CIRCULAR BIOECONOMY ALLIANCE

England & Wales · Charity number 1204669

Details

Other names	CBA
Status	Registered
Legal form	CIO
Registered	2023-09-12
Register	View on the Charity Commission register

Contact

Address	71 Queen Victoria Street London EC4V 4BE
Phone	02072035000
Email	info@circularbioeconomyalliance.org
Website	https://circularbioeconomyalliance.org/

Activities

Objects: 3.1 TO PROMOTE FOR THE PUBLIC BENEFIT THE CONSERVATION, PROTECTION AND IMPROVEMENT OF THE PHYSICAL AND NATURAL ENVIRONMENT, IN PARTICULAR, BUT NOT EXCLUSIVELY, BY THE TRANSFORMATION OF DEGRADED LAND INTO REGENERATIVE LANDSCAPES THAT ARE BIODIVERSITY POSITIVE AND CLIMATE NEUTRAL.3.2 TO PROMOTE SUSTAINABLE DEVELOPMENT FOR THE BENEFIT OF THE PUBLIC BY:3.2.1 THE PRESERVATION, CONSERVATION AND THE PROTECTION OF THE ENVIRONMENT AND THE PRUDENT USE OF RESOURCES;3.2.2 THE RELIEF OF POVERTY AND THE IMPROVEMENT OF THE CONDITIONS OF LIFE IN SOCIALLY AND ECONOMICALLY DISADVANTAGED COMMUNITIES; AND3.2.3 THE PROMOTION OF SUSTAINABLE MEANS OF ACHIEVING ECONOMIC GROWTH AND REGENERATION OF NATURE;3.3 TO ADVANCE THE EDUCATION OF THE PUBLIC IN SUBJECTS RELATING TO SUSTAINABLE DEVELOPMENT AND THE PROTECTION, ENHANCEMENT AND REHABILITATION OF NATURE AND THE ENVIRONMENT AND TO PROMOTE STUDY AND RESEARCH IN SUCH SUBJECTS PROVIDED THAT THE USEFUL RESULTS OF SUCH RESEARCH ARE DISSEMINATED TO THE PUBLIC AT LARGE.SUSTAINABLE DEVELOPMENT MEANS “DEVELOPMENT WHICH MEETS THE NEEDS OF THE PRESENT WITHOUT COMPROMISING THE ABILITY OF FUTURE GENERATIONS TO MEET THEIR OWN NEEDS.”

Activities: CBA provides funding , expertise, and know how to facilitate projects designed to accelerate the transition to a "circular bioeconomy" that is climate neutral, inclusive and prospers in harmony with nature.

Circular bioeconomy means a system where renewable biological resources from the land and sea (such as plants, animals, micro-organisms and derived biomass) are restored and sustainably managed

Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** Education/training, The Prevention Or Relief Of Poverty, Environment/conservation/heritage
- **Who:** The General Public/mankind

Geography

- Brazil
- Chad
- China
- Colombia
- Ecuador
- Ghana
- India
- Indonesia
- Kenya
- Madagascar
- Mozambique
- Nigeria
- Peru
- Romania
- Rwanda
- South Africa
- Uganda
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,118,634	£1,156,005	£2,662,376	2
2024-03-31	£3,024,255	£324,508	£2,699,747	2

Trustees

Name	Role	Appointed
DAME AMELIA CHILCOTT FAWCETT	Chair	2023-09-12
Federico Marchetti		2025-09-04
Francis Vijay Narasimhan Rangarajan		2023-10-05
Professor Nathalie Seddon		2023-09-12
Tanya Margaret Anne Steele		2023-09-12

Accounts

Charity Registration No. 1204669 (England and Wales)

CIRCULAR BIOECONOMY ALLIANCE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

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CIRCULAR BIOECONOMY ALLIANCE
LEGAL AND ADMINISTRATIVE INFORMATION

Trustee	Dame Amelia Fawcett (Chair) Francis Vijay Narasimhan Rangarajan Professor Nathalie Seddon Tanya Margaret Anne Steel Professor Hans Joachim Schellnhuber (retired 11 September 2025) Federico Marchetti (appointed 4 September 2025)
Chief Executive Officer	Marc Palahi
Chief Financial and Operating Officer	Paula Wilson
Registered office	71 Queen Victoria Street London, EC4V 4BE
Bankers	HSBC 31 Holborn Holborn Circus London EC1N 2HR
Independent Auditor	Saffery LLP 71 Queen Victoria Street London EC4V 4BE
Solicitors	Charles Russell Speechlys 5 Fleet Place London EC4M 7RD
Charity Registration No.	1204669

CIRCULAR BIOECONOMY ALLIANCE
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025

The Trustees of Circular Bioeconomy Alliance present their annual report and financial statements for the period ended 31 March 2025.

