attended four meetings.

The main responsibilities of the Audit and Risk Committee are to:

- monitor the integrity of the financial statements;
- review the charity's internal financial controls and the charity's control and risk management systems;
- make recommendations to the Board on the appointment and remuneration of the external auditors;
- review the findings of the audit with the external auditor;
- review the independence of the external auditor; and
- appoint the internal auditor, agree work plans, review internal audit reports, and monitor completion of agreed actions.

Maintenance of a sound system of internal control

The Board is responsible for the company's system of internal control and for reviewing its effectiveness. Such a system is designed to minimise the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss. The Audit and Risk Committee assists the Board in discharging its review responsibilities.

The main features of the company's risk and control framework are outlined below.

- WRAP's Business Plan, including the annual budget, is discussed and approved by the Board. An update on progress and a forecast for the remainder of the financial year is given at each Board meeting.
- Matters needing the Board's attention are clearly defined: financial procedures, procurement procedures and authorisation levels are set by, and any changes approved by, the Audit and Risk Committee. Appropriate reporting procedures have been established.
- Risk assessments are made by staff from across all the charity's programmes. The results of these assessments are discussed and kept under regular review by the senior management team and reported to the Audit and Risk Committee. A risk register is regularly updated.
- The Chairman of the Audit and Risk Committee reports the outcome of Committee meetings to the Board.
- The company has established a whistleblowing policy whereby staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters.

The Board has reviewed the effectiveness of the company's systems of internal control for the financial year 2020/21 and up to the date of approval of the annual report and accounts. The company is committed to the development and enhancement of existing systems of internal control and risk management as appropriate for the company and its activities. During March 2020, Haysmacintyre were appointed as internal auditors for WRAP. This appointment is intended to strengthen the Board confidence in enterprise risk management by adding to the third line of defence, and to provide external insights and best practice to the Executive team.

Investment Committee

The Investment Committee was created and comprises three Trustees, namely Sarah Chapman (Chair), Sachin Kapila and Marc Stephens. The Committee met four times during the year ended 31 March 2022, with the investment managers present at all four meetings. Jim Oatridge resigned from the Committee in September 2021 and Marc Stephens was appointed to the Committee in September 2021. The Chair, Julie Hill, is not a member of the Committee, but attended three meetings during the year. The CEO, Marcus Gover, attended one meeting during the year. The Commercial, Finance, and Operations Director, Paul Suller, attended four meetings.

The main responsibilities of the Investment Committee are to:

- at least maintain the real value of the financial return focused investment portfolio over the long term whilst generating a sustainable contribution to unrestricted income. The strategy for the financial return portfolio is managed by the WRAP Board; and
- monitor delivery of impact objectives and financial return for the mixed-motive investment portfolio. This portfolio has twin goals of delivering financial return whilst furthering our charitable impact, hence 'mixed-motive'. The AGF Board is responsible for the investment strategy.

Attendance at meetings

The table below sets out the number of Board and Committee meetings held during the year, and the attendance of each Trustee. It should be emphasised that this information does not fully reflect the contribution made to the company's business by many of the Trustees who have also attended other meetings and events relating to the company's business during the year.

	Board	Audit & Risk Committee	Nominations & Remuneration Committee	Investment Committee
Number of meetings	5	4	4[#]	4[#]
Sarah Chapman	5/5	2/2*		4/4
Sue Corbett	4/5		3/4	
Julie Hill	5/5	4/4	4/4	3/4
Sachin Kapila	5/5			2/4
Michaelene Kinnersley	5/5	4/4		
Robert Longley-Cook	5/5		4/4	
Jim Oatridge	2/5	4/4	0/2*	0/2*
Marc Stephens	5/5	3/4		2/2*
Sophie Thomas	5/5	2/2*	2/2*	

*Number of eligible meetings for this individual is less than the total number due to Committee membership being updated during the year.

#Investment Committee and Nominations Committee totals each include one meeting where there was no quorum present.

Executive Committee

The Board has delegated the day-to-day operations to the Chief Executive Officer (CEO). The CEO, supported by the Executive Committee, is accountable to the Board for providing information to enable the Board to monitor the organisation's operating and financial results. Individual matters that are novel or contentious are referred to the Board.

The Trustees and Executive Committee are deemed to be key management personnel of the Charity (see page 3 for membership).

Related Parties

At the year-end, WRAP had three wholly owned subsidiary companies, established where it has been deemed appropriate to house specific programmes in separate legal entities. In addition to these eEquip was liquidated in 2019/20. Two companies were limited by shares and one (Behaviour Change) limited by guarantee.

Subsequent to year-end, registration has been submitted for a new subsidiary in Australia (WRAP APAC) as a charity and company limited by guarantee.

Accelerating Growth Fund (AGF) Ltd

The company provides financial support and investments to organisations, principally SMEs, who are investing in, or changing to, “circular economy” business models. AGF’s profits are gift aided to WRAP; the amount gift aided amounted to £29k in 2021/22 (2020/21: £99k). An additional £866k was distributed from retained earnings in 2021/22 to add to the Investment Fund in WRAP. The Chair of the WRAP Board of Trustees is the Chair of AGF Ltd.

Behaviour Change Ltd

The company helps businesses, charities, governments, and foundations to create social and environmental change through applying behavioural science, insights, and interventions. Behaviour Change’s profits are gift aided to WRAP; the amount gift aided amounted to nil in 2020/21 (2019/20: nil). The Chair of Behaviour Change is the Collaboration and Change Director.

WRAP Enterprises Ltd

WRAP Enterprises was established as a trading subsidiary to capture any revenues arising from commercial contracts. To date WRAP Enterprises has not traded and it is currently dormant. The Chief Executive of WRAP is the Chair of WRAP Enterprises.

Related party information and transactions can be found in Note 10.

Relations with stakeholders, and fundraising

WRAP regularly consults with its stakeholders. Through a series of stakeholder meetings, their views are taken into account in our business planning process. We welcome input from our stakeholders on an on-going basis.

Section 162A Statement: WRAP does not participate in any fund-raising schemes or use the service of a professional fund-raiser or commercial participator to carry on any of those activities.

Safety, Health & Environmental Report

Balancing the health, safety and employee wellbeing whilst ensuring our projects deliver measurable impacts has continued to be difficult during the on-going pandemic. Irrespective of the challenges resulting from the COVID-19 pandemic the health, safety and wellbeing of all our employees continues to be our number one priority. The Safety, Health and Environmental (SHE) committee meets monthly and represents all departments across WRAP. It provides a central conduit for all employees to share their concerns with WRAP. It also provides an effective mechanism to disseminate key SHE messages across WRAP.

In addition, the COVID-19 response team continued to meet regularly throughout the year. Based on the latest evidence, and UK Governments’ legislation, our COVID-19 policies and supporting guidance have been continuously reviewed and, when necessary, updated.

When we were able to re-open our offices there was a strong focus on maintaining a safe working environment in our offices. It was also important to provide safe working spaces for those who wanted to interact with their work colleagues. This is being achieved by creating additional welcoming collaborative working spaces. Similarly, our Safe Working procedures for visiting sites during the pandemic have been regularly reviewed and updated to allow employees to make site visits without significantly increasing the risk of them catching or transmitting COVID-19. Site visits have been voluntary for all employees.

More recently, taking a similar approach combined with a detailed risk assessment for higher risk countries, some overseas travel has re-started.

Throughout the year Safety, Health and Environment training has been provided through a combination of e-learning and video conferencing. Ten modules are completed by all new employees, with existing employees refreshing the training every three years. Our stretch target for all employees to have completed or refreshed this training for all ten modules was narrowly missed. Current records report 98% compliance.

No matter how small they might seem employees are encouraged to report any near hits. Covering all home working, office working and when visiting sites, 13 near hits were reported. Four accidents, all superficial or minor, were also reported.

As an environmental charity we need to demonstrate a proactive commitment to meet high environmental performance standards. The environmental pledges introduced in 2021/22 continued to challenge all employees to reduce their environmental impact when at home. Employees were encouraged to improve their overall resource management; reduce food waste; reduce the environmental impact of the clothes and textiles they use; reduce energy use; and reduce water use.

In recent months all our initiatives to reduce our environmental impact have been combined into our Carbon Reduction Plan. The plan was published and approved by the Board in March 2022. This carbon reduction plan sets out what our emissions are and how we plan to address them, moving beyond offsetting to real reduction where possible.

To be in line with requirements set out in the 'Technical standard for completion of carbon reduction plans' (2021) means quantifying and reporting on emissions in five of the fifteen categories within Scope 3. These five categories are: upstream transportation and distribution; waste disposal; business travel; employee commuting; and downstream transportation and distribution.

From 2022 WRAP will be net zero. From there further ways to reduce emissions that are indirectly associated with our business will be identified and implemented. Emissions that cannot be eliminated will be offset.

Employment policies

WRAP operates a programme to inform and educate all staff on matters of interest by means of briefings, seminars and individual training. Employees are involved on a regular basis in discussions related to their specific interests and staff are encouraged to take an active interest in all aspects of WRAP's performance.

WRAP actively encourages applications from all suitably qualified applicants, regardless of religion, age, sex, sexual orientation, gender reassignment, marital status, disability or race. All employees receive necessary assistance with initial training courses and, once employed, performance management and personal development meetings help in developing a career plan so as to ensure suitable opportunities for everyone. Arrangements are made where possible for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

Financial review

Income

£m	2021/22	2020/21
UK government grants	16.5	10.3
Other UK government bodies & local authorities	4.5	0.9
Non-UK government grants	0.2	0.2
Business contributions to voluntary agreements	2.3	1.9
Donations from businesses, trusts, and foundations	1.0	1.4
International income	1.7	0.8
Trading and investment	0.6	4.3
Total income	26.8	19.9

WRAP's income of £26.8m for the financial year was £5.8m higher than the underlying 2020/21 figure of £21m (£19.9m included one-off investment gains of £4.2m, offset by grant repayments of £5.3m). Notable increases came from other government of £3.6m including £3.3m additional from UKRI, international income (£0.9m), and business contributions (£0.4m). Further highlights are included below.

UK government grants

Government funding is from Defra, the Welsh Government, and DAERA in Northern Ireland.

Total core grant funding from Defra was £9.7m (2020/21 £6.6m after £0.5m repayment to Defra due to COVID-19 deferrals – plus additional one-off grants in 2020/21 of £2.2m, offset by a repayment of £4.8m from the 2019/20 RAF grant programme).

The Welsh Government awarded a core grant of £4.3m in 2021/22 (2020/21 £4.2m); £2.1m (2020/21 £1.7m) of which was for the Collaborative Change Programme. A further £1.4m (2020/21 £2.1m) was claimed under the £6.5m Circular Economy Fund (CEF) grant programme.

In Northern Ireland, the core grant from DAERA increased to £1.0m (2020/21 £0.9m).

Other UK government bodies

WRAP was awarded a grant of £3.3m from UK Research and Innovation (UKRI) for an International Plastics Innovation Fund, £0.4m for an India Plastics Pact, £0.1m for the Refill project (2021/22 £0.3m was claimed under a previous UKRI Circular Plastics grant and £0.2m for the India Plastics Pact).

Zero Waste Scotland granted WRAP £0.3m (2020/21 £0.3m).

Other government departments and local authorities granted £0.4m (2020/21 £0.1m)

Donations

Charitable donations, including Trusts and Foundations, decreased in the year to £1.0m (2020/21 £1.4m), with donations from Stewart Investors (£0.3m), Avery Denison (£0.1m), Mava (£0.2m), EMF (£0.1m), Laudes Foundation (£0.1m) and various contributions to Recycle Week and Food Waste Action Week (£0.2m).

Businesses

Contributions from businesses for the three voluntary agreements increased to £2.3m (2020/21 £1.9m), with most of the increase relating to the Textiles 2030 Pact (£0.3m), and Plastics Pact (£0.1m).

International income

Income from international organisations increased in the year to £1.7m (2020/21 £0.8m), with the largest being P4G (£0.3m), Amazon (£0.2m), WEF (£0.2m), Google (£0.2m).

Trading and investment income

Investment income includes investment gains of £0.1m (2020/21 £4.2m).

Investment policy

WRAP has an investment policy to invest in managed funds or direct equity investments with the intention of furthering the company's charitable objects and providing a greater return than cash. Investments in countries embargoed by the UN or UK are excluded (e.g. Russia).

Listed investments

The WRAP Group currently has £12.6m of financial investments managed by Rathbones Greenbank (2020/21 £7.3m plus £0.9m managed by Brewin Dolphin). Following a tender exercise in 2020/21, the listed investment funds have been transferred to Rathbones Greenbank.

The investments are long-term in nature and short-term volatility is to be expected, as has been seen in global markets over the year, resulting in a capital gain of £0.1m (2020/21 £0.6m).

The portfolio is ESG focused, with investments positively screened for their ESG credentials, and excludes companies deriving most of their revenues from the sale of tobacco or fossil fuels.

Mixed-motive investments

Mixed-motive investments are held within our subsidiary company AGF Ltd to deliver charitable impact whilst also generating a financial return, aiming at least for capital retention over the medium-term.

AGF holds £5.8m (2020/21 £5.1m) of mixed motive investments; £1.9m (2020/21 £1.2m) in the Circularity European Growth Funds and £3.9m (2020/21 £3.9m) in Sicut Enterprises Ltd.

The Circularity European Growth Fund's mission is to deliver value for investors by supporting SME growth and innovation in the Circular Economy.

Sicut Enterprises is primarily a supplier of sustainable railway sleepers manufactured from recycled plastic. The shares were revalued in 2020/21 following an investment round and revised cashflow forecasts, resulting in a gain of £3.4m (2021/22 nil).

Expenditure

£m	2021/22		2020/21	
	Sub-grants	Non-grant	Sub-grants	Non-grant
Textiles	-	1.7	0.8	1.4
Food	0.1	6.6	4.5	6.5
Plastics	0.9	4.0	3.2	3.2
Resource Management	1.8	9.6	3.8	9.1
Subtotal	2.8	21.9	12.3	20.2
Other Including Trading	-	0.3	-	(9.9)
Total Expenditure	2.8	22.2	12.3	10.3

Total expenditure in the year was £25m (2020/21 £22.6m), which included £2.8m of sub-grants (2020/21 £12.3m). 2020/21 also included a one-off trading item (AGF provision release) of £10.0m.

Charitable activities

Textiles non-grant expenditure increased to £1.7m (2020/21 £1.4m) reflecting the initiation of Textiles 2030. There were no textile grants distributed (2020/21 £0.8m relating to RAF).

Food system non-grant expenditure was similar to last year at £6.6m (2020/21: £6.5m); whilst food grants awarded were just £0.1m (2020/21 £4.5m relating to RAF and Covid related food redistribution).

Plastics non-grant expenditure increased to £4.0m (2020/21 £3.2m) recognising success particularly in international voluntary agreements e.g. in India with UKRI funding. Plastic grants of £0.9m relate mainly to the UKRI International Plastics Innovation Fund of £1.2m offset by £0.3m for a grant withdrawn in the Plastics Innovation £1.7m scheme (2020/21 £3.2m for RAF and UKRI innovation grants).

Resource management non-grant expenditure increased moderately to £9.6m (2020/21 £9.1m) with increased government funding for e.g. waste compositional analysis. Grants of £1.8m (2020/21 £3.8m) included the Circular Economy Fund in Wales of £1.4m (2020/21 £2.1m).

Net movement in funds

There was a net increase of £1.9m in funds during the year to £35.3m (2020/21: £33.4m). This consists of a £1.9m increase in restricted funds, a £0.5m increase in designated funds, partially offset by a £0.6m reduction in general funds.

The increase in restricted reserves is mainly due to a £3.3m restricted grant from UKRI to fund international plastics pacts – this was receivable in 2021/22 but only the sub-grant elements were expended in the year, £1.2m together with £0.2m of non-grant expenditure, the remainder (£1.9m) will be spent with international partners in 2022/23.

Designated funds have increased to £23.4m (2020/21: £22.8m). The largest balance of £22m (2020/21 £22.1m) is for investment funds. The increase includes £300k for the set-up costs of the subsidiary in Australia, £200k working capital for the Behaviour Change subsidiary, and £200k to fund work on strategy development in 2022/23.

Consolidated balance sheet

At 31 March 2022 net assets were £35.3m (2021: £33.4m).

The most significant movements in this financial year are:

- £5.1m increase in investments - AGF listed (£4.5m to Rathbones Greenbank) and unlisted (£0.7m to Circularity Capital European Funds).
- £3.5m reduction in net current assets:
 - Debtors increase of £2.6m, includes £1.7m from Welsh government, £0.2m from UKRI and the balance from various businesses for 2022/23 pact invoices – none are at risk of default
 - Creditors reduced by £4.7m as sub-grants were paid according to milestones
 - Short-term investments reduced by £10.2m to fund debtors (£2.6m), creditors (£4.7m), investments (£5.1m), partially offset by the SOFA surplus (£1.9m)

Reserves policy and going concern

WRAP holds financial reserves to be applied to future activities in these categories:

- General funds – unrestricted funds to be applied generally to further WRAP's charitable purposes. At 31 March 2022 WRAP held general funds of £5.3m (equivalent to over four months' salary and overheads).
- Restricted funds – to be applied only to the purpose(s) specified by the donor. At 31 March 2022 WRAP held restricted funds of £6.6m.
- Designated funds – to be applied to a given purpose specified by the Trustees. At 31 March 2022 WRAP held designated funds of £23.4m.

