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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 imperfect 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 logo for FoodCycle, with the word 'foodcycle' in a lowercase, rounded font. 'food' is in teal and 'cycle' is in orange.The logo for Surplus, featuring a green infinity symbol above the word 'Surplus' in a green, sans-serif font.

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.

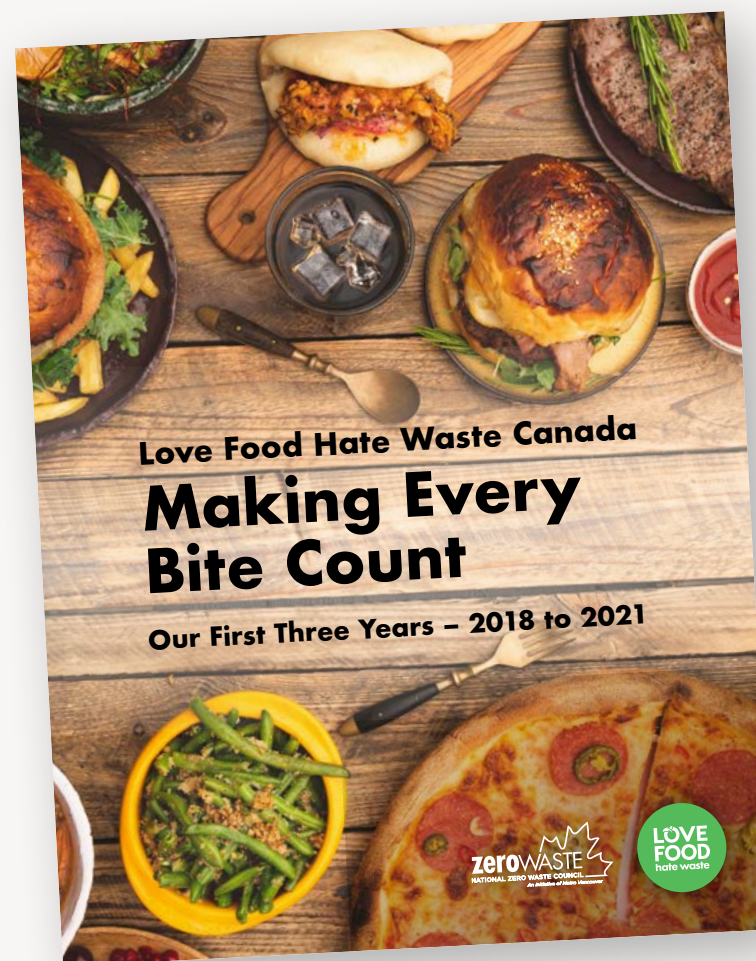
TARGET

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

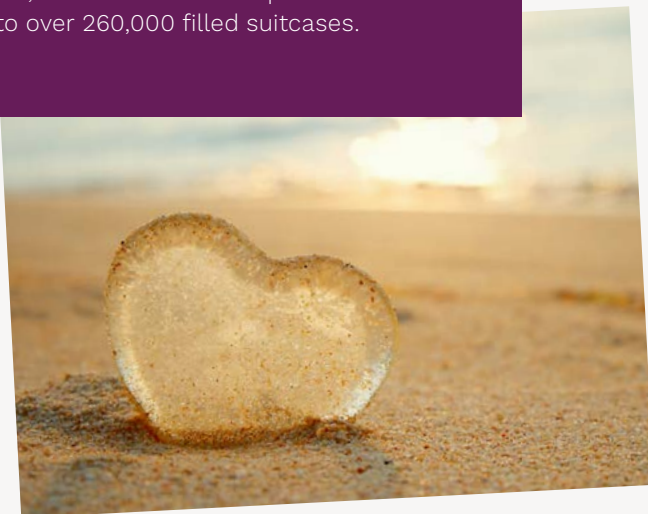
Sustainability Technologist
Dunelm

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 CO₂eq.



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.

“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

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.