The financial statements have been prepared in accordance with the Charities Act 2011, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing accounts in accordance with the Financial Reporting Standard (FRS 102). The legal and administrative information on page 1 forms part of this report.

CIRCULAR BIOECONOMY ALLIANCE STRATEGY OBJECTIVES

A circular bioeconomy is defined as an economic paradigm centred around the restoration, protection and sustainable use of renewable natural capital, including the biodiversity that underpins. The circular bioeconomy is rooted in regenerative landscapes that enhance biodiversity, contribute to climate change mitigation and adaptation while supporting a sustainable, inclusive, and resilient economy. It relies on Nature-based Solutions, renewable energy and biological resources and processes, including related knowledge, science, and technology, and follows ecological and circular economy principles.

Extractive economies are reaching 'end of life', exhausting the natural resources and systems they and we depend on.

Put simply, our world has become too big for our planet. For more than a hundred years we have relied on an extractive economy powered by fossil resources that has developed at the expense of nature.

We need to rethink our economy if we want to rewrite our future. A nature-first economy that is both powered by nature and prospers in harmony with it.

Organisations, corporations, communities, and governments are pursuing a variety of regenerative and circular strategies to advance this goal, but there is no cohesive approach or means to scale. Time is running out to deliver the collective and integrated action that is needed from global leaders, Indigenous Peoples, investors, scientists, and society at large, to put the world on a path towards sustainable economic growth and prosperity.

The Circular Bioeconomy Alliance initiative was established in 2020 by His Majesty King Charles III (formerly His Royal Highness The Prince of Wales) to accelerate the transition to a nature-first economy. In September 2023, the Circular Bioeconomy Alliance became a registered charity.

Mission

The Circular Bioeconomy Alliance is helping to accelerate the transition to a nature-first, circular bioeconomy that is climate neutral, inclusive and powers prosperity.

The CBA's vision is a world powered by and prospering in harmony with nature.

Striving for Impact

We create impact at scale, using natural capital to build sustainable value chains which transform our land, food, health, and industrial systems. Our visionary approach combines a rigorous science-based framework, coalitions of expert willing partners, Indigenous and local leaders and a bespoke 'Living Lab' activation model.

Connecting the dots

Activating and demonstrating: creating scalable 'proof of concept' through a global network of Living Labs that blend science, technology, and Indigenous knowledge to holistically regenerate landscapes, support communities, and rethink value chains.

Advancing and sharing knowledge: scaling learning-to-action by supporting research, communication and capacity building through leading experts, rigorous scientific frameworks and data and inclusive programmes.

Connecting and facilitating: developing targeted global-to-local partnerships, to advocate for, and advance, global efforts working on the circular bioeconomy, through a diverse network of leading scientists, pioneering corporations, Indigenous communities, campaigning organisations, and public institutions.

Delivering Objectives

Living Labs are core to the charitable mission of the CBA and are the start of a journey towards more resilient communities and regenerative landscapes.

The CBA collaborates with scientists, Indigenous communities, corporates, and local governments to develop Living Labs. These are pilots of nature-first economies, using sustainable value chains to holistically regenerate landscapes and power prosperity in the local community.

Each Living Lab uses a landscape restoration project as the starting point to catalyze the development of circular bioeconomy value chains while restoring biodiversity and local livelihoods. We aim to create a 'proof of concept', scaling learning from our Living Labs by supporting research and capacity building through rigorous scientific, economic, financial and policy frameworks, blueprints and tools, underpinned by robust principles and data.

Flagship CBA Event launched new initiatives

We invited 100 business leaders, scientists and indigenous leaders from across the world to come together to accelerate the move towards a nature-first economy, at an event at St James's Palace London in November 2024. The event marked the UK launch of the CBA, and focused on how communities and industries such as fashion, food and pharma can embrace new nature-based approaches. A reception hosted by The King followed the event.

Two new pioneering Living Labs (see below) were announced at the event. Other new initiatives launched included educational initiatives in the Amazon and Australia, bio-architecture in Bhutan, as well as continuing work building resilient landscapes, communities and value chains in Africa and Europe.