The Trustees have set a target for unrestricted reserves based on an analysis of the potential financial risk facing WRAP. The Trustees consider the appropriate level of general reserves to be between three and six months of staff and support costs. Funds in excess of this will be transferred to the financial investment fund to generate a predictable level of unrestricted income. Should general reserves fall below three months, then a call on the financial investment fund can be made.

The Trustees have reviewed the circumstances of the charity and the group and consider that adequate resources continue to be available to fund activities for the foreseeable future. The Trustees are therefore of the view that the WRAP group is a going concern.

Principal risks and uncertainties

The Trustees have a risk management strategy which comprises:

- a quarterly review of the principal risks and uncertainties facing WRAP and its subsidiaries led by the Audit and Risk Committee and reported back to the Board at each meeting;
- the establishment of policies, systems and procedures to mitigate those risks identified in the quarterly reviews;
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise; and
- ongoing review of risk mitigation and controls via the Audit and Risk Committee of the Board, including the appointment of an independent internal audit team (Haysmacintyre) to further strengthen assurance activities.

The principal risk and uncertainty for WRAP relates to the level of future funding. Our primary source of funding continues to be grant funding from the UK's central and devolved governments. Continued downward pressure on public finances presents a risk to WRAP, as to any organisation in receipt of government funding.

The Trustees' mitigation for these risks is threefold:

- maximising WRAP's value to its principal government funders and working with our funders on a strategic roadmap;
- diversifying our funding mix – we are beginning to see the impact of this though the increase in our business income and international funding. A fund-raising team is now in place to accelerate this though more donations and in particular trust and foundation income, whilst additional relationship managers have also been recruited; and
- ensuring sufficient flexibility in our cost base to respond to any future changes in funding without compromising the organisation's ongoing ability to deliver impact.

As mentioned elsewhere in the report, WRAP has considered the impact of COVID-19 on its operations and strategy and responded accordingly. The safety and welfare of our staff is paramount, with our existing business continuity procedures enabling staff to work seamlessly from home. WRAP remains well-funded, retains the support of our major funders (governments and large corporations), and work can continue remotely for most of our programmes. A hybrid home and office-based work policy has been implemented.

WRAP maintains comprehensive Health and Safety policies and procedures, including reporting and review of any accidents or near-misses. Please see the Safety, Health and Environment section for further details.

Statement of responsibilities of the Trustees of The Waste and Resources Action Programme in respect of the Trustees' annual report and the financial statements

The Trustees (who are also directors of The Waste and Resources Action Programme for the purposes of company law) are responsible for preparing the Trustees' annual report including the strategic report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company or group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then 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 and statements of recommended practice 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 charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2021 was 14 (2020: 14). The Trustees are members of the charity, but this entitles them only to voting rights. The Trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The Trustees' Annual Report which includes the strategic report has been approved by the Trustees on 29 June 2022 and signed on their behalf by

Julie Hill
Chair

Independent auditor's report to the members of The Waste and Resources Action Programme

Opinion

We have audited the financial statements of The Waste Resources and Action Programme (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended.
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the group financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on The Waste Resources and Action Programme's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Trustees' annual report, including the strategic report, other than the group financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the group financial statements does not cover the other information, and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the group financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the Trustees' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements.
- The Trustees' annual report, including the strategic report, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' annual report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities set out in the Trustees' annual report, the Trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, and the audit and risk committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance.
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud.

- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Fleur Holden (Senior statutory auditor)
12 July 2022
for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2022

	Note	Unrestricted £'000	Restricted £'000	2022 Total £'000	Unrestricted £'000	Restricted £'000	Restated 2021 Total £'000
Income from:							
Charitable activities	2						
Textiles		441	933	1,374	197	504	701
Food		1,007	5,647	6,654	836	2,957	3,793
Plastics		1,544	5,743	7,288	1,311	1,662	2,973
Resource Management		639	10,313	10,952	133	8,027	8,160
Other trading activities	14	269	-	269	-	-	-
Investments	3	187	-	187	130	-	130
Total income		4,088	22,636	26,724	2,607	13,150	15,757
Expenditure on:							
Charitable activities							
Textiles		694	976	1,671	280	1,871	2,151
Food		1,219	5,493	6,712	743	10,238	10,981
Plastics		1,588	3,301	4,889	1,218	5,233	6,451
Resource Management		479	10,926	11,405	-	12,922	12,922
Other Trading Activities	14	232	-	232	(9,946)	-	(9,946)
Other Expenditure	4a	100	-	100	-	-	-
Total expenditure		4,312	20,696	25,009	(7,705)	30,264	22,559
Net income / (expenditure) before net gains/(losses) on investments		(225)	1,940	1,715	10,312	(17,114)	(6,802)
Net gains / (losses) on investments		104	-	104	4,171	-	4,171
Net income / (expenditure) for the year	7	(121)	1,940	1,819	14,483	(17,114)	(2,631)
Transfers between funds		-	-	-	33	(33)	-
Net income / (expenditure) before other recognised gains and losses		(121)	1,940	1,819	14,516	(17,147)	(2,631)
Other losses		44	-	44	(107)	-	(107)
Net movement in funds		(77)	1,940	1,863	14,409	(17,147)	(2,738)
Reconciliation of funds:							
Total funds brought forward		28,726	4,693	33,419	14,317	21,840	36,157
Total funds carried forward		28,649	6,633	35,282	28,726	4,693	33,419
Restricted funds		-	6,633	6,633	-	4,693	4,693
Designated funds		23,372	-	23,372	22,831	-	22,831
General funds		5,277	-	5,277	5,895	-	5,895
Total		28,649	6,633	35,282	28,726	4,693	33,419

The statement of financial activities includes all gains and losses recognised in the year. The comparative figures for 2021 are analysed in Note 2. The notes on pages 32-47 form part of the financial statements.

All of the above results are derived from continuing activities. Movements in funds are disclosed in Note 23a to the financial statements.

Consolidated and charity balance sheets

As at 31 March 2022

	Note	The group 2022 £'000	2021 £'000	The charity 2022 £'000	2021 £'000
Fixed assets:					
Tangible assets	12	23	53	20	53
Investments	13	18,387	13,305	8,285	7,340
		18,410	13,358	8,305	7,393
Current assets:					
Debtors due within one year	17	4,331	1,748	4,216	1,871
Short term investments	16	12,334	22,572	9,214	14,221
Cash at bank and in hand		10,819	11,376	10,205	10,791
		27,484	35,696	23,635	26,883
Creditors: amounts falling due within one year	18	(9,888)	(14,626)	(9,599)	(14,623)
Net current assets		17,596	21,070	14,036	12,260
Total assets less current liabilities		36,006	34,428	22,341	19,653
Provision for liabilities and charges	20	(724)	(1,009)	(724)	(1,009)
Net assets		35,282	33,419	21,617	18,644
Reserves					
Restricted funds	23a	6,633	4,693	6,633	4,693
Unrestricted funds:					
Designated funds		23,372	22,831	9,662	8,056
General funds		5,277	5,895	5,322	5,895
Total reserves		35,282	33,419	21,617	18,644

Approved by the trustees on 29 June 2022 and signed on their behalf by

Julie Hill
Chair of TrusteesCompany number 4125764
Charity number 1159512

Consolidated statement of cash flows

For the year ended 31 March 2022

	2022 £	£	2021 £	£
Cash flows from operating activities				
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	1,863		(2,738)	
Depreciation charges	33		44	
(Gains)/losses on listed and unlisted investments	(117)		(3,968)	
Exchange (gains)/losses	(44)		107	
Dividends and interest from investments	(187)		(130)	
(Increase)/Decrease in debtors	(2,583)		3,726	
(Decrease)/Increase in creditors	(4,738)		6,268	
(Decrease) in provision	(285)		(9,354)	
Net cash (used in) by operating activities		(6,058)		(6,045)
Cash flows from investing activities:				
Dividends and interest from investments	187		130	
Purchase of fixed assets	(3)		-	
Proceeds from sale of investments	3,534		4,537	
Purchase of listed and unlisted investments	(11,010)		(6,279)	
Decrease/(increase) in cash held by investment manager	2,511		(2,554)	
Net cash used in investing activities		(4,781)		(4,166)
Change in cash and cash equivalents in the year		(10,839)		(10,211)
Cash and cash equivalents at the beginning of the year		33,948		44,266
Movements due to acquisition				
Change in cash and cash equivalents due to exchange rate movements		44		(107)
Cash and cash equivalents at the end of the year		23,153		33,948
Analysis of cash and cash equivalents and of net debt				
	At 1 April 2021 £	Cash flows £	Other non- cash changes £	At 31 March 2022 £
Cash at bank and in hand	11,376	(601)	44	10,819
Short term investments	22,572	(10,238)	-	12,334
Total cash and cash equivalents	33,948	(10,839)	44	23,153

Notes to the financial statements

For the year ended 31 March 2022

1 Accounting policies**a) Basis of financial statements and accounting policies**

WRAP is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office address is 2nd Floor, Blenheim Court, 19 George Street, Banbury, OX16 5BH.

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) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006 and Charities Act 2011. WRAP 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 note(s).

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

The Charitable Activities in the Statement of Financial Activities have been changed to the four Programmes; Textiles, Food, Plastics and Resource Management which reflect the way the Charity operates and is managed. The comparative figures have been restated to reflect the four Programmes but there is no impact on the net result for the 2020/21 year.

b) Basis of consolidation

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiaries: Accelerating Growth Fund Limited, Behaviour Change Limited and WRAP Enterprises Ltd, on a line by line basis. eEquip RVG Limited's ongoing operations came to a close and the company became dormant on 31 December 2019 and liquidated in September 2020. Transactions and balances between the charitable company and its subsidiaries have been eliminated from the consolidated financial statements. Balances between AGF (WRAP Enterprises is dormant) are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

The Charity is included in the consolidated financial statements and is considered to be a qualifying entity under FRS 102 paragraphs 1.8 to 1.12. The following exemptions available under FRS 102 in respect of certain disclosures for the Charity financial statements have been applied:

- No separate parent company Statement of Cash Flows with related notes is included;
- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The Charity is exempt under the Companies Act 2006 s408 from the requirement to present its own profit and loss account.

c) Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the strategic report within the trustees' report. The financial position of the Group, its cash flows and liquidity position are also described in the strategic report and the financial statements. As highlighted in the financial statements, the Group meets its day-to-day working capital requirements through grants and other funding. Whilst the current economic and political conditions may create uncertainty over the level of future funding, the trustees have reviewed the Group's committed funding, obligations and reserves and have concluded that the Group is able to meet all its liabilities as they fall due. As the Charity has a significant portion of its 2022/23 income secured and it has £15m of liquid unrestricted reserves, the trustees consider there are no material uncertainties. The trustees therefore have a reasonable expectation that the Group has adequate resources to continue in operational existence for 12 months from the date of approval of the accounts. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

d) Income

Income is recognised when: the charity has entitlement to the funds; any performance conditions attached to the income have been met, and it is probable that the income will be received and that the amount can be measured reliably.

Revenue grants are credited to the statement of financial activities in the period in which the funding is receivable. Where unconditional entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the income is recognised when there is sufficient evidence that conditions will be met. Where there is uncertainty as to whether the charity can meet such conditions, the income is deferred. Investment income is included in the statement of financial activities when receivable. Grant income is either restricted or unrestricted, depending on the conditions attached to the grant.

Income received from the sale of goods and services is recognised in the financial statement in the year in which the good is sold or the service provided. Where contributions from voluntary agreement members have been received in one year, but relate to future years, they are treated as deferred income so that income is recognised in accordance with the membership fee timeframe.

Notes to the financial statements

For the year ended 31 March 2022

1 Accounting policies**e) Expenditure**

All expenditure is charged in the period to which it relates on an accruals basis and a liability is recognised when there is a legal or constructive obligation, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. The Charity is registered for VAT due to income generated by some activities and accordingly expenditure excludes any recoverable VAT. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Expenditure that relates directly to a particular activity is allocated to that activity. Support costs are attributed to programmes with reference to the proportion of staff working directly on project based activities.

Fundraising costs relate to the costs incurred by the group and charitable company in raising funds for the charitable work. Investment management fees are not allocated to charitable activities.

Governance costs are the costs associated with the governance arrangements of the charitable company. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the organisation's activities.

f) Grant making

Grants payable are charged to the statement of financial activities in the year in which the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year-end are noted as a commitment, but not accrued as expenditure.

g) Leases

Operating lease rentals are charged to the statement of financial activities on a straight-line basis over the period of the lease.

h) Taxation

WRAP is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of 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. The subsidiary trading company makes qualifying donations of all taxable profit to the charity. Deeds of covenant have been prepared to allow the subsidiary trading company to make qualifying donations of all taxable profit to the charity.

i) Funds

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund together with a fair allocation of management and support costs.

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity.

Designated funds are unrestricted funds ring fenced by the trustees for particular purposes.

j) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation is provided on all fixed assets at rates calculated to write-off the cost of each asset evenly over its expected useful life, as follows:

Office equipment: 33% on cost.

k) Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the Statement of Financial Activities. The charity does not acquire put options, derivatives or other complex financial instruments.

Unlisted investments are included at their fair value if this can be quantified accurately otherwise they are included at cost less impairment. Where a company has raised a further round of investment, the fair value of the investment held is based on the latest value of the Company's shares. Any change in valuation is taken to the Statement of Financial Activities.

l) Investments in subsidiaries

Investments in subsidiaries are at cost.

m) Pension costs

Pension costs represent the costs of providing defined contribution retirement benefits under personal pension arrangements and are charged as incurred.

Notes to the financial statements

For the year ended 31 March 2022

1 Accounting policies

n) Creditors and Provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that can be reliably measured, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligations at the reporting date.

o) Cash and liquid resources

Cash, for the purpose of the cash flow statement, comprises cash in hand and deposits repayable on demand.

p) Short term investments

Short term investments include bank deposits under which access to cash is restricted for up to 100 days from the date of the deposit and other deposits held by Fund Managers. Cash held in 32 day notice accounts is treated as a short-term investment as it is held for investment purposes.

q) Debtors

Debtors are recorded at their recoverable amount which constitutes the present value for long term debts, the time value of money having been deemed immaterial.

r) Financial instruments

The group only has financial assets of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Cash held in 32 day notice accounts is treated as a short term investment as it is held for investment purposes.

2 Income from charitable activities

	Unrestricted £'000	Restricted £'000	2022 Total £'000	Unrestricted £'000	Restricted £'000	2021 Total £'000
UK Governments	58	16,521	16,579	70	16,271	16,341
Return of grants to UK Governments	-	-	-	-	(5,970)	(5,970)
EU Governments	7	-	7	-	(15)	(15)
Non EU Governments	6	178	184	-	191	191
Other UK Government & Local Authorities	329	4,143	4,471	64	813	877
Total income from Governments	400	20,841	21,241	134	11,290	11,424
Business contributions to voluntary agreements	2,284	-	2,284	1,874	-	1,874
Trusts & Foundations	40	795	835	-	1,158	1,158
Restricted donations	-	160	160	-	330	330
Other income	908	840	1,748	469	372	841
Total income from charitable activities	3,632	22,636	26,268	2,477	13,150	15,627

3 Income from investments

	2022 Total £'000	2021 Total £'000
Bank interest receivable	6	32
Income from listed investments	182	98
	187	130

All income from investments is unrestricted.

Notes to the financial statements

For the year ended 31 March 2022

4a Analysis of expenditure (current year)

	Charitable activities									2021 Total £'000	
	Textiles	Food	Plastics £'000	Resource Management £'000	Trading Costs £'000	Other Expenditure	Fundraising Costs £'000	Governance Costs £'000	Support Costs £'000		2022 Total £'000
Staff costs (Note 8)	850	2,629	2,150	3,246	114	-	227	137	1,722	11,075	9,848
Contracted services	482	2,874	880	5,055	118	-	5	58	1,568	11,040	10,473
Other expenditure	-	-	-	-	-	100	-	-	-	100	(10,036)
Grants awarded (Note 5)	(2)	78	925	1,793	-	-	-	-	-	2,794	12,274
	1,331	5,580	3,955	10,094	232	100	232	195	3,290	25,009	22,559
Fundraising costs	18	103	100	11	-	-	(232)	-	-	-	-
Governance costs	13	53	39	90	-	-	-	(195)	-	-	-
Support costs	309	976	796	1,209	-	-	-	-	(3,290)	-	-
Total expenditure 2022	1,671	6,712	4,890	11,404	232	100	-	-	-	25,009	
Total expenditure 2021	2,151	10,981	6,451	12,922	(9,946)	-	-	-	-	-	22,559

Other expenditure relates to the fair value of the net liabilities on the acquisition of Behaviour Change Limited. Details of WRAP's investment in Behaviour Change Limited is in Note 14.