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

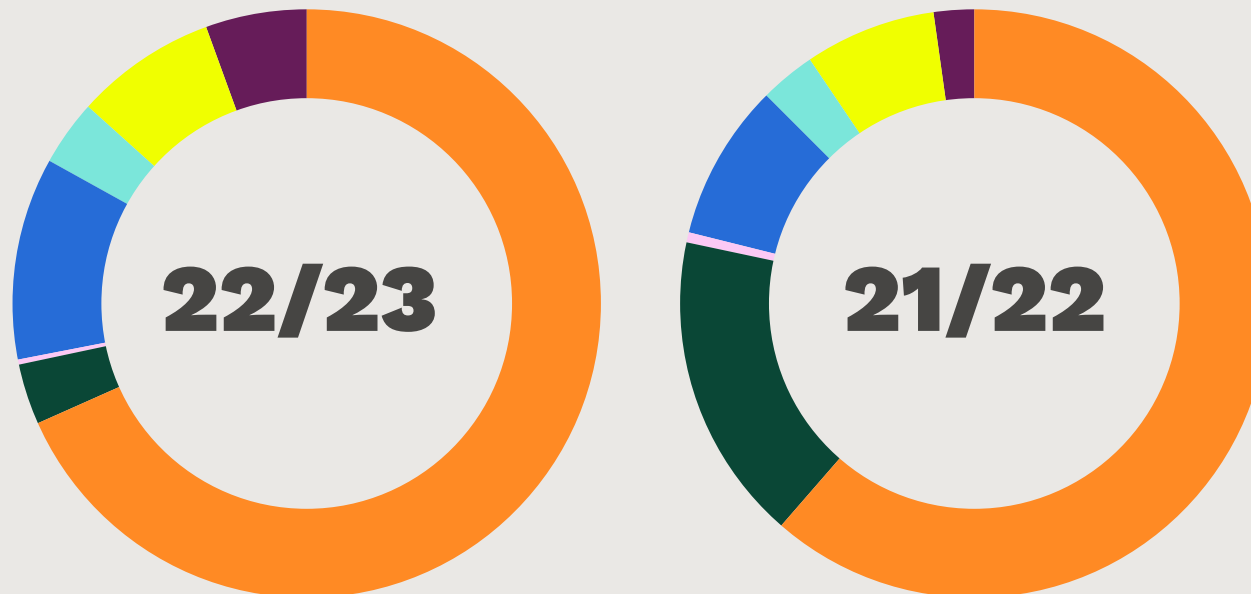
Rathbone Greenbank Investments
8 Finsbury Circus
London
EC2M 7AZ



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).

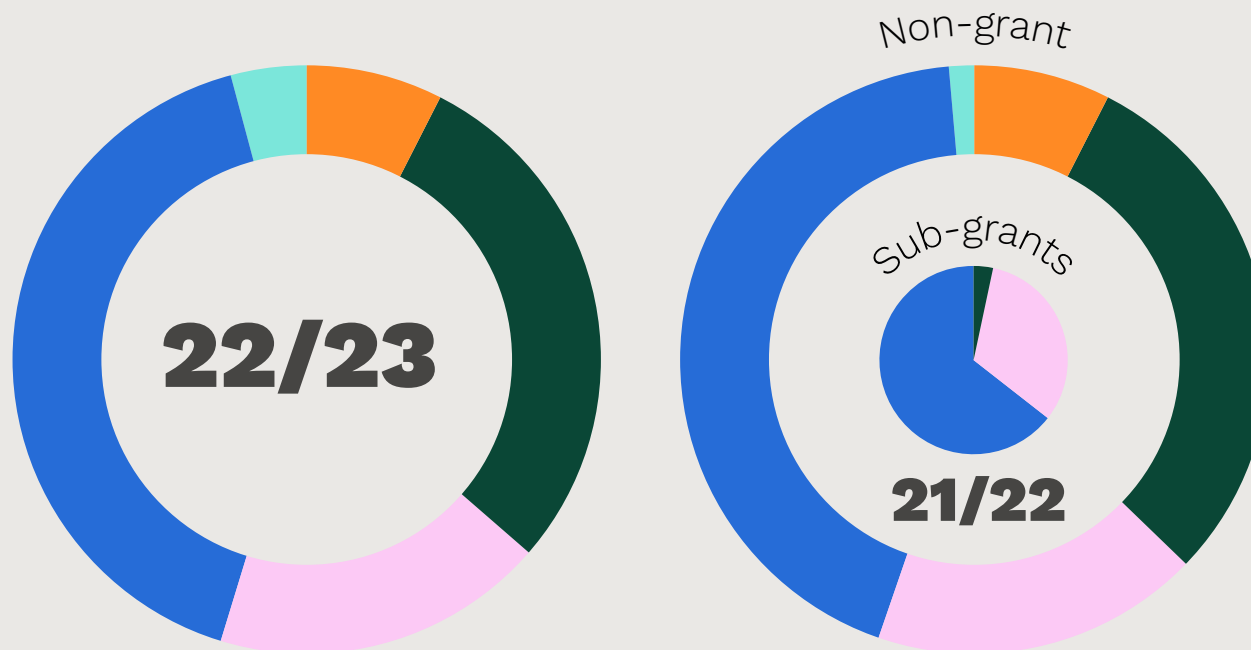
Charitable activities

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
		Unrestricted	Restricted	Total	Unrestricted Restated	Restricted	Total Restated
	Note	£'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

		The group		The charity	
		2023	2022	2023	2022
			Restated		
	Note	£'000	£'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		(1098)	
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										
	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
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										
	Textiles	Food	Plastics	Resource Management	Trading Costs	Other Expenditure	Fundraising Costs	Governance Costs	Support Costs	2022 Total	2021 Total
			£'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 £1111998 (2022: £940147).				

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	Fees
	2023	2022
	£'000	£'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
	£'000	£'000	£'000	£'000
Total lease commitments				
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	Restricted	Unrestricted	Total				
	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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