We launched our inaugural living lab in 2024 in India, the **CBA Himalayan Regenerative Fashion Living Lab**. This Living Lab aims to support herder communities to produce regenerative pashmina – fibre that is not only of exceptional quality but also nurtures the land and the people who depend on it. This is supported by Brunello Cucinelli.

We also launched the **CBA Living Lab for medicinal plants in Italy**, supported by Aboca. The Living Lab will test agroforestry-based medicinal plant production and landscape resilience in central Italy, scientifically assessing biodiversity, carbon sequestration, and soil health, as well as socio-economic implications.

Other Charitable Activities

The flagship CBA event also marked the launch of the Sir Evelyn de Rothschild Fellowship for Reimagining Nature Finance and Inclusive Capitalism, in collaboration with the ERANDA Rothschild Foundation. The Fellowship explores innovative financial and policy frameworks to support the transition towards a circular bioeconomy, delivering both cutting-edge insights and practical, actionable solutions.

Work continued on the Wildfire-Resilient Landscapes Network, launched in 2023, which brings together Indigenous and scientific knowledge to develop Living Labs that demonstrate how to create resilient landscapes to deal with the increasing problem of wildfires in fire-prone areas of the world.

We also conducted a feasibility study for an **African Fashion Project** funded by the King Charles III Charitable Fund. The Feasibility Study outlined the potential social economic, cultural, and environmental benefits to local communities in Africa, including assessing the sustainability of materials used in the manufacturing process of garments.

Grants

During the 2024/25 financial year, the CBA awarded grants totalling £22,128. This includes £10,000 to the Amazon Sacred Headwaters Alliance to support six students at the Living School of the Amazon (EVA) (2023/24: £4,058). $10,000 was awarded to Arcos ANAES in 2024/25 for the purpose of restoring biodiversity and putting nature back into the African economy and community livelihoods.

Advocacy and Engagement

We freely make available and actively promote our charitable activities to the widest audiences. We hope that the 'Living Labs' will serve as a blueprint for many other organisations to adopt.

The CBA published a paper calling for urgent guidelines for biodiversity credit schemes, Biodiversity Credits Under the Microscope, by Sven Wunder. The CBA paper set out ten important principles to ensure the integrity and successful implementation of a biodiversity credits market, ahead of COP16 in Colombia.

The CBA joined the Sustainable Agriculture Network (SAN) global impact network. SAN's collaborative network unites expertise, innovation, and community-driven approaches to accelerate the transformation of agriculture and land-use systems toward sustainability and equity. The collaboration between SAN and CBA reflects a shared commitment to building systems that empower communities, restore ecosystems, and address global challenges through sustainable solutions.

Our CEO, Marc Palahi, in a keynote speech at Building a Planetary Solution: Regenerative Architectural Strategies for a Planet in Crisis at the Yale School of Architecture, highlighted the need to rethink urbanisation. "Reimagining our cities is a fundamental step to creating a new economy that is powered by nature and prospers in symbiosis with nature ", he said. By 2050, two-thirds of the world's population will live in cities. Cities contribute more than two-thirds of global emissions – and the way we build and design our urban spaces today will determine the future of our planet.

Affiliate Member Network

One of the strengths of the CBA is its network of 67 Affiliate Members that support us to deliver CBA projects and activities. Affiliate Members span sectors and geographic regions, and include non-profits, project developers, governmental organisations, consulting or advisory organisations, academic institutions as well as organisations from the financial, fashion, hospitality, architecture and the food and beverage sectors.

Constitution and governance

CBA is constituted as a Charitable Incorporated Organisation (CIO) with a constitution dated 12th of September 2023 as its governing document.

The Objects of the CBA as set out in its constitution are as follows:

To promote for the public benefit the conservation, protection, and improvement of the physical and natural environment, in particular, but not exclusively, by the transformation of degraded land into regenerative landscapes that are biodiversity positive and climate neutral.

To promote sustainable development for the benefit of the public by:

- the preservation, conservation and the protection of the environment and the prudent use of resources.
- the relief of poverty and the improvement of the conditions of life in socially and economically disadvantaged communities; and
- the promotion of sustainable means of achieving economic growth and regeneration of nature.

To advance the education of the public in subjects relating to sustainable development and the protection, enhancement and rehabilitation of nature and the environment and to promote study and research in such subjects provided that the useful results of such research which are disseminated to the public at large.