4b Analysis of expenditure (prior year restated)

	Charitable activities									2021 Total £'000
	Textiles	Food	Plastics £'000	Resource Management £'000	Trading Costs £'000	Fundraising Costs £'000	Governance Costs £'000	Support Costs £'000	2020 Total £'000	
Staff costs (Note 9)	627	2,627	1,710	3,135	23	153	160	1,413	9,848	9,638
Contracted services	528	2,733	841	4,643	67	46	31	1,584	10,473	10,410
Other expenditure	-	-	-	-	(10,036)	-	-	-	(10,036)	-
Grants awarded (Note 6)	764	4,482	3,233	3,795	-	-	-	-	12,274	4,922
	1,919	9,842	5,784	11,573	(9,946)	199	191	2,997	22,559	24,970
Fundraising costs	21	62	43	73	-	(199)	-	-	-	-
Governance costs	13	65	37	76	-	-	(191)	-	-	-
Support costs	198	1012	587	1,200	-	-	-	(2,997)	-	-
Total expenditure 2021	2,151	10,981	6,451	12,922	(9,946)	-	-	-	22,559	

Notes to the financial statements

For the year ended 31 March 2022

5a Grant making

	Community Interest Groups & Charity/Not for Profit £'000	Grants to Institutions £'000	Grants to Local Authorities £'000	Grants to Business £'000	2022 Total £'000
Cost					
Textiles	-	-	-	(2)	(2)
Food	49	(54)	83	-	78
Plastics	220	-	-	705	925
Resource Management	-	-	578	1,215	1,793
At the end of the year	269	(54)	661	1,918	2,794

5b Grant making (prior year)

	Grants to Community Interest Groups & Charity/Not for Profit £'000	Grants to Institutions £'000	Grants to Local Authorities £'000	Grants to Business £'000	2021 Total £'000
Cost					
Textiles	170	-	-	594	764
Food	3,902	160	-	420	4,482
Plastics	35	-	-	3,198	3,233
Resource Management	5	-	1,480	2,310	3,795
At the end of the year	4,112	160	1,480	6,522	12,274

The grants were principally awarded under the following schemes: Circular Economy Investment Fund funded by the Welsh Government, Global Sustainable Plastic Packaging Programme funded by UKRI and Flytipping grants scheme funded by Defra.

Details of grants awarded can be found at www.wrap.org.uk/awarded-grants.

6 Analysis of support costs

	2022 £'000	2021 £'000	Basis of allocation
Finance	394	330	Across all heads
Information technology	753	630	Across all heads
Office	381	395	Across location heads
Human resources	704	696	Across all heads
Commercial	348	284	Across delivery heads
Executive & CFO office	710	661	Across delivery heads
Total	3,290	2,996	

Analysis of governance costs

	2022 £'000	2021 £'000	
Staff	137	159	Actual costs incurred
Audit	33	31	Actual costs incurred
Trustees Expenses	1	-	
Professional fees	24	-	Actual costs incurred
Total	195	190	

Notes to the financial statements

For the year ended 31 March 2022

7 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2022	2021
	£'000	£'000
Depreciation of tangible fixed assets	33	44
Operating lease rentals - land and buildings	167	165
Auditor's remuneration (excluding VAT):		
Audit	27	28
Other services	9	4
Foreign exchange gains/(losses)	44	(107)

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	Group		Charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Wages and salaries	9,007	7,973	8,925	7,973
Social security costs	901	800	891	800
Other pension costs	1,001	891	990	891
Other staff costs	95	91	90	91
Redundancy and termination	71	94	71	94
	11,075	9,848	10,967	9,848

Other pension costs represent employer contributions to defined contribution pension schemes. Redundancy and termination costs are accrued in the accounting period in which they are committed and were fully funded at 31 March 2022.

The number of employees whose total employee benefits (excluding employer pension costs and employers' national insurance) was above £60,000 for the reporting period as follows:

	2022	2021
	No.	No.
£60,000 - £69,999	9	11
£70,000 - £79,999	3	5
£90,000 - £99,999	4	2
£100,000 - £109,999	-	1
£110,000 - £119,999	2	1
£120,000 - £129,999	1	1

Key Management Personnel

The key management personnel are the trustees and the executive team (listed on page 3). The total employee benefits, including employer's NI and pension, paid to key management personnel was £940,147 (2021: £1,061,396).

Notes to the financial statements

For the year ended 31 March 2022

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel (cont)*Board of Trustees Remuneration*

The Board of Trustees are the Directors of the Charity. During the year there were 9 (2021: 9) non-executive directors.

None of the non-executive directors has a service contract. Since becoming a charity in 2014 all the non-executive directors, apart from the Chair, give of their time freely and receive no remuneration. The Chair's remuneration has been approved by the Charity Commission. The remuneration of the Chair was as follows:

	Fees 2022 £'000	Fees 2021 £'000
Julie Hill - Chair	35	35

Expenses reimbursed Non-executive trustees £1,201 (2021: £nil). Expenses totalling £1,201 (2021: £nil) were reimbursed in the year to 5 trustees (2021: 0), as follows:

	2022 £	2021 £
Travel	1,062	
Subsistence	139	-
Total	1,201	-

9 Staff numbers

Employees	Group		Charity	
	2022 No.	2021 No.	2022 No.	2021 No.
The average number of staff was:				
Banbury	165	146	165	146
Wales	53	46	53	46
Northern Ireland	5	3	5	3
London	5	-	-	-
Total	228	195	223	195

London represents the Behaviour Change Limited team average staff numbers from date of acquisition to 31 March 2022.

Average number of staff in FTE in 2022 was 212 (2021: 186). The Charity staff work on programmes for all funders.

Notes to the financial statements

For the year ended 31 March 2022

10 Related party transactions

In 2022 WRAP charged AGF Ltd £6k (2021: £56k) for the provision of staff. As at 31 March 2022 there is a creditor balance of £29k which relates to the Gift Aid distribution to WRAP.

As at 31 March 2022 Behaviour Change Limited have a debtor balance of £24k from WRAP which relates to work delivered as a contractor to WRAP and input to strategy work being undertaken by WRAP.

Aggregate donations and distributions from related parties were £895k (2021: £5,456k) of which £29k relates to a Gift aid distribution from AGF and £866k relates to a distribution of reserves from AGF.

11 Taxation on surplus on ordinary activities

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary Accelerating Growth Fund Limited distributes under Gift Aid available profits to the parent charity. Its charge to corporation tax in the year was:

a) Analysis of charge in the period

	The group		The charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Current tax				
UK corporation tax at 19% (2021: 19%) on the surplus for the year on ordinary activities	-	-	-	-
Current tax on income for the period	-	-	-	-
Total current tax	-	-	-	-

b) Factors affecting tax charge for the period

The current tax charge for the period is lower for the Group (2020: lower) and for the Company (2020: lower) than the standard rate of corporation tax in the UK of 19% (2020: 19%). Taxation is only payable on the interest income earned by the Group.

	The group		The charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Surplus before tax on ordinary activities for subsidiary companies	73	10,061	-	-
Surplus on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2020: 19%)	14	1,912	-	-
Effects of:				
Non-taxable income	26	(1,893)	-	-
Adjustments to charge in respect of previous periods	(10)	-	-	-
Current tax charge for the period before donation and group relief	29	19	-	-
Distribution under Gift Aid to parent undertaking	(29)	(19)	-	-
Current tax on income for the period	-	-	-	-

Notes to the financial statements

For the year ended 31 March 2022

12 Tangible fixed assets

The group and charity Cost	Office equipment £'000	Total £'000
At the start of the year	638	638
Additions in year	3	3
At the end of the year	641	641
Depreciation		
At the start of the year	585	585
Charge for the year	33	33
At the end of the year	618	618
Net book value At the end of the year	23	23
At the start of the year	53	53

All of the above assets are used for charitable purposes.

Notes to the financial statements

For the year ended 31 March 2022

13 Listed investments

	The group		The charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Fair value at the start of the year	5,503	3,502	5,371	-
Additions at cost	10,314	5,950	5,771	5,892
Disposal proceeds	(3,534)	(4,537)	(3,286)	(504)
Net gain on change in fair value	116	588	301	(17)
	12,399	5,503	8,157	5,371
Cash held by investment broker pending reinvestment	186	2,696	127	1,969
Fair value at the end of the year	12,585	8,199	8,285	7,340

Unlisted investments

	The group		The charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Fair value at the start of the year	5,106	1,396	-	-
Additions at cost	696	330	-	-
Net gain / (loss) on change in fair value	-	3,380	-	-
Fair value at the end of the year	5,802	5,106	-	-

Investments comprise:

	The group		The charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Listed investments (UK)	4,171	1,485	3,113	1,485
Listed investment (outside the UK)	5,081	2,291	3,611	2,159
Property investments	407	185	408	185
Cash	186	2,696	127	1,969
Other investments	2,740	1,542	1,026	1,542
	12,585	8,199	8,285	7,340
Unlisted shares in UK registered companies	5,802	5,106	-	-
	18,387	13,305	8,285	7,340

Notes to the financial statements

For the year ended 31 March 2022

14 Subsidiary undertakings

The Charity owns the whole of the issued ordinary share capital of the Accelerating Growth Fund Limited (company number 4698093) and WRAP Enterprises Limited (company number 4217608), companies registered in England. The share capital of each of the companies is £1. On 31 December 2021, the Charity became the sole member of Behaviour Change Limited (company number 7099594 limited by guarantee). The registered office address for all three entities is 2nd Floor Blenheim Court, 19 George Street, Banbury, OX16 5BH.

The subsidiaries are used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are distributed under Gift Aid to the parent charity.

Julie Hill, Trustee and Chair of WRAP, together with Marcus Gover, Chief Executive, Sarah Chapman, Trustee of WRAP, Susan Corbett, Trustee of WRAP and Claire Shrewsbury, Innovations & Insights Director are also directors of the Accelerating Growth Fund Limited.

Marcus Gover, Chief Executive, together with David Hall, Robert Moore, Susan Corbett, Trustee of WRAP, Robert Longley-Cook, Trustee of WRAP, Catherine David, Collaboration and Change Director and Giles Bristow are also directors of Behaviour Change Limited.

Julie Hill, Trustee and Chair of WRAP, together with Marcus Gover, Chief Executive are directors of WRAP Enterprises Ltd.

The amounts owed to/from the parent undertaking are shown in note 17.

A summary of the results of the subsidiaries are shown below:

	AGF		Behaviour Change Limited 3 months ending 31 March 2022
	2022 £	2021 £	
Income	2,417	-	266,219
Direct expenditure	(6,473)	(56,304)	(94,767)
Operating deficit / surplus	(4,056)	(56,304)	171,452
Administrative expenses	(13,688)	10,002,695	(117,261)
Operating (deficit)/surplus on ordinary activities	(17,744)	9,946,391	54,191
Interest receivable and similar income	37,163	115,363	-
Interest payable	(184)	(373)	(59)
Net (losses) / gains on investments	(188,976)	4,090,129	-
Operating surplus	(169,741)	14,151,510	54,132
Taxation surplus on ordinary activities	-	-	-
Total comprehensive income	(169,741)	14,151,510	54,132
Retained earnings			
Total retained earnings brought forward	14,774,881	6,079,419	(99,744)
Total comprehensive income	(169,741)	14,151,510	54,132
Distribution under Gift Aid to parent charity	(29,183)	(98,620)	-
Distribution	(866,315)	(5,357,428)	-

Notes to the financial statements

For the year ended 31 March 2022

14 Subsidiary undertakings (cont)

Total retained earnings carried forward	13,709,642	14,774,881	(45,612)
The aggregate of the assets, liabilities and reserves was:			
Assets	13,743,347	14,900,458	264,455
Liabilities	(33,705)	(125,577)	(310,067)
Reserves	13,709,642	14,774,881	(45,612)

Amounts owed to/from the parent undertaking are shown in note 17.

Included within administrative expenses for AGF is a management charge of £6,473 (2021: £56,304).

Included within income for Behaviour Change Limited is £22,971 of sales to WRAP for project and strategy work.

15 Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2022	2021
	£'000	£'000
Gross income	27,657	21,128
Result for the year	2,974	(11,433)

16 Short term investments

	The group		The charity	
	2022	2021	2022	2021
Bank deposits	5,071	15,296	5,071	10,069
Royal London Asset Management funds	7,263	7,276	4,143	4,152
Total	12,334	22,572	9,214	14,221

Bank deposits are held at a number of High Street banks, under which access to cash is restricted for up to 100 days. Funds invested in Royal London Asset Management are financial assets. Of the short term investments, £3,119,714 (2021: £8,351,635) is held by subsidiary trading companies and not available for use by the Charity.

17 Debtors: amounts falling due within one year

	The group		The charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Trade debtors - Grants receivable	2,293	373	2,293	373
Trade debtors	1,807	1,242	1,676	1,243
Amounts due from group undertakings	-	-	29	122
Other debtors	93	55	81	55
Prepayments	138	78	137	78
	4,331	1,748	4,216	1,871

Notes to the financial statements

For the year ended 31 March 2022

18 Creditors: amounts falling due within one year

	The group		The charity	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Trade creditors	2,390	847	2,304	847
Other taxes and social security	721	348	660	348
Other creditors	22	586	22	586
Amounts due to group undertakings	-	-	24	-
Accruals and deferred income	6,756	12,845	6,589	12,842
	9,888	14,626	9,599	14,623

19 Deferred income

Deferred income comprises

	The group		The charity	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Balance at the beginning of the year	1,743	1,634	1,743	1,634
Amount released to income in the year	(1,830)	(1,590)	(1,699)	(1,590)
Amount deferred in the year	2,454	1,699	2,161	1,699
Balance at the end of the year	2,367	1,743	2,205	1,743

Additions relate to grants and contracts where payment has been made but performance conditions have not yet been satisfied. These monies will be repaid if the performance conditions are not satisfied in the future. Releases relate to grants awarded in prior years where performance conditions have now been satisfied during the year.

20 Provisions for liabilities

Provisions for liabilities comprises

	WRAP £'000	Behaviour Change Limited	Total £'000
		£'000	
At 1 April 2021	1,009	1	1,010
Amount released in the year	(557)	-	(557)
Increase in provision in the year	271	-	271
At 31 March 2022	723	1	724
	WRAP £'000	AGF £'000	Total £'000
At 1 April 2020	404	9,959	10,363
Amount released in the year	(7)	(10,041)	(10,048)
Increase in provision in the year	612	82	694
At 31 March 2021	1,009	-	1,009

The Provisions in WRAP represent the directors' best estimates of the future costs of liabilities relating to operational activities including dilapidations on the rented properties, the holiday pay provision and monitoring provisions for grants awarded. Refer to Note 24 for indications of expected timing of expiry of property leases.

Notes to the financial statements

For the year ended 31 March 2022

21 Financial instruments

	2022	2021
	£'000	£'000
Financial assets measured at fair value through profit and loss		
Listed investments	9,252	3,776
Short term investments	7,263	7,276

22a Analysis of group net assets between funds (current year)

	General unrestricted £'000	Designated funds £'000	Restricted funds £'000	Total funds £'000
Tangible fixed assets	-	-	23	23
Investments	-	18,387	-	18,387
Net current assets	5,277	4,985	7,334	17,596
Provisions	-	-	(724)	(724)
Net assets at 31 March 2022	5,277	23,372	6,633	35,282

22b Analysis of group net assets between funds (prior year)

	General unrestricted £'000	Designated funds £'000	Restricted funds £'000	Total funds £'000
Tangible fixed assets	-	-	53	53
Investments	-	13,305	-	13,305
Total assets less current liabilities	5,895	9,526	5,649	21,070
Provisions	-	-	(1,009)	(1,009)
Net assets at 31 March 2021	5,895	22,831	4,693	33,419

Notes to the financial statements

For the year ended 31 March 2022

23a Movements in funds (current year)

	At 1 April 2021 £'000	Income & gains £'000	Expenditure & losses £'000	Transfers £'000	At 31 March 2022 £'000
Restricted funds:					
Textiles	350	933	976	-	307
Food	1,280	5,647	5,493	-	1,434
Plastics	923	5,743	3,301	-	3,365
Resource Management	2,140	10,313	10,926	-	1,527
Total restricted funds	4,693	22,636	20,696	-	6,633
Unrestricted funds:					
Designated funds:					
Accelerating Growth Fund Limited	14,775	(150)	20	(895)	13,710
WRAP	716		227	889	1,378
WRAP Investment Fund	7,340	104	27	867	8,284
Total Designated funds	22,831	(46)	274	861	23,372
General funds	5,895	4,282	4,039	(861)	5,277
Total unrestricted funds	28,726	4,236	4,313	-	28,649
Total funds	33,419	26,872	25,009	-	35,282

23a Movements in funds (current year cont)

The £6,633k (2021:£4,693k) of restricted reserves consists of £4,160k of grant funding for work continuing into 2022/23 and £2,473k to cover specific future commitments (primarily programme shutdown costs). The increase in reserves is largely due to the reserves for the Global Sustainable Plastic Packaging Programme funded by UKRI. The total income received was £3,293k of which £1,874k relates to work which will be undertaken in 2022/23.

The reserves in Accelerating Growth Fund Limited of £13,710k (2021: £13,916k) are designated by the trustees to support the activities of the company, namely providing financial support and investment to companies who are investing in or changing to a "circular economy" business model.

The Trustees have designated £889k of reserves in the parent charity (2021: £8,056k). This includes £300k for the set up and initial costs of a subsidiary in Australia, £200k to fund internal and external work on strategy, a £200k loan facility for Behaviour Change Limited, £139k to fund the expected loss on the UKRI Global Sustainable Plastic Packaging Programme, where WRAP is not able to reclaim all costs incurred and £50k to fund bid work associated with the introduction of EPR by Defra.

At the 31st March 2022 the WRAP designated reserves include £343k to support the expansion of WRAP's international work, £294k for future fundraising costs, £241k for the Australia subsidiary, £200k loan facility for Behaviour Change Limited, £103k for the future UKRI loss, £152k for the work on strategy and £45k for EPR bid costs.

The transfer between Designated and General funds represent the surplus generated in AGF in 2021/22 of £29k which has been distributed to the parent charity under gift aid. The £866k dividend paid by AGF has been added to the WRAP Investment Fund.

Notes to the financial statements

For the year ended 31 March 2022

23b Movements in funds (prior year)

	At 1 April 2020 £'000	Income & gains £'000	Expenditure & losses £'000	Transfers £'000	At 31 March 2021 £'000
Re					
Textiles	1,713	504	1,871	4	350
Food	8,582	2,957	10,238	(21)	1,280
Plastics	4,471	1,662	5,233	23	923
Resource Management	7,074	8,027	12,922	(39)	2,140
Total restricted funds	21,840	13,150	30,264	(33)	4,693
Unrestricted funds:					
Designated funds:					
Accelerating Growth Fund Limited	6,079	4,205	(9,946)	(5,455)	14,775
WRAP	489	-	588	815	716
WRAP Investment Fund	-	-	-	7,340	7,340
Total Designated funds	6,568	4,205	(9,358)	2,700	22,831
General funds	7,749	2,466	1,653	(2,667)	5,895
Total unrestricted funds	14,317	6,671	(7,705)	33	28,726
Total funds	36,157	19,821	22,559	-	33,419

24 Operating lease commitments payable as a lessee

The group's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	The group		Property	
	2022 £'000	2021 £'000	The charity 2022 £'000	2021 £'000
Total lease commitments				
Within one year	215	188	203	188
between 2-5 years	68	255	68	255
Financial commitments at the end of the year	284	443	271	443

The Charity had conditional operating commitments of £1,386,608 at 31 March 2022 (2021: £896,843) which relate to purchase orders raised as at the balance sheet date for project and overhead costs which will be incurred in the following year.

25 Post balance sheet event

The value of the group's fixed asset investments fell in the second quarter of 2022 due to continued turbulence in the market primarily caused by the conflict in Ukraine. The value of investments held at 31st March 2022 was £17.2m at 30 June 2022. This reduction is greater than the general market fall due to the funds excluding oil and mining stocks. The trustees have no current plans to draw from investments and expect the investments to recover in due course.

26 Legal status of the charity

The charity is a company limited by guarantee and has no share capital.

THE WASTE AND RESOURCES ACTION PROGRAMME

England & Wales - Charity number 1159512

Accounts



Annual Report & Consolidated Accounts

2020/21

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Annual Report and Consolidated Accounts for the year ended 31 March 2021

Reference and Administrative Details

The Waste and Resources Action Programme

Charity number	1159512
Country of registration	England and Wales
Company number	4125764
Country of incorporation	United Kingdom
Registered office & operational address	2 nd Floor Blenheim Court 19 George Street Banbury OX16 5BH

Trustees

Trustees who served during the year and up to the date of this report were as follows:

Julie Hill (Chair)
Robert Longley Cook
Sophie Thomas
Sue Corbett
Marc Stephens
Jim Oatridge
Sachin Kapila
Sarah Chapman
Michaelene Kinnersley

Executive Committee

Members who served during the year and up to the date of this report were as follows:

Marcus Gover	Chief Executive
Peter Maddox	Insights and Innovation Director (to 31 December 2020)
Claire Shrewsbury	Insights and Innovation Director (from 1 November 2020)
Charles Darley	Collaboration and Change Director (from 5 October 2020 to 31 March 2021)
Richard Swannell	International Development Director
Paul Suller	Commercial, Finance, and Operations Director
Angela Pulley	HR Director
Tom Lewis-Reynier	Strategic Engagement Director

Our advisers

External auditor	Sayer Vincent LLP Invicta House 108-114 Golden Lane London EC1Y 0TL	Bankers	Lloyds Bank PLC Faryners House 25 Monument Street London EC3R 8BQ
Legal advisers	Bristows LLP 100 Victoria Embankment London EC4Y 0DH	Investment managers	Brewin Dolphin Ltd 12 Smithfield Street London EC1A 9LA
Legal advisers	Bates Wells 10 Queen Street Place London EC4R 1BE	Investment managers	Rathbone Greenbank Investments 8 Finsbury Circus London EC2M 7AZ
Legal advisers	Dale Levy & Co LLP 8 Holyrood Street London SE1 2EL	Investment managers	Royal London Asset Management 55 Gracechurch Street London EC3V 0RL
Internal auditor	Haysmacintyre 10 Queen Street Place London EC4R 1AG		
Bankers	Barclays Bank PLC 25 High Street Coventry CV1 5RE		

Statement from the Chair of Trustees and the Chief Executive

This has been a year like no other. It has of course been hugely challenging for WRAP as an organisation, individual team members, and the board of trustees. At the same time, it has been a highly successful year when we consider what we have achieved in these twelve extraordinary months.

Feedback from our team members has assured us that we have been a flexible and empathetic employer through the many difficult stages of the pandemic. We want to thank everyone for unprecedented commitment and effort over the year. We were also able to accelerate our efforts towards greater equality, diversity and inclusion with the support of the whole organisation.

We played an important part in keeping vital waste services in operation from the start of the crisis, running this emergency support alongside delivery of planned programmes. Our government partners have expressed great appreciation for this. WRAP was also instrumental in redirecting food that might have been wasted from the hospitality industry to people who needed it.

Perhaps most surprising is that our international presence and project delivery expanded, despite being unable to travel. This gives us confidence that we can run effective and efficient programmes across the globe with the minimum short-term environmental impact.

We constructed and launched a new agreement with the textiles industry, showing that the public and political drive towards sustainable fashion was a more powerful force than the economic problems suffered by the sector. This new agreement will build on the successes of our pioneering Sustainable Clothing Action Plan.

The first ever Food Waste Action Week, delivered by WRAP, was coupled with publication of the United Nations Environment Programme (UNEP) [Food Waste Index Report 2021](#), which WRAP co-authored. It is the most comprehensive survey to date of global food waste. We received unprecedented coverage for these initiatives, and helped to cement understanding of the contribution of food waste to carbon emissions as well as having an expanded platform to promote

solutions.

Our research teams provided evidence that food behaviours during COVID had changed, giving us important insights as we plan our next campaigns. We also spelt out in detail how resource efficiency can make large cuts in greenhouse gas emissions, and we provided a blueprint for how we can 'build back better'.

Some aspects of our work were less easy to keep on track:

Our drive to diversify funding towards more donation and grant-funded income showed early results, but competition for charitable funding has increased. We will redouble our efforts in the coming year.

Our work on plastics was complicated by the inevitable role of single-use plastics in fighting the pandemic, and coping with supply chain issues distracted industry partners. Even so, solid progress was made towards the Plastics Pact targets, and our support has expanded the global network of plastics initiated by the Ellen MacArthur Foundation.

The coming decade has been dubbed 'The Decade of Delivery'. The call to action in response to the 'climate and nature emergency' must translate into change on the ground. As an organisation that combines providing insight with delivery of transformative partnerships and policies, WRAP is in a pivotal position to drive this change. We are clear that resource stewardship and a more circular economy can address the multi-faceted crisis that threatens our well-being, and we look forward to working with our many partners and supporters worldwide on this mission.

Julie Hill
Chair

Marcus Gover
Chief Executive

Trustees Report including Strategic Report

Introduction to WRAP

[WRAP is an international sustainability NGO](#) based in the UK and delivering impact around the world. We work with businesses, governments, citizens, and charities. Our vision is a world in which resources are used sustainably.

We were set up as The Waste and Resources Action Programme (WRAP), a charitable company limited by guarantee, incorporated on 11 December 2000, and registered as a charity in England and Wales on 5 December 2014.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association dated 6 April 2018. The liability of the members of the company is limited to £1 per member.

The objects for which WRAP is established are:

The protection and preservation of the environment for the public benefit, in particular but without limitation by:

- the promotion and facilitation of sustainable product design, waste minimisation, re-use, recycling, and reprocessing of waste materials and sustainable waste management;
- the provision and encouragement of expertise, knowledge, and best practice in relation to sustainable resource use; and
- the improvement of understanding of the waste stream and the opportunities for re-use, recycling, and reprocessing.

Our focus on 'sustainable resource use' is intended to enable society to meet the needs of the current population without compromising the ability of future generations to meet their needs.

In reviewing our charitable objects and as part of forward planning, the Trustees have taken account of the Charity Commission's guidance on public benefit and considered how our planned programme of work will consistently contribute to the charity's aims and objects.

For the public benefit

Human life on Earth is facing unprecedented global challenges. Our world is experiencing:

- a rapid rise in greenhouse gas (GHG) emissions leading to **global warming**;
- ecosystem destruction and **biodiversity loss** that is between 1,000 and 10,000 times

higher than the natural background extinction rate; and

- **pollution of** the planet to dangerous levels, including by plastic, nitrogen and phosphorus.

This is leading to significant and irreversible changes to the Earth's environment. This not only threatens our ability to sustain the current human population, but also to provide for the estimated additional 2.5 billion people who will be with us by 2050.

In addition, while the full impact of the COVID-19 pandemic is yet to be fully understood, it is likely to lead to an increase in the number of people facing food insecurity and poverty in the short to medium term.

WRAP's greatest potential to bring benefits to humanity and the environment is through effective deployment of our skills, track record, networks, and resources, by focusing on:

- food and drink;
- plastic packaging;
- textiles; and
- the sustainable management of resources.

Working in these areas will enable us to deliver against the UN Sustainable Development Goals (SDGs) on poverty and hunger, sustainable cities, responsible consumption and production, climate change, and life below water and on land.

How does WRAP work?

WRAP works across systems, and through value chains. We bring different parts of industry together and make changes throughout the sector to bring about sustainable, systemic change.

We deliver our work through **five services**:

Business Voluntary Agreements

We design, develop, convene, manage, and support business collaborative change programmes. The voluntary agreement model provides a safe, collaborative space. This allows global brands, retailers, suppliers, re-use and recycling businesses, governments, local authorities, and other stakeholders to come together to tackle waste, reduce water use, and work toward net zero carbon emissions.

Citizen Behaviour Change

We research, develop, pilot, deliver, and evaluate behaviour change intervention programmes to help citizens embrace a more sustainable lifestyle. Millions of UK citizens know and trust our behaviour change consumer campaigns, such as Love Food Hate

Waste, Clear on Plastics, Love Your Clothes, and Recycle Now.

Technical Support

We provide expert research, guidance, and tools to help international organisations, national governments, local authorities and municipalities, and businesses develop and implement waste prevention and recycling policies.

Grants and Investments

We manage grants, loans, and investments to help increase the use of recycled materials in manufacturing, grow recycling capacity, or overcome specific market failures by acting as a catalyst to encourage other funders to invest. This year our grants portfolio was increased to provide emergency funding in response to COVID-19.

Policy and Insights

We provide expert research, cost modelling, advice, and support. Our experts are regularly called upon to advise local, regional, and national governments around the world to develop new ideas, and to formulate strategies and policies.

Our strategic ambitions

In December 2020, we launched [Our Plan for a Sustainable Planet](#) – WRAP’s blueprint towards a waste-free world by 2025. This five-year plan sets out the actions that we will take to become net climate positive, and acts as a call to action for everybody – from individuals to entire nations.

This plan will be made possible by a robust fundraising strategy and the growth of our strategic engagement team. This team is focused on securing funding from philanthropic sources. We will also be increasing our business and government account management expertise as we seek to maximise income growth from multiple sources.

Our ambitions for 2020 to 2025 are to:

- put more countries on the path to halving food waste by 2030;
- help put the world on a trajectory to eliminating plastic pollution;
- help tackle our throwaway clothing culture;
- transform recycling into a system that emphasises material quality and markets; and
- through our actions, reduce GHG emissions and support the path to net zero.

We want to influence more and more countries to develop strategies to meet the UN SDGs. Our experience and know-how will help our in-country partners to develop effective mechanisms and, crucially, measure their impact.

We aim to increase our global impact in future and look forward to continuing to work with our government and philanthropic funders and partners. We will also build new alliances to enable our vital international work to continue and expand.

The impact of COVID-19

This year our activities have been impacted by the COVID-19 pandemic. In March 2020 our offices closed, and all our employees have worked from their homes for over a year. Like many other organisations, we had to re-evaluate what was achievable, and after consultation with employees and partners, we revised our delivery plan. Specific examples of how this has affected our delivery are highlighted below.

Our advice, tools, and services have been in more demand than ever. We supported the UK Government with its emergency pandemic response, which has included tailored COVID-19 messages for local authorities in England, Wales, and Northern Ireland.

Internationally, we had expected our work to be severely impacted due to worldwide travel restrictions. We have continued to support our partners around the globe virtually, which has resulted in several countries establishing voluntary agreement models.

Being largely funded from institutional sources, WRAP has weathered the negative impact of COVID-19 on its discretionary funding sources very well. Some foundations have repurposed their funds towards emergency COVID-19 relief projects, or to provide critical emergency organisational funding, and this has increased the competition for ongoing and longer-term funding. However, there may be an emerging shift towards environmental and sustainability projects as we emerge from the pandemic and WRAP will be well placed to benefit from this. WRAP does not conduct public fundraising to any significant degree and so has not been affected by – for example – the cancellation of sponsored events, or the closing of retail outlets.

Our impact this year

WRAP’s profile and influence, particularly on the international stage, has grown significantly throughout the year. We were selected as lead partner for the Royal Foundation’s ‘Build a Waste-free World’ prize, one of the foundation’s five [Earthshot Prizes](#) – the most prestigious global environment prizes in history. Each year, between 2021 and 2030, five £1 million prizes will be awarded, providing at least 50 solutions to the world’s greatest environmental problems.

As part of engaging businesses and governments to ‘build back better’ post COVID-19, we published a [six-point plan](#). It argues that moving to a more circular

economy should form an essential element of the UK's recovery.

To emphasise our work towards net zero, we released '[Net Zero: why resource efficiency holds the answers](#)'. With eight complementary strategies, this is the first report to clearly show the huge benefits for the UK, and globally, in cutting GHG emissions through resource efficiency.

Food and drink

Food production and consumption is responsible for around 30% of global carbon emissions, and 60–80% of biodiversity loss through the destruction of natural habitats.

We enable organisations to unlock the economic benefits of waste reduction and resource efficiency in the food and drink supply chain. Our experts develop collaborative projects that enable organisations to reduce food waste and GHG emissions, and protect critical water resources. Our standout projects include:

- The UNEP [Food Waste Index Report 2021](#), which WRAP co-authored. It is the world's most comprehensive report into global food waste. Data from 54 countries, revealed that 931 million tonnes of food was wasted in 2019, nearly double previous estimates, and that household food waste isn't just a developed world problem.
- Our [Courtauld 2025 Annual Report 2020](#), which demonstrated good progress towards all three targets – with reductions in food waste, GHG emissions, and water stress – in a challenging year for the food and drink sector. We worked with more than 80 food and drink businesses and 2,000 farmers on Courtauld [Water Ambition](#) projects, through which 750 million litres of water have been replenished back to nature.
- The [Food Waste Reduction Roadmap Progress Report 2020](#), which was accompanied by a new 'Whole chain food waste reduction plan toolkit'. Our 234 signatories have saved at least 180,000 tonnes of food (worth £300 million) from becoming waste.
- A report on [halving food loss and waste in the European Union \(EU\) by 2030](#), published with the WWF European Policy Office. It identified that food waste measurement, valorisation, and voluntary agreements have the greatest potential for accelerating food waste reduction.
- [Pacto por la Comida](#) (The Food Pact) in Mexico, launched in March 2021 with 10

founding signatories. This is the first food waste voluntary agreement in Latin America. A high-profile online workshop with over 250 delegates was hosted by our in-country partner, BAMX.

- The [COVID-19 Emergency Surplus Food Grant](#) scheme, which has awarded £3.8 million to over 230 not-for-profit organisations to increase the redistribution of surplus food to vulnerable people.

In 2018, UK households wasted 6.6 million tonnes of food, of which 4.5 million tonnes was edible. We work with partners to amplify our messages and change behaviour through interventions in store, in the home, or on packaging. Examples of this work include:

- The UK's first ever [Food Waste Action Week](#), dedicated to raising awareness of the environmental consequences of wasting food and promoting action. Celebrity ambassador, Nadiya Hussain fronted the citizen-facing campaign. It was supported by 135 partners, reached as far as Australia, and generated extensive media coverage.
- [A survey of UK citizens' food habits, behaviours, and attitudes](#) during the COVID-19 pandemic. Self-reported food waste dropped substantially in the first lockdown, before partially rebounding by the summer and then inching up towards the end of the year. However, it remains well below 2019 levels.

In January 2021, we were awarded a £560,000 grant from the Walmart Foundation to fund the research and development of behaviour change interventions to reduce household food waste in the UK and Canada.

Sustainable plastic packaging

The production, use, and disposal of plastic generates about 1.8 billion tonnes of carbon emissions annually. The world produces 141 million tonnes of plastic packaging a year – but around a third of all plastic packaging put on the global market leaks from collection systems, polluting the environment. At least eight million tonnes of plastic leaks into the ocean each year.