Sustainable development means "development which meets the needs of the present without compromising the ability of future generations to meet their own needs."

The CBA constitution states there must be a minimum of three trustees serving on the CBA Board and up to a maximum of nine trustees. A Founder Member may nominate a trustee for consideration by the Board, but Founder Member trustees must remain in the minority of the total number of charity trustees appointed at any one time. It is the Board's sole discretion to appoint new trustees, who are appointed for a term of three years.

The CBA will make available to each new charity trustee, on or before his or her first appointment, a copy of the constitution and any amendments made to it, as well as a copy of the CBA's latest trustees' annual report and statement of accounts. The CBA will also arrange key meetings with the Executive Team and any key stakeholders as part of the induction of any new trustee. If additional training is highlighted as necessary as part of this process, the CBA will provide the relevant training.

The charity trustees of the CBA have been chosen to help manage the charity through their dedicated years of service and experience with other charitable, government, scientific and business organisations.

In selecting future trustees, the trustees will have regard to the skills, knowledge and experience needed for the effective administration of the CBA.

CBA has a small core team, headquartered in London, with team members across the globe either directly employed by, or engaged through consultancy agreements. We also engage staff through a secondment agreement with the European Forest Institute.

The CBA has dedicated support from its governance committee, the Board of Trustees, and advisory services from the Scientific Advisory Board. Each Board represents a large and diverse range of well-known global leaders and experts in their field.

Day-to day operational control of the CBA is delegated by the Board of Trustees to the Chief Executive Officer and key management personnel listed on page 1, who are responsible for the direction and success of the strategy, in line with CBA's charitable objects.

Remuneration for key management is set reviewing the skills and experience of the candidate for the role and responsibilities. All positions are benchmarked against similar positions in the sector, however given the technical and international expertise needed for some positions, salary comparison may not be available. Roles and responsibilities are reviewed on an annual basis, and any salary increase will be in accordance with market factors.

Currently the role of the Chief Executive Officer is a seconded position from Lombard Odier and is on a part-time basis.

The Board of Trustees remains responsible for ensuring the CBA operates within the legal and financial requirements of a registered charity, for approving long-term objectives and strategy, and approving the annual budget and any material variations.

Trustees do not receive any benefit or payment in connection with their services to the CBA, but travel and subsistence are reimbursed. (2025: £558)

2025/26 Outlook

The CBA is still focused on shaping the charitable activities for future years:

We expect to see momentum on designing and implementing charitable 'Living Labs' across the globe.

The CBA will continue to grow additional Fellowship Programmes, looking at thematic areas consistent with our charitable activities.

Other priority areas for the CBA in 2025/26 are a Monitoring and Evaluation platform for the CBA and we continue scoping for grants and research.

Additionally, the CBA has set priorities for underlying operations to ensure the CBA continues as a strong, resilient organisation, as follows:

- Finance – Growing our fundraising income and working with organisations to support through funding our 'Living Labs'.
- People – Ensuring the people needed to deliver against our charitable aims are in place, through retaining, growing, and establishing collaborations.
- Affiliate Member Network – Support our affiliate network members and continue to recruit new members, to help support the CBA charitable activities.

Grant Making Policy

The Trustees have delegated to the Executive Team the ability to award small grants (under £10,000) to external organisations to further the vision and mission of the CBA.

Fundraising

The CBA is committed to maintaining the highest standards in our fundraising activities. We adhere to the Code of Fundraising Practice and ensure that all our fundraising efforts are ethical and transparent.

The CBA does not have dedicated fundraising support at present; however, all core team members consult with donors and prepare proposals and applications to prospective supporters. The CBA team conducts due diligence of all prospective donors.

No 3rd party professional fundraisers are used.

Fundraising in the future will target a mix of contributions from various sources, including public and private sources. The funding of charitable 'Living Labs' will take priority.

In the reporting period, the CBA raised no funds by fundraising from the general public and has no current plans to do so. Therefore, the CBA has no policy to cover this. However, the CBA has registered with the Fundraising Regulator, and we will ensure that all our activities are conducted in accordance with their standards. We will also provide training to our staff and volunteers to ensure they are aware of and adhere to these regulations.

We respect the privacy of our donors and are committed to protecting their personal information. We comply with the General Data Protection Regulation (GDPR) and ensure that all donor data is securely stored and used only for the purposes for which it was collected.