The linear system of take, make, dispose is failing us. Taking action will improve our natural environment and conserve our precious natural resources and help build a prosperous and resilient future for our people and planet. Action taken this year includes:

- The UK Plastics Pact publishing its [Annual Report 2019/20](#), which revealed that signatories are making some progress against all four targets. For example, the

amount of plastic packaging recycled in the UK increased from 44% in 2018 to 50% in 2019, but urgent action is required to make flexible plastic packaging widely recyclable in the UK. It is vital to increase its collection, and front of store supermarket recycling points are the biggest opportunity. However, COVID-19 resulted in a set-back owing to restrictions at many sites. Some encouraging announcements have been made including by Tesco and WRAP is confident that others will follow.

- Continuing to support the expansion of the Ellen MacArthur Foundation's global network of Plastics Pacts, which are part of their New Plastics Economy initiative. This resulted in the launch of the Canada Plastics Pact, and the publication of roadmaps for the [South African Plastics Pact](#), and the [European Plastics Pact](#). WRAP was formally announced as Secretariat in May 2020 for the latter.
- Working in partnership with UK Research and Innovation (UKRI) who have invested £250,000 to launch a new Plastics Pact in India – the first in Asia. With support from the MAVA Foundation and the Ellen MacArthur Foundation, we are also developing Plastics Pacts in Senegal and Kenya.
- Awarding the first four winners of the [Circular Plastics Flagship Projects Competition](#), totalling nearly £1 million. A second competition round was opened to trial and pilot refill infrastructure, with £445,235 being awarded to four businesses. The COVID-19 pandemic caused delays to the implementation of the initial grants; however, WRAP worked closely with recipients to ensure that projects could proceed within revised, extended timescales.
- A new [Clear on Plastics](#) campaign encouraged people to incorporate the 'four Rs' into their beauty routines – reduce, refill, recycle, and return. It was supported by several big brands in the beauty industry and reached 2.4 million people.
- We have been supporting the environment ministry of Malaysia, KASA, in the development of the Malaysia Sustainable Plastics Alliance. The outputs of work undertaken by WRAP with WWF and local NGO, Reef Check, will be adopted by the ministry towards achieving its objectives to reduce plastic waste and increase circularity.

Clothing sustainability

The global fashion industry produced around 2.1 billion tonnes of GHG emissions in 2018, equating to 4% of the total. In addition, the number of times each item of clothing is worn before being discarded is significantly reducing.

WRAP is taking action to transform the way the fashion and textiles industry buys, uses and re-uses textiles and clothing. Our cross-industry collaborative agreements cut carbon, water and waste from textile supply chains. Our standout projects include:

- The [Sustainable Clothing Action Plan 2020 \(SCAP 2020\) 'Report on Progress'](#). It showed that between 2012 and 2019 the 15% carbon target was exceeded with a 15.9% reduction, the 15% water target was exceeded with a 19.5% reduction, and the waste target recorded a 2.3% reduction against a 3.5% target. SCAP 2020 closing data will be published in Autumn 2021.
- Announcing the launch of [Textiles 2030](#). This new UK clothing and homewares initiative, with 20 founding signatories, will target carbon reductions, water savings, and circularity action across the sector. WRAP has also been co-ordinating national-level activity to share knowledge around the world through our Textiles Action Network. This will be announced alongside the launch of Textiles 2030 in April 2021. Our first international pilot is beginning in Denmark with the [Danish Circular Pact 2030](#), with the first year funded by Laudes Foundation.
- Publishing [citizen insights into clothing disposal behaviours](#) during the COVID-19 pandemic, and the impact on textile operators. UK citizens were set to dispose of 67 million items of clothing, with two thirds choosing to donate to charity. To avoid overwhelming charity shops, through Love Your Clothes, we produced [advice for donating and recycling clothes](#). In March 2021, our ['Re-Love Your Clothes'](#) campaign, fronted by celebrity ambassador, Cheryl Hole, also encouraged refashioning and upcycling.
- A new report on adopting clothing business models. Produced in association with the World Resources Institute (WRI), and with support from the Laudes Foundation, ['Changing our Clothes: Why the clothing sector should adopt new business models'](#) revealed that 61–90% of citizens in the UK, US, and India are interested in trying a new business model. For example, rental schemes, re-sale, and repair options.

- Re-launching the £1.5 million Textiles Projects Grant Fund. In response to COVID-19, fund applicants could apply for up to 100% grant funding (from £20,000 to £170,000) for innovative projects to recycle or re-use textile waste. We awarded £763,894 to five organisations.

Resource management

The UK recycling rate for waste from households was 45% in 2018, decreasing from 45.5% in 2017. The recycling rate decreased in all UK countries except Northern Ireland in 2018. The reduction for England was driven primarily by a reduction in 'other organics' such as green garden waste sent for recycling, linked to adverse weather conditions for plant growth. There is [a need for continued activity](#) to deliver government ambitions on recycling and minimising residual waste. Our work to sustainably manage resources included:

- Our 17th annual [Recycle Week](#), which thanked UK citizens for continuing to recycle despite the COVID-19 pandemic. For the first time, funding from 15 major commercial donors enabled the campaign to be enhanced. By harnessing the mood of the nation, the campaign achieved 26 million digital impressions (22 million in 2019), and 185 million (59 million in 2019) opportunities to see, hear or read about Recycle Week through our PR activity.
- Our [Recycling Tracking Survey](#) of UK households – the largest and longest-running of its kind. Findings revealed that recycling levels were higher and more consistent, but that there is still room for improvement. 87% said they 'regularly' recycle, and 62% reported extra recycling in the previous year. However, we still have a way to go in terms of citizens correctly identifying what can and cannot be recycled.

Below are examples of our regional work on resource management.

England

On behalf of Defra, we:

- Consulted with local authorities which collect business waste. The results will form part of the qualitative evidence to assist policy development ahead of the second stage consultations on Extended Producer Responsibility (EPR), Deposit Return Schemes and consistent collections, expected in Spring 2021.
- Launched guidance for local authorities and Business Improvement Districts – '[The Right Bin in the Right Place](#)'. In support, we set up

the 'Litter Binrastructure' scheme. English local authorities could apply for grants from £10,000 to £25,000 to purchase and install new bins in identified litter-prone 'hotspot' locations. Nearly £1 million has been awarded.

Northern Ireland

On behalf of the Department for Agriculture, Environment and Rural Affairs (DAERA):

- We launched a [national consultation](#) on the design of future resource management for businesses and households. We collaborated closely with DAERA on the design and content of the key discussion document. A [WRAP report](#) on the options to meet a 65% municipal recycling target by 2035 was launched at the same time, which underpins key evidence in the proposals that DAERA put forward.
- We launched a citizen-facing COVID-19 campaign, under our [Recycle Now](#) brand. It sought to help householders manage their waste and recycling during the pandemic, both at the kerbside and at HWRCs. The campaign included press releases, radio advertisements, social media activity, and a leaflet drop to 830,000 households. We reached 1.5 million people during Phase 1, and 1.2 million during Phase 2.
- Our '[Eat, Rinse, Recycle](#)' campaign was launched, with messages tailored specifically for Northern Ireland. These were developed through feedback from councils and partner organisations. A campaign toolkit enabled partner organisations to customise messages to suit their local circumstances.

Wales

On behalf of the Welsh Government:

- We support local authorities via the [Collaborative Change Programme \(CCP\)](#) to increase recycling rates and support the implementation of Wales' circular economy strategy, 'Beyond Recycling'. This year, Vale of Glamorgan Council continued its roll out of source-segregated collections, and worked with Denbighshire County Council in preparation for its change in collections service.
- We re-launched the [Circular Economy Fund](#) in response to the COVID-19 pandemic, widening its scope to also include preparation for re-use, refurbishment, and re-manufacturing activities in Wales. Capital

grants were temporarily made available from £6,000 (rather than £25,000) to £750,000, with higher intervention rates possible. Several projects have been delayed due to the pandemic and Brexit, with some applications withdrawn; however, we have awarded over £2 million. Projects funded since 2019 are forecast to use over 51,000 additional tonnes of recycled materials in products and create 47 new jobs.

- Through our CCP team, we also supported the assessment of three rounds of the Welsh Government's separate Circular Economy Fund for publicly funded bodies. This involved assessing 169 bids and awarding £33.1 million.
- We helped 20 [public sector bodies embed sustainability](#) into their procurement strategies and activities, positively influencing £2 billion of public sector expenditure.
- We have been working with over 20 organisations to deliver four [supply chain projects](#) to demonstrate how barriers to increasing recycle – particularly plastic – in manufacturing can be overcome. We have, for example, succeeded in producing cost-effective hazardous good containers made from 50% recycled content, for which we are seeking UN certification.
- We ran Wales' largest-ever recycling campaign under our [Wales Recycles](#) brand – part of Recycle Now – to help move Wales from third in the world at recycling to first. Due to COVID-19, this 'Be Mighty. Recycle.' campaign was postponed and then revised to ensure that materials were appropriate in light of the pandemic. Channels included television, radio and media advertising, social media, and PR. The messages were further amplified through eight Welsh influencers, approximately 60 partners, and our celebrity ambassador, Matthew Pritchard. The campaign reached almost 30 million citizens in Wales.

Future plans for our focus areas

Food and drink

We will help the food and drink sector to measure and increase contributions to net zero. By supporting large food businesses and their suppliers we will enable them to report and reduce their food waste. This would also include reducing water stress in the major sourcing regions for UK food.

Using tried and tested interventions we will engage more and more citizens in food waste reduction around the world. This will include increasing food redistribution even further, getting more good food to those who need it.

Working with the EU, G20, and Commonwealth countries, we will continue to develop and implement food waste reduction policies. By supporting partners around the world, we will help them to deliver programmes and citizen behaviour change campaigns to reduce food waste and GHG emissions. This will ensure that the UK remains on its trajectory to halve food waste by 2030 in line with UN SDG 12.3, and that more countries are on a similar path.

Plastic packaging

The UK Plastics Pact will continue to drive our work on tackling plastic pollution as we agree action plans with members, convene collaborative actions, and share good practice. We are working with our members on reaching the Pact's targets, and to find innovative solutions for film and flexible packaging recycling.

We will continue to provide balanced messaging about the impact of plastics to people through our 'Clear on Plastics' campaign. We intend to secure new funding from trusts and foundations for this citizen-facing work.

Extending the global network of Plastics Pacts has been a huge success. Our work with partners will continue to develop further pacts and plastic reduction policies within the EU, G20 and Commonwealth countries.

Textiles

SCAP 2020 has entered its final year and the results will be published in Autumn 2021. Our new voluntary agreement, Textiles 2030, will champion circularity and seek to halve the climate change impact of clothing and textiles. Its focus will be on delivering targets on carbon, water, and a circular economy, and enabling a wide range of textile businesses to measure their own progress. Globally, we will pilot our Circular Clothing Action Plans model, which will sit alongside Textiles 2030.

We will look to catalyse investment in innovative and new business models for clothing and provide robust evidence for new policies to tackle unwanted textiles.

Love Your Clothes campaigns and behaviour change interventions are ongoing, and we will explore an international licensing opportunity for Love Your Clothes.

Resource management

We remain committed to providing policy and technical support to national and local governments and the implementation of collection and packaging reforms. We will encourage more of England's local authorities to adapt more consistent waste and recycling services whilst also using our evidence-based social norming messages in communications.

For Welsh local authorities, we will continue to deliver service changes. Our plans in Northern Ireland are to provide support and insights required to implement EPR, payment modelling and Single Use Plastics legislation support. Citizen behaviour change campaigns across the UK will also remain a focus.

We will support higher rates of recycling and a more circular economy through household collections, and more business recycling, and encourage products to be designed to be recyclable or suitable for re-use.

Our work with partners around the world will continue to embed policies and practices that drive a more circular economy.

Structure, Governance and Management

Board of Trustees

The Board of Trustees, who are also Directors of the Charity for the purposes of the Companies Act, administer the charity. The Board can have up to 12 Members and currently comprises the Chair and eight independent non-executive directors.

The Board is responsible for:

- determining the strategy;
- approving the business plan;
- approving the budget;
- monitoring the charity's performance;
- monitoring the business risks; and
- the health and safety issues of the charity.

The Board met six times during the year to 31 March 2021.

The company applies the relevant principles of good governance in UK Corporate Governance Code as set out below.

- The Board meets regularly.
- There is a clear division of responsibilities between the Chair and the Chief Executive.
- The Board includes a majority of independent non-executive directors.
- There is a formal procedure for the appointment of new directors.
- The Board is supplied in a timely manner with sufficient information to discharge its duties.
- The Board periodically undertakes an evaluation of its effectiveness.
- Directors submit themselves for re-election after a maximum term of four years.
- The non-executive directors meet as necessary without the executive directors present.

WRAP supports the principles of the Charity Governance Code fully, and we are reviewing our practice against the Code's requirements as part of our on-going work to build and strengthen our governance arrangements.

Trustee induction and training

New Trustees undergo an orientation day to brief them on their legal obligations under charity and company law, the Charity Commission guidance on public benefit, and inform them of the content of the Articles of Association, the committee and decision-making processes as well as WRAP's strategy, programmes, business plan and recent financial performance. During the induction day they meet key employees and other Trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Nominations and Remuneration Committee

In view of the size of the company, it is considered appropriate to combine the roles of the Nominations Committee and Remuneration Committee. The Committee comprises three non-executive directors, currently Jim Oatridge, Sue Corbett and Robert Longley-Cook (Chair). The Committee met four times during the year to 31 March 2021. The main responsibilities of the Committee are to:

- establish a procedure for the appointment of Trustees and executive directors;
- oversee the process of the appointment of Trustees; and
- review the remuneration of the executive directors.

The Committee has agreed a procedure for the selection of Trustees, which will accord with the following principles:

- Posts will be publicly advertised. The advertisement (and the supporting information for candidates) will make it clear what specialist expertise is required, depending on the need to replace the expertise of the retiring board members, and to take account of any additional requirements.

- The advertisements will make it clear that WRAP is committed to diversity and welcomes applicants irrespective of religion, age, sex, sexual orientation, gender reassignment, marital status, disability or race.
- An independent individual who is skilled in the making of similar non-executive appointments will be included on the interview panel.
- The interview panel will proceed by consensus as far as possible, but with no member having a veto.
- Candidates will be provided with a decision as quickly as possible after the interview and information will be made publicly available about the appointments made, which will include any other relevant positions held by those appointed.

Remuneration

All the non-executive directors, apart from the Chair, give of their time freely and receive no remuneration. The remuneration of the Chair has been approved by the Charity Commission.

The main objectives of the Company's remuneration policy are to provide a remuneration package that will attract, retain and motivate individuals of an appropriate calibre. The pay of the executive directors and staff is reviewed annually. The Company benchmarks pay using a leading, commercially available service. An element of pay is variable and relates to performance in the year and is based on achievement of specific objectives.

Expenses are reimbursed to the extent that they have been incurred wholly, necessarily and exclusively for the purposes of the charity.

Full details of Trustees' remuneration, expenses and related party transactions are disclosed in notes 10 and 12 to the accounts.

Audit and Risk Committee

The Audit and Risk Committee comprises four Trustees, namely Jim Oatridge (Chair), Marc Stephens, Michaelene Kinnersley, and Sophie Thomas. The Committee met four times during the year ended 31 March 2021, with the external auditors present at two meetings. The Chair, Julie Hill, is not a member of the committee but attended four meetings during the year. The Chief Executive, Marcus Gover, attended four meetings during the year. The Commercial, Finance, and Operations Director, Paul Suller, attended four meetings.

The main responsibilities of the Audit and Risk Committee are to:

- monitor the integrity of the financial statements;
- review the charity's internal financial controls and the charity's control and risk management systems;
- make recommendations to the Board on the appointment and remuneration of the external auditors;
- review the findings of the audit with the external auditor;
- review the independence of the external auditor; and
- appoint the internal auditor, agree work plans, review internal audit reports, and monitor completion of agreed actions.

Maintenance of a sound system of internal control

The Board is responsible for the company's system of internal control and for reviewing its effectiveness. Such a system is designed to minimise the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss. The Audit and Risk Committee assists the Board in discharging its review responsibilities.

The main features of the company's risk and control framework are outlined below.

- WRAP's Business Plan, including the annual budget, is discussed and approved by the Board. An update on progress and a forecast for the remainder of the financial year is given at each Board meeting.
- Matters needing the Board's attention are clearly defined: financial procedures, procurement procedures and authorisation levels are set by, and any changes approved by, the Audit and Risk Committee. Appropriate reporting procedures have been established.
- Risk assessments are made by staff from across all the charity's programmes. The results of these assessments are discussed and kept under regular review by the senior management team and reported to the Audit and Risk Committee. A risk register is regularly updated.
- The Chairman of the Audit and Risk Committee reports the outcome of Committee meetings to the

- Board.
- The company has established a whistleblowing policy whereby staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters.

The Board has reviewed the effectiveness of the company's systems of internal control for the financial year 2020/21 and up to the date of approval of the annual report and accounts. The company is committed to the development and enhancement of existing systems of internal control and risk management as appropriate for the company and its activities. During March 2020, Haysmacintyre were appointed as internal auditors for WRAP. This appointment is intended to strengthen the Board confidence in enterprise risk management by adding to the third line of defence, and to provide external insights and best practice to the Executive team.

Investment Committee

The Investment Committee was created and comprises three Trustees, namely Sarah Chapman (Chair), Sachin Kapila and Jim Oatridge. The Committee met three times during the year ended 31 March 2021, with the investment managers present at one meeting. The Chair, Julie Hill, is not a member of the committee but attended two meetings during the year. The CEO, Marcus Gover, attended three meetings during the year. The Commercial, Finance, and Operations Director, Paul Suller, attended three meetings.

The main responsibilities of the Investment Committee are to:

- at least maintain the real value of the financial return focused investment portfolio over the long term whilst generating a sustainable contribution to unrestricted income. The strategy for the financial return portfolio is managed by the WRAP Board; and
- monitor delivery of impact objectives and financial return for the mixed-motive investment portfolio. This portfolio has twin goals of delivering financial return whilst furthering our charitable impact, hence 'mixed-motive'. The AGF Board is responsible for the investment strategy.

Attendance at meetings

The table below sets out the number of Board and Committee meetings held during the year, and the attendance of each Trustee. It should be emphasised that this information does not fully reflect the contribution made to the charity by many of the Trustees who have also attended other meetings and events relating to the charity during the year.

	Board	Audit & Risk Committee	Nominations & Remuneration	Investment Committee
Number of meetings	6/6	4	4	3
Sarah Chapman	6/6			3/3
Sue Corbett	6/6		4/4	
Julie Hill	6/6	4/4	4/4	2/3
Sachin Kapila	6/6			3/3
Michaelene Kinnersley	5/6	2/3*		
Robert Longley-Cook	6/6		4/4	
Jim Oatridge	6/6	4/4	3/3*	3/3
Marc Stephens	6/6	4/4		
Sophie Thomas	6/6	3/4		

*Number of eligible meetings for this individual is less than the total number due to Committee membership being updated during the year.

Executive Committee

The Board has delegated the day-to-day operations to the Chief Executive Officer (CEO). The CEO, supported by the Executive Committee, is accountable to the Board for providing information to enable the Board to monitor the organisation's operating and financial results. Individual matters that are novel or contentious are referred to the Board.

The Trustees and Executive Committee are deemed to be key management personnel of the Charity (see page 3 for membership).

Related Parties

WRAP had three wholly owned subsidiary companies, established where it has been deemed appropriate to house specific programmes in separate legal entities, one of these (eEquip) was liquidated in 2019/20. The three companies were limited by shares.

Accelerating Growth Fund (AGF) Ltd

The company provides financial support and investments to organisations, principally SMEs, who are investing in, or changing to, “circular economy” business models. AGF’s profits are gift aided to WRAP; the amount gift aided amounted to £99k in 2020/21 (2019/20: £129k). An additional £5,357k was distributed from retained earnings in 2020/21 to create an Investment Fund in WRAP. The Chair of the WRAP Board of Trustees is the Chair of AGF Ltd.

eEquip RVG Ltd

The company operated a residual value guarantee scheme to help recycling companies lease machinery. The scheme closed to new business in March 2015 with existing leases having a range of maturities through to 2018. eEquip’s on-going business came to a close and a gift-aid distribution of £421k made to WRAP in 2019/20. The Chief Executive of WRAP was the Chair of eEquip RVG Ltd.

WRAP Enterprises Ltd

WRAP Enterprises was established as a trading subsidiary to capture any revenues arising from commercial contracts. To date WRAP Enterprises has not traded and it is currently dormant. The Chief Executive of WRAP is the Chair of WRAP Enterprises.

Related party information and transactions can be found in Note 10.

Relations with stakeholders, and fundraising

WRAP regularly consults with its stakeholders. Through a series of stakeholder meetings, their views are taken into account in our business planning process. We welcome input from our stakeholders on an on-going basis.

Section 162A Statement: WRAP does not participate in any fund-raising schemes or use the service of a professional fund-raiser or commercial participator to carry on any of those activities.

Safety, Health & Environmental Report

Despite the COVID-19 pandemic and the unique challenge of all our employees working from home, ensuring their safety, health and wellbeing continued to be our overriding priority. Led by the COVID-19 response team which met weekly throughout the year, staff were provided with clear guidance and support on how to maintain high safety, health and environmental standards whilst working remotely.

Throughout the year employees have been encouraged to report near hits and accidents when working from home. Reporting was lower than previous years but a total of 14 near hits and three minor accidents were reported whilst employees were working at home.

When our offices were able to re-open, robust procedures were introduced to reduce the risk of transmitting COVID-19 whilst in the offices and travelling to and from the offices. These were in line with the HSE’s best practice guide and were in place before the HSE published them. Feedback from the employees reported the new procedures worked well and they felt safe in the offices and the risks of transmitting COVID-19 were effectively minimised. There were no accidents reported when the offices were able to re-open.

For site visits that were essential for us to be able to deliver key projects for our funders, a new COVID-19 Site Visits Policy was created. This required Safe Systems of Work, Risk Management plans, COVID-19 site risk assessments and supporting checklists to be signed off by a Director before visits could go ahead.

Through our ongoing health and safety training employee awareness of health and safety continues to be high. This training is completed by all new employees and is refreshed every three years. We have narrowly missed our stretch target for all staff to have completed or refreshed this training for all 10 modules. Current records report 99% compliance.

Mental health and wellbeing has been a specific focus throughout the pandemic. The combination of our mental health first aiders, our wellbeing champions, SHE committee members, HR and people managers provided continuous and varied support for our employees. Employees also rose to the challenge and quiz and craft evenings were held throughout the year.

A pandemic has had an extremely positive impact on our overall environmental performance with very limited business travel in the UK, greatly reduced commuting for employees and no flights for over 12 months. However, as an environmental charity we still need to demonstrate a proactive commitment to meet high environmental performance.

Whilst working from home employees were challenged to reduce their environmental impact. Employees were encouraged to make pledges against five key areas to: improve their overall resource management; reduce food waste; reduce the environmental impact of the clothes and textiles they use; reduce energy use; and reduce water use. Details of these pledges have been shared outside of WRAP with large multi-national organisations. Measuring our performance against these pledges is ongoing but it has provided a valuable opportunity to highlight some novel ways we can all improve our environmental performance both at work and when working at home.

Employment policies

WRAP operates a programme to inform and educate all staff on matters of interest by means of briefings, seminars and individual training. Employees are involved on a regular basis in discussions related to their specific interests and staff are encouraged to take an active interest in all aspects of WRAP's performance.

WRAP actively encourages applications from all suitably qualified applicants, regardless of religion, age, sex, sexual orientation, gender reassignment, marital status, disability or race. All employees receive necessary assistance with initial training courses and, once employed, performance management and personal development meetings help in developing a career plan so as to ensure suitable opportunities for everyone. Arrangements are made where possible for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

Equality, diversity and inclusion statement

To bring about a diverse and sustainable world, we need to be a diverse and sustainable organisation.

This year WRAP has accelerated its commitment to Equality, Diversity and Inclusion (ED&I). In August 2020 WRAP launched a new ED&I strategy with a formal commitment to treat our employees, customers, partners, and the communities we serve fairly and with dignity and respect. In the months that followed, WRAP partnered with the National Centre for Diversity to work towards its Investors in Diversity accreditation, created a Diversity Network, introduced diversity data collection and monitoring for staff and job candidates, and launched a new ED&I policy.

We have also strengthened our stance on anti-racism. This is not only so we can support the work we do and recruit a more diverse workforce, but also so that employees feel that they can work in an environment without fear of behaviour that causes offence or upset, based on their skin colour.

In the next year WRAP will invest in doing even more. Our focus will be inclusive leadership, changing the way we recruit to increase the diversity of applicants, and strengthen our approach and expectations working with partners and suppliers who also see ED&I as a priority.

We have high expectations of the behaviours and the standards we will hold ourselves to. As we strive to create a workplace that represents the communities we serve and where all our people feel they belong as their authentic selves, we accept that we must be comfortable with the uncomfortable and recognise the need to think and act differently. This is a journey; WRAP wants to be better.

Financial review

Income

£m	2020/21	2019/20
Restricted donations	0.3	0.2
Trusts and Foundations	1.2	-
UK governments	10.3	35.9
Non-UK governments	0.2	0.7
Other UK government bodies & local authorities	0.9	1.7
Business contributions to voluntary agreements	1.9	1.7
Other income	0.8	0.5
Trading and investment	0.1	0.2
Net gains / (losses) on investment	4.2	(0.3)
Total income	19.9	40.6

WRAP's income for the financial year totalled £19.9m which is substantially lower than the 2019/20 figure of £40.6m. The most significant item from 2019/20 was a £19.6m restricted grant from Defra as described below; £5.3m was refunded in 2020/21 as the expenditure could not be committed in time, primarily due to COVID-19 delays. In 2020/21 we also recorded unrealised investment gains of £4.2m mainly relating to a revaluation of unlisted shares in Sicut (£3.4m), and listed investments (£0.7m). Excluding these, underlying income would have decreased moderately by £0.3m.

Government funding

Government funding is primarily from Defra, the Welsh Government, and DAERA in Northern Ireland.

Total core grant funding from Defra was £7.1m (2019/20 £9.8m), however £0.5m was repaid to Defra at the end of the year for programmes deferred due to COVID-19 (hospitality sector and COP26 preparation).

The additional £19.6m Resource Action Fund (RAF) awarded by Defra in 2019/20 was spent over two years on a number of priority policy areas. In January 2019, WRAP was asked by Defra to develop a mechanism to disperse an £18.8 million fund designed to help address several priority environmental outcomes as detailed below. These areas have been identified from previous work and research undertaken by Defra and WRAP, which has highlighted key market failures and capacity gaps from within these areas/sectors.

- Food waste prevention.
- Litter strategies and infrastructure for local authorities ('Binrastructure').
- Recycling non-household municipal waste.
- Plastics packaging reprocessing.
- Textiles reprocessing.

WRAP and Defra agree the activities that the fund supports, and what mechanisms these address to ease market failures and environmental issues. It was agreed with Defra that the fund included a mix of grant support activities, business development, and research which would be delivered directly by WRAP and/or its appointed subcontractors. In 2020/21 Defra awarded an additional £1.8m (2019/20 £0.75m) to support Food Redistribution in response to COVID-19 supply chain disruptions.

In March 2021, £4.8m was refunded to Defra from the RAF programme due to delays in delivery due to COVID-19 restrictions including retail and hospitality closures during lockdowns.

Defra also awarded a grant of £0.4m to assist Malaysia, South Africa, Pacific Island region, Ghana, Kenya and India launch Plastics Pacts to reduce plastic waste and enable collection and recycling systems.

The Welsh Government awarded a core grant of £4.2m in 2020/21 (2019/20 £4.2m), £1.7m of which was for the Collaborative Change Programme; £0.2m was not drawn down in 2020/21 due to Covid delays. A further

£2.1m (2019/20 £0.5m) was claimed under the £6.5m Circular Economy Fund (CEF) grant programme.

In Northern Ireland, the core grant from DAERA increased to £0.9m (2019/20 £0.6m).

WRAP was awarded a grant of £1.7m from UK Research and Innovation (UKRI) for a UK Circular Plastics Innovation Fund in 2018/19 with the drawdown over three years. In 2020/21 £0.3m (2019/20 £1.0m) was claimed.

Non-government funding

The majority of this income continues to be the contributions from businesses for the three voluntary agreements. This has increased to £1.9m (2019/20 £1.7m), with most of the increase relating to the Plastics Pact.

Charitable grants and donations, including Trusts and Foundations, increased in the year to £1.5m (2019/20 £0.2m), with donations from Walmart (£0.5m), Laudes (£0.4m), Mava (£0.2m), Ocado (£0.1m), and various contributions to Recycle Week.

Other income is principally from international organisations and increased in the year to £0.8m (2019/20 £0.4m), with notable successes being P4G (£0.2m) food waste programme and Google (£0.2m).

Investment policy

WRAP has an investment policy to invest in managed funds or direct equity investments with the intention of furthering the company's charitable objects and with the intention of providing a greater return than cash.

Listed investments

WRAP currently has £7.3m of financial investments managed by Rathbones Greenbank, and £0.9m managed by Brewin Dolphin (2019/20 £3.6m managed by Brewin Dolphin). Following a tender exercise, the listed investments fund has been transferred to Rathbones Greenbank with an ESG focused mandate.

The investments are long-term in nature (>5 years), and short-term volatility is to be expected, as has been seen in global markets over the year, resulting in a capital gain of £0.6m (2019/20 £0.3m loss).

The portfolio is ESG focused, with investments positively screened for their ESG credentials, and excludes companies deriving most of their revenues from the sale of tobacco or fossil fuels. The portfolio targets a return of inflation (UK CPI) +4% over the long term.

Mixed-motive investments

AGF holds £5.1m (2019/20 £1.4m) of mixed motive investments; £1.2m (2019/20 £1.1m) in the Circularity European Growth Fund and £3.9m (2019/20 £0.3m) in Sicut Enterprises Ltd.

The Circularity European Growth Fund's mission is to deliver value for investors by supporting SME growth and innovation in the Circular Economy.

Sicut Enterprises is primarily a supplier of sustainable railway sleepers manufactured from recycled plastics. The shares were revalued during the year following an investment round and revised cashflow forecasts, resulting in a gain of £3.4m (2019/20 nil).

Mixed-motive investments are held to deliver charitable impact whilst also generating a financial return, aiming at least for capital retention over the medium-term.

Mixed-motive investments are held within our subsidiary company AGF Ltd.

Expenditure

£m	2020/21	2019/20
Sustainable Production & Consumption	16.8	9.8
Waste and Resource Management	12.3	11.8
Fundraising	0.2	0.1
Other costs	(9.9)	0.1
Support costs	3.0	3.0
Governance costs	0.2	0.2
Total Expenditure	22.6	25.0

Total expenditure in year of £22.6m (2019/20 £25.0m), this included an AGF provision release of £10.0m.

Charitable activities

Expenditure on charitable activities (excluding trading, fundraising, support and governance costs) increased during the year by £7.5m to £29.1m (2019/20: £21.6m). Excluding grants the expenditure was £16.8m, similar to 2019/20 (£16.6m).

Expenditure on sustainable production and consumption has increased to £16.8m (2019/20: £9.8m). RAF including grants awarded have increased (£5.5m), citizen engagement food (£1.1m), international (£1m) and business collaboration has decreased (0.6m).

Waste and resource management expenditure has increased to £12.3m (2019/20: £11.8m). Grants awarded have increased by £2.9m, whereas spend in the following activities has reduced: Recycle Now (-£0.5m), recycling collections with local authorities (-£0.5m), Wales and NI (-£0.4m), International (-£0.5m), Trifocal (-£0.6m).

Non-charitable activities

Support costs have remained at £3.0m (2019/20: £3.0m). We have continued to invest in improving the IT network, data storage and enhancing conferencing capability. These projects contributed to the seamless transition to homeworking to protect our employees during the COVID-19 outbreak.

Governance costs remain at £0.2m (2019/20 £0.2m) and cover the costs associated with the constitutional and statutory requirements, and include any costs associated with the strategic management of WRAP's activities.

Fundraising has increased slightly to £0.2m (2019/20: £0.1m reflecting a new fundraising team towards the end of the year.

A detailed breakdown of expenditure can be found in Note 4.

Net movement in funds

There was a net decrease of £2.7m in funds during the year to £33.4m (2019/20: £36.1m). This consists of a £16.2m increase in designated funds, a £17.1m decline in restricted funds, and a £1.8m reduction in general funds.

The large decrease in restricted reserves is predominately due to the spend-down of the RAF grant (£15.2m). In addition, a £1.9m drawdown in 2019/20 from Defra for other 2020/21 programme activities was held within restricted reserves at the previous year-end.

At the end of 2020/21 £0.7m remained in WRAP designated reserves to fund business development and fundraising activities. WRAP and AGF also hold an £8.2m designated reserve as an ESG focused financial investment fund to generate unrestricted income of 4% per annum.

The Accelerating Growth Fund holds other reserves of £13.9m (2019/20: £6.1m) designated to its mixed-motive circular economy investment activities. Following a strategic review, there is now more clarity on the

establishment of a mixed-motive portfolio, and therefore the previous provision has been removed.

The accounts include a Gift Aid distribution from AGF to the parent company of £0.1m (2019/20 £0.1m).

Consolidated balance sheet

At 31 March 2021 net assets were £33.4m (2020: £36.1m).

The most significant movements in this financial year are:

- +£8.3m investments - increase mainly due to revaluation of Sicut (£3.4m), additions to financial investments (£4m), gains on listed investments (£0.6m).
- +£9.4m liabilities - reduction due mainly to the reversal of the AGF provision.
- -£10.3m cash and short-term investments - decrease due to reduction in restricted funds and purchase of financial investments.
- -£3.7m debtors – mainly UK governments, £3.3m at the end of 2019/20, received in 2020/2021.
- -£6.3m creditors – mainly increase in accruals of £5.6m from grants awarded, but not yet paid.

Reserves policy and going concern

WRAP holds financial reserves to be applied to future activities in these categories:

- General funds – unrestricted funds to be applied generally to further WRAP's charitable purposes. At 31 March 2021 WRAP held general funds of £5.9m (equivalent to over five months' salary and overheads).
- Restricted funds – to be applied only to the purpose(s) specified by the donor. At 31 March 2021 WRAP held restricted funds of £4.7m.
- Designated funds – to be applied to a given purpose specified by the Trustees. At 31 March 2021 WRAP held designated funds of £22.8m.