We value feedback from our supporters and take any complaints seriously. We have a clear process for handling complaints, and we strive to resolve any issues promptly and fairly. During the year, we received no complaints (2024: None).

Risk Management

The CBA, with the considerable and diverse experience within its staff and governance structure, is well placed to deliver on its aims. Although no steps can be taken to secure all risks, the Trustees are aware of the risk factors involved in the CBA's work.

In common with other charities dependant on donated income, one ongoing risk is that the CBA is unable to secure sufficient funding to deliver its strategy. This is an area of significant Board and management focus and action. Securing funding for our 'Living Labs' is of the highest priority.

As an organisation with a highly scientific and technical focus, a further risk is the ability both to secure and retain skilled staff. The CBA mitigates this through remuneration and pathways for growth. The CBA has also put in place agreements for secondments from respected organisations and grown a diverse pool of consultants to provide specialist input.

The Trustees and management are also conscious of reputational risk to the CBA and close stakeholders by its own actions or associated members. This is mitigated through external communications and the current and future working partners we align ourselves with.

Financial Review

Total consolidated income for the period was £1,118,634 (2024: £3,024,255 (CBA only)), made up of donations for our Living Labs and trading income generated by the wholly owned subsidiary the Circular Bioeconomy Alliance Advisors Ltd (CBAA).

Group expenditure on all activities for the period was £1,156,005 (2024: £324,508), which includes support and governance costs of £426,767 (2024: £198,186).

The charity's group reserves at the year-end were £2,662,376 (2024: £2,699,747), which consisted of £2,282,621 (2024: £2,698,594) in general unrestricted funds, £377,781 (2024: NIL) in restricted funds, and £1,974 (2024: £1,153) in designated funds which relates to a tangible fixed asset fund.

Reserves Policy

The Trustees recognise the need to have sufficient unrestricted funds held as a reserve to ensure the underlying stability should the CBA face an unexpected decline in income, unexpected cost increase, or the need to respond to a change in its environment.

The level of free reserves that the Trustees believe to be appropriate and sufficient to fulfil its core commitments is defined as free reserves equivalent to circa three months of running costs, currently this is less than £200,000.

The level of free reserves at 31 March 2025 stands at £2,282,621, or approximately 11.4 months of running costs. This reflects the cycle of receipts of donations in our first year.

The CBA expects reserves to reduce over time and to be applied to charitable activities. At present, however, a higher level of reserves is being retained to support the CBA's start-up activities.

Public Benefit

The Trustees have considered the Charity Commission's guidance on public benefit under the Charities Act 2011, and this report sets out the work performed by the CIO in furtherance of the public benefit.

Subsidiary – Circular Bioeconomy Alliance Advisors Ltd

A trading subsidiary was incorporated on 7 November 2023 named the Circular Bioeconomy Alliance Advisors Ltd (CBAA). CBAA started trading within the 2024/25 period and forms part of these consolidated accounts.

CBAA was established to provide consultancy services to organisations based on the experience of the CBA.

Income for the year was £440,778 (2024:NIL) and expenditure was £363,154 (2024:NIL).

Trustees' responsibilities statement

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

  prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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, applicable accounting regulations and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity 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 charity 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.

Provision of information to the auditor

The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the Trustees has confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

On behalf of the board

Dame Amelia Fawcett Trustee (Chair) 19th of January 2026

Opinion

We have audited the financial statements of Circular Bioeconomy Alliance (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the consolidated statement of financial activities, consolidated balance sheet, charity balance sheet and consolidated statement of cash flows and 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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group and parent charity's affairs as at 31 March 2025 and of the group's and the parent charity'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; and
- 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 and parent charity 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 group or the parent charity'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 annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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 require 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; or
- the parent charity has not kept sufficient accounting records; or
- the parent charity's 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 Trustees' Responsibilities Statement, set out on page 10, 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 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.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under 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 auditors' 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:
We assessed the susceptibility of the group and parent charity's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charity by discussions with trustees and updating our understanding of the sector in which the group and parent charity operates.

Laws and regulations of direct significance in the context of the group and parent charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:
We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the parent charity 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.

Saffery LLP

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Saffery LLP

71 Queen Victoria Street
London
EC4V 4BE

Statutory Auditors
Date: 23 January 2026

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

CIRCULAR BIOECONOMY ALLIANCE
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2025

				12 months	7 months
				2025	2024
		Unrestricted	Restricted	Total Funds	Total & Unrestricted Funds
	Note	£	£	£	£
Income:					
Donations and legacies	2	45,500	632,356	**677,856**	3,024,255
Other trading activities	3	440,778	-	**440,778**	-
Total Income		**486,278**	**632,356**	**1,118,634**	3,024,255
Expenditure:					
Charitable activities	4	565,536	254,575	**820,111**	322,804
Raising Funds	5	335,894	-	**335,894**	1,704
Total expenditure		**901,430**	**254,575**	**1,156,005**	324,508
Net (expenditure)/income		**(415,152)**	**377,781**	**(37,371)**	2,699,747
Net movement in funds for the period		**(415,152)**	**377,781**	**(37,371)**	2,699,747
Total funds brought forward		2,699,747	-	2,699,747	-
Total funds carried forward	**11**	**2,284,595**	**377,781**	**2,662,376**	2,699,747

The statement of financial activities includes all gains and losses recognised in the period.
All income and expenditure derive from continuing activities.

The notes on pages 19 to 30 form part of these financial statements.

CIRCULAR BIOECONOMY ALLIANCE
CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2025

	Note	2025 £	2024 £
Fixed Assets			
Tangible Fixed Assets	**8**	1,974	1,153
		1,974	1,153
Current assets			
Cash at bank and in hand		2,765,635	2,875,223
Prepayments and other debtors	**9**	312,080	11,554
		3,077,715	2,886,777
Liabilities			
Creditors: amounts falling due within one year	**10**	(417,313)	(188,183)
Net current assets		2,660,402	2,698,594
Net assets		2,662,376	2,699,747
Funds			
Unrestricted funds			
General funds	**11**	2,282,621	2,698,594
Designated funds	**11**	1,974	1,153
		2,284,595	2,699,747
Restricted funds	**11**	377,781	-
Total funds		2,662,376	2,699,747

CIRCULAR BIOECONOMY ALLIANCE

CIRCULAR BIOECONOMY ALLIANCE
CHARITY BALANCE SHEET
AS AT 31 MARCH 2025

	Note	2025 £	2024 £
Fixed Assets			
Investment in Subsidiary	**7**	10	10
Tangible Fixed Assets	**8**	1,974	1,153
		1,984	1,163
Current assets			
Cash at bank and in hand		2,530,342	2,875,223
Prepayments and other debtors	**9**	135,638	11,554
		2,665,980	2,886,777
Liabilities			
Creditors: amounts falling due within one year	**10**	(83,212)	(188,193)
Net current assets		2,582,768	2,698,584
Net assets		2,584,752	2,699,747
Funds			
Unrestricted funds			
General funds	**11**	2,204,997	2,698,594
Designated funds	**11**	1,974	1,153
		2,206,971	2,699,747
Restricted funds	**11**	377,781	-
Total funds		2,584,752	2,699,747

The notes on pages 19 to 30 form part of these financial statements.

Approved and authorised for issue on behalf of the Trustees by:

On behalf of the board

Dame Amelia Fawcett Trustee (Chair) 19th of January 2026

CIRCULAR BIOECONOMY ALLIANCE
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025 £	2024 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	**14**	(108,255)	2,876,457
Cash flow from Investing activities:			
Purchase of Fixed Asset		(1,333)	(1,234)
Net Cash used in investing activities		(1,333)	(1,234)
Change in cash and cash equivalents in the period		**(109,588)**	**2,875,223**
Cash and cash equivalents at the beginning of the period		**2,875,223**	-
Cash and cash equivalents at the end of the period		**2,765,635**	**2,875,223**

1. Accounting policies

Circular Bioeconomy Alliance is a charitable incorporated organisation (CIO) registered with the Charity Commission for England and Wales. The registered office is 71 Queen Victoria Street, London, EC4V 4BE.

The principal accounting policies adopted, judgements and key sources of estimating uncertainty in the preparation of the financial statements are as follows:

1.1 Accounting convention

Basis of preparation

The financial statements cover the 12-month period ended 31st March 2025. The comparative figures, including the related notes, were for the first period of operation. They cover a 7-month period and are therefore not entirely comparable.

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 Standards applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP (FRS 102)), the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) and applicable charity law for England and Wales. The accounts 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.