The Trustees have set a target for unrestricted reserves based on an analysis of the potential financial risk facing WRAP. The Trustees consider the appropriate level of general reserves to be between three and six months of staff and support costs. Funds in excess of this will be transferred to the financial investment fund to generate a predictable level of unrestricted income. Should general reserves fall below three months, then a call on the financial investment fund can be made.

The Trustees have reviewed the circumstances of the charity and the group and consider that adequate resources continue to be available to fund activities for the foreseeable future. The Trustees are therefore of the view that the WRAP group is a going concern.

Principal risks and uncertainties

The Trustees have a risk management strategy which comprises:

- a quarterly review of the principal risks and uncertainties facing WRAP and its subsidiaries led by the Audit and Risk Committee and reported back to the Board at each meeting;
- the establishment of policies, systems and procedures to mitigate those risks identified in the quarterly reviews;
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise; and
- ongoing review of risk mitigation and controls via the Audit and Risk Committee of the Board, including the appointment of an independent internal audit team (Haysmacintyre) to further strengthen assurance activities.

The principal risk and uncertainty for WRAP relates to the level of future funding. Our primary source of funding continues to be grant funding from the UK's central and devolved governments. Continued downward pressure on public finances presents a risk to WRAP, as to any organisation in receipt of government funding.

The Trustees' mitigation for these risks is threefold:

- maximising WRAP's value to its principal government funders and working with our funders on a strategic roadmap;
- diversifying our funding mix – we are beginning to see the impact of this though the increase in our business income and international funding. A fund-raising team is now in place to accelerate this

- through more donations and in particular trust and foundation income, whilst additional relationship managers are also being recruited; and
- ensuring sufficient flexibility in our cost base to respond to any future changes in funding without compromising the organisation's ongoing ability to deliver impact.

As mentioned elsewhere in the report, WRAP has considered the impact of COVID-19 on its operations and strategy and responded accordingly. The safety and welfare of our staff is paramount, with our existing business continuity procedures enabling staff to work seamlessly from home as soon as we took the decision to close our office in response to government advice on social isolation. We are working closely with our funders and stakeholders to review their priorities and adjust ours accordingly. WRAP remains well-funded, retains the support of our major funders (governments and large corporations), and work can continue remotely for most of our programmes. A gradual return to office-based work is planned from April 2021.

WRAP maintains comprehensive Health and Safety policies and procedures, including reporting and review of any accidents or near-misses. Please see the Safety, Health and Environment section on page 16 for further details.

Statement of responsibilities of the Trustees of The Waste and Resources Action Programme in respect of the Trustees' annual report and the financial statements

The Trustees (who are also directors of The Waste and Resources Action Programme for the purposes of company law) are responsible for preparing the Trustees' annual report including the strategic report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company or group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then 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 and statements of recommended practice 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 charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2021 was 14 (2020: 14). The Trustees are members of the charity, but this entitles them only to voting rights. The Trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The Trustees' Annual Report which includes the strategic report has been approved by the Trustees on 30 June 2021 and signed on their behalf by

Julie Hill
Chair

Independent auditor's report to the members of The Waste and Resources Action Programme

Opinion

We have audited the financial statements of The Waste Resources and Action Programme (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended.
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the group financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on The Waste Resources and Action Programme's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees' annual report, including the strategic report, other than the group financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the group financial statements does not cover the other information, and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the group financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements.
- The trustees' annual report, including the strategic report, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, and the audit and risk committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance.
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud.

- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Fleur Holden (Senior statutory auditor)
7 July 2021
for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2021

	Note	Unrestricted £'000	Restricted £'000	2021 Total £'000	Unrestricted £'000	Restricted £'000	2020 Total £'000
Income from:							
Charitable activities							
Sustainable production and consumption	2	2,344	4,015	6,359	1,926	21,602	23,528
Waste and resource management	2	133	9,135	9,268	243	16,818	17,061
Investments	3	130	-	130	255	-	255
Total income		2,607	13,150	15,757	2,424	38,420	40,844
Expenditure on:							
Charitable activities							
Sustainable production and consumption	4	2,217	16,535	18,752	2,179	9,145	11,324
Waste and resource management	4	24	13,729	13,753	560	13,017	13,577
Other expenditure	4	(9,946)	-	(9,946)	69	-	69
Total expenditure		(7,705)	30,264	22,559	2,808	22,162	24,970
Net income / (expenditure) before net gains/(losses) on investments		10,312	(17,114)	(6,802)	(384)	16,258	15,874
Net gains / (losses) on investments		4,171	-	4,171	(292)	-	(292)
Net income / (expenditure) for the year	7	14,483	(17,114)	(2,631)	(676)	16,258	15,582
Transfers between funds		33	(33)	-	23	(23)	-
Net income / (expenditure) before other recognised gains and losses		14,516	(17,147)	(2,631)	(653)	16,235	15,582
Other losses		(107)	-	(107)	(20)	-	(20)
Net movement in funds		14,409	(17,147)	(2,738)	(673)	16,235	15,562
Reconciliation of funds:							
Total funds brought forward		14,317	21,840	36,157	14,990	5,605	20,595
Total funds carried forward		28,726	4,693	33,419	14,317	21,840	36,157
Restricted funds		-	4,693	4,693	-	21,840	21,840
Designated funds		22,831	-	22,831	6,568	-	6,568
General funds		5,895	-	5,895	7,749	-	7,749
Total		28,726	4,693	33,419	14,317	21,840	36,157

The statement of financial activities includes all gains and losses recognised in the year. The comparative figures for 2020 are analysed in Note 2. The notes on pages 30-43 form part of the financial statements.

All of the above results are derived from continuing activities. Movements in funds are disclosed in Note 23a to the financial statements.

Consolidated and charity balance sheets

As at 31 March 2021

	Note	The group 2021 £'000	2020 £'000	The charity 2021 £'000	2020 £'000
Fixed assets:					
Tangible assets	12	53	97	53	97
Investments	13	13,305	5,040	7,340	-
		13,358	5,137	7,393	97
Current assets:					
Debtors due within one year	17	1,748	5,475	1,871	5,641
Short term investments	16	22,572	24,634	14,221	14,109
Cash at bank and in hand		11,376	19,632	10,791	18,990
		35,696	49,741	26,883	38,740
Creditors: amounts falling due within one year	18	(14,626)	(8,358)	(14,623)	(8,355)
Net current assets		21,070	41,383	12,260	30,385
Total assets less current liabilities		34,428	46,520	19,653	30,482
Provision for liabilities and charges	20	(1,009)	(10,363)	(1,009)	(404)
Net assets		33,419	36,157	18,644	30,078
Reserves					
Restricted funds	23a	4,693	21,840	4,693	21,840
Unrestricted funds:					
Designated funds		22,831	6,568	8,056	489
General funds		5,895	7,749	5,895	7,749
Total reserves		33,419	36,157	18,644	30,078

Approved by the trustees on 30 June 2021 and signed on their behalf by

Julie Hill
Chair of TrusteesCompany number 4125764
Charity number 1159512

Statement of cash flows

For the year ended 31 March 2021

	2021 £	£	2020 £	£
Cash flows from operating activities				
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(2,738)		15,562	
Depreciation charges	44		37	
(Gains)/losses on listed and unlisted investments	(3,968)		286	
Exchange losses	107		20	
Dividends, interest and rent from investments	(130)		(255)	
Decrease/(Increase) in debtors	3,726		(2,298)	
Increase in creditors	6,268		1,437	
(Decrease)/increase in provision	(9,354)		204	
		(6,045)		14,993
Net cash (used in)/provided by operating activities				
Cash flows from investing activities:				
Dividends, interest and rents from investments	130		255	
Purchase of fixed assets	-		(65)	
Proceeds from sale of investments	4,537		881	
Purchase of listed and unlisted investments	(6,279)		(1,653)	
(Increase)/decrease in cash held by investment manager	(2,554)		176	
		(4,166)		(406)
Net cash used in investing activities				
Change in cash and cash equivalents in the year				
		(10,211)		14,587
Cash and cash equivalents at the beginning of the year		44,266		29,699
Change in cash and cash equivalents due to exchange rate movements		(107)		(20)
		33,948		44,266
Cash and cash equivalents at the end of the year				
Analysis of cash and cash equivalents and of net debt				
	At 1 April 2020 £	Cash flows £	Other non- cash changes £	At 31 March 2021 £
Cash at bank and in hand	19,632	(8,149)	(107)	11,376
Short term investments	24,634	(2,062)	-	22,572
	44,266	(10,211)	(107)	33,948
Total cash and cash equivalents				

Notes to the financial statements

For the year ended 31 March 2021

1 Accounting policies**a) Basis of financial statements and accounting policies**

WRAP is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office address is 2nd Floor, Blenheim Court, 19 George Street, Banbury, OX16 5BH.

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) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006 and Charities Act 2011. WRAP 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 note(s).

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

b) Basis of consolidation

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiaries: Accelerating Growth Fund Limited and WRAP Enterprises Ltd, on a line by line basis. eEquip RVG Limited's ongoing operations came to a close and the company became dormant on 31 December 2019 and liquidated in September 2020. Transactions and balances between the charitable company and its subsidiaries have been eliminated from the consolidated financial statements. Balances between AGF (WRAP Enterprises is dormant) are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

The Charity is included in the consolidated financial statements and is considered to be a qualifying entity under FRS 102 paragraphs 1.8 to 1.12. The following exemptions available under FRS 102 in respect of certain disclosures for the Charity financial statements have been applied:

- No separate parent company Statement of Cash Flows with related notes is included;
- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The Charity is exempt under the Companies Act 2006 s408 from the requirement to present its own profit and loss account.

c) Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the strategic report within the trustees' report. The financial position of the Group, its cash flows and liquidity position are also described in the strategic report and the financial statements. As highlighted in the financial statements, the Group meets its day-to-day working capital requirements through grants and other funding. Whilst the current economic and political conditions may create uncertainty over the level of future funding, the trustees have reviewed the Group's committed funding, obligations and reserves and have concluded that the Group is able to meet all its liabilities as they fall due. As the Charity has a significant portion of its 2021/22 income secured and it has £14m of liquid unrestricted reserves, the trustees consider there are no material uncertainties. The trustees therefore have a reasonable expectation that the Group has adequate resources to continue in operational existence for 12 months from the date of approval of the accounts. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

d) Income

Income is recognised when: the charity has entitlement to the funds; any performance conditions attached to the income have been met, and it is probable that the income will be received and that the amount can be measured reliably.

Revenue grants are credited to the statement of financial activities in the period in which the funding is receivable. Where unconditional entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the income is recognised when there is sufficient evidence that conditions will be met. Where there is uncertainty as to whether the charity can meet such conditions, the income is deferred. Investment income is included in the statement of financial activities when receivable. Grant income is either restricted or unrestricted, depending on the conditions attached to the grant.

Income received from the sale of goods and services is recognised in the financial statement in the year in which the good is sold or the service provided. Where contributions from voluntary agreement members have been received in one year, but relate to future years, they are treated as deferred income so that income is recognised in accordance with the membership fee timeframe.

Notes to the financial statements

For the year ended 31 March 2021

1 Accounting policies**e) Expenditure**

All expenditure is charged in the period to which it relates on an accruals basis and a liability is recognised when there is a legal or constructive obligation, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. The Charity is registered for VAT due to income generated by some activities and accordingly expenditure excludes any recoverable VAT. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Expenditure that relates directly to a particular activity is allocated to that activity. Support costs are attributed to programmes with reference to the proportion of staff working directly on project based activities.

Fundraising costs relate to the costs incurred by the group and charitable company in raising funds for the charitable work. Investment management fees are not allocated to charitable activities.

Governance costs are the costs associated with the governance arrangements of the charitable company. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the organisation's activities.

f) Grant making

Grants payable are charged to the statement of financial activities in the year in which the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year-end are noted as a commitment, but not accrued as expenditure.

g) Leases

Operating lease rentals are charged to the statement of financial activities on a straight-line basis over the period of the lease.

h) Taxation

WRAP is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of 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. The subsidiary trading company makes qualifying donations of all taxable profit to the charity. Deeds of covenant have been prepared to allow the subsidiary trading company to make qualifying donations of all taxable profit to the charity.

i) Funds

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund together with a fair allocation of management and support costs.

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity.

Designated funds are unrestricted funds ring fenced by the trustees for particular purposes.

j) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation is provided on all fixed assets at rates calculated to write-off the cost of each asset evenly over its expected useful life, as follows:

Office equipment: 33% on cost.

k) Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the Statement of Financial Activities. The charity does not acquire put options, derivatives or other complex financial instruments.

Unlisted investments are included at their fair value if this can be quantified accurately otherwise they are included at cost less impairment. Where a company has raised a further round of investment, the fair value of the investment held is based on the latest value of the Company's shares. Any change in valuation is taken to the Statement of Financial Activities.

l) Investments in subsidiaries

Investments in subsidiaries are at cost.

m) Pension costs

Pension costs represent the costs of providing defined contribution retirement benefits under personal pension arrangements and are charged as incurred.

n) Creditors and Provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that can be reliably measured, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligations at the reporting date.

Notes to the financial statements

For the year ended 31 March 2021

1 Accounting policies

o) Cash and liquid resources

Cash comprises cash in hand, and deposits repayable on demand or with an original term of less than 30 days.

p) Short term investments

Short term investments include notice accounts and deposits with an original term of 30 days or more.

q) Debtors

Debtors are recorded at their recoverable amount which constitutes the present value for long term debts, the time value of money having been deemed immaterial.

r) Financial instruments

The group only has financial assets of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Cash held in 32 day notice accounts is treated as a short term investment as it is held for investment purposes.

2 Income from charitable activities

	Unrestricted £'000	Restricted £'000	2021 Total £'000	Unrestricted £'000	Restricted £'000	2020 Total £'000
UK Governments	70	16,271	16,341	57	35,854	35,911
Return of grants to UK Governments	-	(5,970)	(5,970)	-	-	-
EU Governments	-	(15)	(15)	19	632	651
Non EU Governments	-	191	191	10	-	10
Other UK Government & Local Authorities	64	813	877	61	1,596	1,657
Total income from Governments	134	11,290	11,424	147	38,082	38,229
Business contributions to voluntary agreements	1,874	-	1,874	1,747	-	1,747
Trusts & Foundations	-	1,158	1,158	-	18	18
Restricted donations	-	330	330	1	150	151
Other income	469	372	841	274	170	444
Total income from charitable activities	2,477	13,150	15,627	2,169	38,420	40,589

3 Income from investments

	2021 Total £'000	2020 Total £'000
Bank interest receivable	32	149
Income from listed investments	98	106
	130	255

All income from investments is unrestricted.

Notes to the financial statements

For the year ended 31 March 2021

4a Analysis of expenditure (current year)

	Charitable activities						2021 Total £'000	2020 Total £'000
	Sustainable production & consumption £'000	Waste & resource management £'000	Other Expenditure £'000	Fundraising costs £'000	Governance costs (Note 6) £'000	Support costs (Note 6) £'000		
Staff costs (Note 8)	4,357	3,742	23	153	160	1,413	9,848	9,638
Contracted services	3,966	4,779	67	46	31	1,584	10,473	10,410
Other Expenditure	-	-	(10,036)	-	-	-	(10,036)	-
Grants awarded (Note 6)	8,484	3,790	-	-	-	-	12,274	4,922
	16,807	12,311	(9,946)	199	191	2,997	22,559	24,971
Fundraising costs	107	92	-	(199)	-	-	-	-
Governance costs	110	81	-	-	(191)	-	-	-
Support costs	1,728	1,269	-	-	-	(2,997)	-	-
Total expenditure 2021	18,752	13,753	(9,946)	-	-	-	22,559	
Total expenditure 2020	11,324	13,577	69	-	-	-		24,970

Other Expenditure relates to the release of a provision in AGF as there is no longer an obligation to repay funding for the Circular Economy Fund back to the grantor.

4b Analysis of expenditure (prior year)

	Charitable activities				Governance costs (Note 6) £'000	Support costs (Note 6) £'000	2020 Total £'000	2019 Total £'000
	Sustainable production & consumption £'000	Waste & resource management £'000	Trading costs £'000	Fundraising costs £'000				
Staff costs (Note 9)	3,764	4,155	10	77	142	1,490	9,638	8,570
Contracted services	1,987	6,736	59	36	55	1,537	10,410	10,024
Grants awarded (Note 6)	4,056	866	-	-	-	-	4,922	1,343
	9,807	11,757	69	113	197	3,027	24,970	19,937
Fundraising costs	53	60	-	(113)	-	-	-	-
Governance costs	90	108	-	-	(197)	-	-	-
Support costs	1,374	1,652	-	-	-	(3,027)	-	-
Total expenditure 2020	11,324	13,577	69	-	-	-	24,970	
Total expenditure 2019	9,144	10,730	63	-	-	-		19,937

Notes to the financial statements

For the year ended 31 March 2021

5a Grant making

	Community Interest Groups & Charity/Not for Profit £'000	Grants to Institutions £'000	Grants to Local Authorities £'000	Grants to Business £'000	2021 Total £'000
Cost					
Sustainable Production & Consumption	4,112	160	-	4,213	8,485
Waste & Resource Management	-	-	1,480	2,309	3,789
At the end of the year	4,112	160	1,480	6,522	12,274

5b Grant making (prior year)

	Grants to Community Interest Groups & Charity/Not £'000	Grants to Institutions £'000	Grants to Local Authorities £'000	Grants to Business £'000	2020 Total £'000
Cost					
Sustainable Production & Consumption	3,139	(4)	-	921	4,056
Waste & Resource Management	84	-	265	517	866
At the end of the year	3,223	(4)	265	1,438	4,922

The grants were principally awarded under the following schemes: Resource Action Fund funded by Defra, UK Circular Plastics Innovation Fund funded by UK Research and Innovation (UKRI) and the Circular Economy Investment Fund funded by the Welsh Government.

Details of grants awarded can be found at www.wrap.org.uk/awarded-grants.

6 Analysis of support costs

	2021 £'000	2020 £'000	Basis of allocation
Finance	330	307	Across all heads
Information technology	650	650	Across all heads
Office	415	415	Across location heads
Human resources	706	705	Across all heads
Commercial	284	284	Across delivery heads
Executive office	611	666	Across delivery heads
Total	2,996	3,027	

Analysis of governance costs

	2021 £'000	2020 £'000	
Staff	159	142	Actual costs incurred
Audit	31	35	Actual costs incurred
Professional fees	-	20	Actual costs incurred
Total	190	197	

Notes to the financial statements

For the year ended 31 March 2021

7 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2021 £'000	2020 £'000
Depreciation of tangible fixed assets	44	37
Operating lease rentals - land and buildings	165	139
Auditor's remuneration (excluding VAT):		
Audit	28	30
Other services	4	3
Foreign exchange losses	(107)	(20)

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	Group		Charity	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Wages and salaries	7,973	7,910	7,973	7,910
Social security costs	800	810	800	810
Other pension costs	891	836	891	836
Other staff costs	91	72	91	72
Redundancy and termination	94	9	94	9
	9,848	9,637	9,848	9,637

Other pension costs represent employer contributions to defined contribution pension schemes. Redundancy and termination costs are accrued in the accounting period in which they are committed and were fully funded at 31 March 2021.

The number of employees whose total employee benefits (excluding employer pension costs and employers' national insurance) was above £60,000 for the reporting period as follows:

	2021 No.	2020 No.
£60,000 - £69,999	11	9
£70,000 - £79,999	5	3
£90,000 - £99,999	2	1
£100,000 - £109,999	1	2
£110,000 - £119,999	1	1
£120,000 - £129,999	1	1
£140,000 - £149,999	1	-

Key Management Personnel

The key management personnel are the trustees and the executive team (listed on page 3). The total employee benefits, including employer's NI and pension, paid to key management personnel was £1,061,396 (2020: £810,467).

Notes to the financial statements

For the year ended 31 March 2021

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel (cont)*Board of Trustees Remuneration*

The Board of Trustees are the Directors of the Charity. During the year there were 9 (2020:10) non-executive directors.

None of the non-executive directors has a service contract. Since becoming a charity in 2014 all the non-executive directors, apart from the Chair, give of their time freely and receive no remuneration. This has been approved by the Charity Commission. The remuneration of the Chair was as follows:

	Fees 2021 £'000	Fees 2020 £'000
Julie Hill - Chair	35	35

Expenses reimbursed Non-executive trustees £nil (2020: £3,946). Expenses totaling £nil (2020: £3,946) were reimbursed in the year to 0 trustees (2020: 3), as follows:

	2021 £	2020 £
Travel	-	3,946
Total	-	3,946

9 Staff numbers**Employees**

	Group		Charity	
	2021 No.	2020 No.	2021 No.	2,019 No.
The average number of staff was:				
Banbury	146	141	146	141
Wales	46	45	46	45
Northern Ireland	3	3	3	3
Total	195	189	195	189

Average number of staff in FTE in 2020 was 186 (2020: 177). Staff work on programmes for all funders.

10 Related party transactions

In 2021 WRAP charged AGF Ltd £56k (2020: £39k) for the provision of staff and third-party expertise.

As at 31 March 2021 there is a creditor balance of £122k.

Aggregate donations and distributions from related parties were £5,456k (2020: £549k) of which £99k relates to a Gift aid distribution from AGF and £5,357k relates to a distribution of reserves from AGF which has been invested in the Rathbones Greenbank investment.

Notes to the financial statements

For the year ended 31 March 2021

11 Taxation on surplus on ordinary activities

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary Accelerating Growth Fund Limited distributes under Gift Aid available profits to the parent charity. Its charge to corporation tax in the year was:

a) Analysis of charge in the period

	The group		The charity	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Current tax				
UK corporation tax at 19% (2020: 19%) on the surplus for the year on ordinary activities	-	-	-	-
Current tax on income for the period	-	-	-	-
Total current tax	-	-	-	-

b) Factors affecting tax charge for the period

The current tax charge for the period is lower for the Group (2020: lower) and for the Company (2020: lower) than the standard rate of corporation tax in the UK of 19% (2020: 19%). Taxation is only payable on the interest income earned by the Group.

	The group		The charity	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Surplus before tax on ordinary activities for subsidiary companies	10,061	103	-	-
Surplus on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2019: 19%)	1,912	20	-	-
Effects of:				
Non-taxable income	(1,893)	4	-	-
Current tax charge for the period before donation and group relief	19	24	-	-
Distribution under Gift Aid to parent undertaking	(19)	(24)	-	-
Current tax on income for the period	-	-	-	-

12 Tangible fixed assets

The group and charity	Office equipment	Total
Cost	£'000	£'000
At the start of the year	638	638
At the end of the year	638	638
Depreciation		
At the start of the year	541	541
Charge for the year	44	44
At the end of the year	585	585
Net book value		
At the end of the year	53	53
At the start of the year	97	97

All of the above assets are used for charitable purposes.

Notes to the financial statements

For the year ended 31 March 2021

13 Listed investments

	The group		The charity	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Fair value at the start of the year	3,502	3,638	-	-
Additions at cost	5,950	1,031	5,892	-
Disposal proceeds	(4,537)	(881)	(504)	-
Net gain on change in fair value	588	(286)	(17)	-
	5,503	3,502	5,371	-
Cash held by investment broker pending reinvestment	2,696	142	1,969	-
Fair value at the end of the year	8,199	3,644	7,340	-

Unlisted investments

	The group		The charity	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Fair value at the start of the year	1,396	775	-	-
Additions at cost	330	621	-	-
Net gain / (loss) on change in fair value	3,380	-	-	-
Fair value at the end of the year	5,106	1,396	-	-

Shares in Sicut Enterprises were revalued in the year to reflect the price of the shares at the latest investment round and revised cashflow forecasts for the company.

Investments comprise:

	The group		The charity	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Listed investments (UK)	1,485	1,812	1,485	-
Listed investment (outside the UK)	2,291	1,601	2,159	-
Property investments	185	-	185	-
Cash	2,696	142	1,969	-
Other investments	1,542	89	1,542	-
	8,199	3,644	7,340	-
Unlisted shares in UK registered companies	5,106	1,396	-	-
	13,305	5,040	7,340	-

Notes to the financial statements

For the year ended 31 March 2021

14 Subsidiary undertakings

The Charity owns the whole of the issued ordinary share capital of the Accelerating Growth Fund Limited (company number 4698093) and WRAP Enterprises Limited (company number 4217608), companies registered in England. The registered office address for both entities is 2nd Floor Blenheim Court, 19 George Street, Banbury, OX16 5BH. The share capital of each of the companies is £1.

The subsidiaries are used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are distributed under Gift Aid to the parent charity.

Julie Hill, Trustee and Chair of WRAP, together with Marcus Gover, Chief Executive, Peter Maddox, Director WRAP UK (resigned 9th December 2020), Sarah Chapman, Trustee of WRAP, Susan Corbett, Trustee of WRAP (appointed 16 December 2020) and Claire Shrewsbury, Innovations & Insights Director (appointed 16 December 2020) are also directors of the Accelerating Growth Fund Limited.

Julie Hill, Trustee and Chair of WRAP, together with Marcus Gover, Chief Executive are directors of WRAP Enterprises Ltd.

A summary of the results of the subsidiary is shown below:

	AGF	
	2021	2020
	£	£
Income	-	-
Direct expenditure	(56,304)	(39,489)
Operating deficit	(56,304)	(39,489)
Administrative expenses	10,002,695	(30,167)
Operating surplus/(deficit) on ordinary activities	9,946,391	(69,656)
Interest receivable and similar income	115,363	172,964
Interest payable	(373)	-
Net gains on investments	4,090,129	(295,508)
Operating surplus	14,151,510	(192,200)
Taxation surplus on ordinary activities	-	-
Total comprehensive income	14,151,510	(192,200)
Retained earnings		
Total retained earnings brought forward	6,079,419	6,400,265
Total comprehensive income	14,151,510	(192,200)
Distribution under Gift Aid to parent charity	(98,620)	(128,646)
Distribution	(5,357,428)	-
Total retained earnings carried forward	14,774,881	6,079,419
The aggregate of the assets, liabilities and reserves was:		
Assets	14,900,458	16,206,768
Liabilities	(125,577)	(10,127,349)
Reserves	14,774,881	6,079,419

Amounts owed to/from the parent undertaking are shown in note 17.

Included within administrative expenses above is a management charge of £56,304 (2020: £39,189) from the parent entity.

Notes to the financial statements

For the year ended 31 March 2021

15 Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2021 £'000	2020 £'000
Gross income	21,128	41,199
Result for the year	(11,433)	16,303

16 Short term investments

	The group		The charity	
	2021	2020	2021	2020
Bank deposits	15,296	17,565	10,069	10,056
Royal London Asset Management funds	7,276	7,069	4,152	4,053
Total	22,572	24,634	14,221	14,109

Bank deposits are held at a number of High Street banks, under which access to cash is restricted for up to 100 days. Funds invested in Royal London Asset Management are financial assets. Of the short term investments, £8,351,635 (2020: £10,525,100) is held by subsidiary trading companies and not available for use by the Charity.

17 Debtors: amounts falling due within one year

	The group		The charity	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Trade debtors - Grants receivable	373	3,426	373	3,426
Trade debtors	1,242	1,431	1,243	1,431
Amounts due from group undertakings	-	-	122	166
Other debtors	54	572	54	572
Prepayments	78	46	78	46
	1,748	5,475	1,871	5,641

18 Creditors: amounts falling due within one year

	The group		The charity	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Trade creditors	847	872	847	872
Other taxes and social security	348	257	348	257
Other creditors	586	-	586	-
Accruals and deferred income	12,845	7,229	12,842	7,226
	14,626	8,358	14,623	8,355

19 Deferred income

Deferred income comprises

	The group		The charity	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Balance at the beginning of the year	1,634	1,582	1,634	1,582
Amount released to income in the year	(1,590)	(1,484)	(1,590)	(1,484)
Amount deferred in the year	1,699	1,536	1,699	1,536
Balance at the end of the year	1,743	1,634	1,743	1,634

Additions relate to grants and contracts where payment has been made but performance conditions have not yet been satisfied. These monies will be repaid if the performance conditions are not satisfied in the future. Releases relate to grants awarded in prior years where performance conditions have now been satisfied during the year.

Notes to the financial statements

For the year ended 31 March 2021

20 Provisions for liabilities

Provisions for liabilities comprises

	WRAP £'000	AGF £'000	Total £'000
At 1 April 2020	404	9,959	10,363
Amount released in the year	(7)	(10,041)	(10,048)
Increase in provision in the year	612	82	694
At 31 March 2021	1,009	-	1,009
	WRAP £'000	AGF £'000	Total £'000
At 1 April 2019	291	9,868	10,159
Amount released in the year	-	(6)	(6)
Increase in provision in the year	113	97	210
At 31 March 2020	404	9,959	10,363

The Provisions in WRAP represent the directors' best estimates of the future costs of liabilities relating to operational activities including dilapidations on the rented properties, the holiday pay provision and monitoring provisions for grants awarded. Refer to Note 24 for indications of expected timing of expiry of property leases.

The AGF provision represented the possibility of repaying surplus funding for the Circular Economy Investment Fund back to Defra should the programme be terminated. This is no longer expected to occur based on a perpetual MMI strategy approved by the Board. The strategy is to retain a circular economy investment fund that will be further invested in funds and SMEs that are aligned with WRAP's charitable objective.

21 Financial instruments

	2021 £'000	2020 £'000
Financial assets measured at fair value through profit and loss		
Listed investments	3,776	3,413
Short term investments	7,276	7,069

22a Analysis of group net assets between funds (current year)

	General unrestricted £'000	Designated funds £'000	Restricted funds £'000	Total funds £'000
Tangible fixed assets	-	-	53	53
Investments	7,340	5,965	-	13,305
Net current assets	(1,561)	16,982	5,649	21,070
Provisions	-	-	(1,009)	(1,009)
Net assets at 31 March 2021	5,779	22,947	4,693	33,419

Notes to the financial statements

For the year ended 31 March 2021

22b Analysis of group net assets between funds (prior year)

	General unrestricted	Designated funds	Restricted funds	Total funds
	£'000	£'000	£'000	£'000
Tangible fixed assets	-	-	97	97
Investments	-	5,040	-	5,040
Total assets less current liabilities	7,749	11,487	22,147	41,383
Provisions	-	(9,959)	(404)	(10,363)
Net assets at 31 March 2020	7,749	6,568	21,840	36,157

23a Movements in funds (current year)

	At 1 April 2020 £'000	Income & gains £'000	Expenditure & losses £'000	Transfers £'000	At 31 March 2021 £'000
Restricted funds:					
Sustainable Production and Consumption Core programmes	15,021	4,015	16,535	(33)	2,468
Waste and Resource Management Core programmes	6,819	9,135	13,729	-	2,225
Total restricted funds	21,840	13,150	30,264	(33)	4,693
Unrestricted funds:					
Designated funds:					
Accelerating Growth Fund Limited	6,079	4,205	(9,946)	(5,455)	14,775
WRAP	489	-	588	815	716
WRAP Investment Fund	-	-	-	7,340	7,340
Total Designated funds	6,568	4,205	(9,358)	2,700	22,831
General funds	7,749	2,466	1,653	(2,667)	5,895
Total unrestricted funds	14,317	6,671	(7,705)	33	28,726
Total funds	36,157	19,821	22,559	-	33,419

The £4,693k (2020:£21,840) of restricted reserves consists of £2,220k of grant funding for work continuing into 2021/22 and £2,473k to cover specific future commitments (primarily programme shutdown costs). The reduction in reserves is largely due to the RAF grant; of the £15,230 held at the 31 March 2020, £9,934k has been expended in the financial year 20/21, £4,761k has been returned to Defra prior to the year-end and £535k will be returned post year-end.

£13,916k (2020: £6,079k) of the reserves in Accelerating Growth Fund Limited are designated by the trustees to support the activities of the company, namely providing financial support and investment to companies who are investing in or changing to a "circular economy" business model. The remaining £859k is designated as an ESG focused financial investment fund.

The Trustees have designated £8,056k of reserves in the parent charity (2020: £489k), of which £7,340k is financial investments managed by Rathbones Greenbank. They have also designated £560k for fundraising costs for 3 years, At the end of March 2021 there is £490k remaining and £226k of the designated funds to fund the expansion of WRAP's international work.

The transfer between Designated and General funds represent the surplus generated in AGF in 2020/21 which has been distributed to the parent charity under gift aid, £99k, and the dividend paid to WRAP from AGF, £5,357k, together with a £2m transfer from WRAP's general funds to the Investment Fund managed by Rathbones Greenbank.

Notes to the financial statements

For the year ended 31 March 2021

23b Movements in funds (prior year)

	At 1 April 2019	Income & gains	Expenditure & losses	Transfers	At 31 March 2020
	£'000	£'000	£'000	£'000	£'000
Restricted funds:					
Sustainable Production and Consumption					
Core programmes	2,399	21,602	9,145	(23)	14,833
Rural Community Energy Fund	191	-	3	-	188
Waste and Resource Management					
Core programmes	3,015	16,818	13,014	-	6,819
Total restricted funds	5,605	38,420	22,162	(23)	21,840
Unrestricted funds:					
Designated funds:					
Accelerating Growth Fund Limited	6,400	(123)	69	(129)	6,079
WRAP	1,683	-	1,243	49	489
Total Designated funds	8,083	(123)	1,312	(80)	6,568
General funds	6,907	2,234	1,495	103	7,749
Total unrestricted funds	14,990	2,111	2,807	23	14,317
Total funds	20,595	40,531	24,969	-	36,157

24 Operating lease commitments payable as a lessee

The group's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	The group		Property	
	2021 £'000	2020 £'000	2021 £'000	The charity 2020 £'000
Total lease commitments				
Within one year	188	97	188	97
between 2-5 years	255	390	255	390
Financial commitments at the end of the year	443	487	443	487

The Company had conditional operating commitments of £896,843 at 31 March 2021 (2020: £1,094,678) which relate to purchase orders raised as at the balance sheet date for project and overhead costs which will be incurred in the following year.

25 Legal status of the charity

The charity is a company limited by guarantee and has no share capital.

26 Post balance sheet events

The Brewin Dolphin portfolio of £859k held by AGF at the 31 March 2021 was fully transferred to Rathbones Greenbank by the 6th May 2021.