Circular Bioeconomy Alliance meets the definition of a public benefit entity under FRS 102. Assets and liabilities are recognised at the historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

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

The financial statements of Circular Bioeconomy Alliance and its subsidiary, Circular Bioeconomy Alliance Advisors Limited, are consolidated on a line-by-line basis to produce the Group financial statements. The consolidated entity if referred to as 'The Group".

1.2 Going concern

The Trustees and management of the Circular Bioeconomy Alliance have assessed the charity's ability to continue as a going concern. As of 31st March 2025, we have unrestricted reserves of £2,284,595, which significantly exceed our operating expenses for the next 12 months.

Key considerations in our assessment include:

- Reserves: Our substantial reserves provide a strong financial cushion, ensuring continuity of operations.
- Budgets and Forecasts: We have reviewed our budgets and forecasts, considering any material uncertainties.
- Operating Environment: Despite any changes in our operating environment, we remain confident in our ability to fulfil our charitable objectives.

In light of the above, we believe that the group of Circular Bioeconomy Alliance and Circular Bioeconomy Alliance Advisors is a going concern. We have not identified any material uncertainties that would impact our ability to continue operating.

1.3 Income

1.3.1 Donations and gifts

Income is recognised in the period in which there is probability of receipt, the charity is entitled to receipt and the amount can be measured with reasonable certainty.

1.3.2 Gifts in Kind

Donated goods or services are included in the Statement of Financial Activities as both income and expenditure at a value estimated by the Trustees based on their value to the charity, where it can be reliably estimated.

1.4 Expenditure

Expenditure is included on an accruals basis including irrecoverable VAT. Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Charity to the expenditure.

1.4.1 Grants

The value of grants is recognised in full as expenditure in the period when the Charity creates a legal or constructive obligation, even where they may be multi-year in nature. Typically, this arises when an unconditional grant offer has been communicated to the recipient. The notification gives the recipient a reasonable expectation that they will receive the one year or multi-year grant.

1.4.2 Governance costs

Governance costs are the costs involved in the constitutional and strategic matters of running the Charity as a legal entity.

1.4.3 Advocacy and Engagement and Other costs

Other direct and support costs are allocated to the appropriate activity as the cost is incurred.

1.5. Funds

Unrestricted Funds comprise those funds, which the Trustees are free to use in accordance with the charitable objects. Designated funds are unrestricted funds of the Charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are funds received where the donor has indicated that they can only be spent on specific projects.

1.6. Foreign currency translation

Foreign currency transactions are translated into pounds sterling at the exchange rate prevailing at the transaction date. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date.

1.7. Tangible Fixed Assets

Tangible Fixed Assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation.

Depreciation is charged as to write of the cost of assets over their estimated useful lives, as follows.

Asset Class	Depreciation Method and Rate
Office Equipment	33.33% Straight Line

1.8. Investment in Subsidiary

Investment recognised at cost within the Charity statements in 100% Subsidiary Circular Bioeconomy Alliance Advisors Limited. This is however removed upon consolidation.

1.9. Financial instruments

The Charity only has financial assets and liabilities 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method. There were no bank loans in the period.

1.10. Areas of judgement and uncertainties

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions. These are based on historical experience and other relevant factors.

The estimates and underlying assumptions are reviewed on an ongoing basis.

In the opinion of the trustees there are no critical estimates or judgements that have affected the financial position at year end.

2. Donations and Legacies

	12 months 2025 £	7 months 2024 £
Donations	632,356	3,000,000
Donated Services	45,500	24,255
	677,856	3,024,255

3. Other Trading Activities

	12 months 2025 £	7 months 2024 £
CBAA Trading Revenue	440,778	-
	440,778	-

4. Charitable Expenditure

	£ Direct Costs	£ Grant Making (note 4b)	£ Support & Governance (note 4a)	12 months 2025 £ Total	7 months 2024 £ Total
Living Labs & Other Charitable Activities	254,575	-	278,466	533,041	-
Other Grant Making	-	22,128	24,205	46,333	4,058
Advocacy	67,667	-	74,018	141,685	43,507
Event Costs	45,782	-	50,078	95,860	-
Consultancy Costs	3,192	-	-	3,192	-
Support & Governance Costs (2024)	-	-	-	-	275,239
Total	**371,216**	**22,128**	**426,767**	**820,111**	**322,804**

Support and Governance costs, including Staff Costs, have been allocated proportionately against Grants and Programme Expenditure, Advocacy and events costs, based on their percentage of overall expenses in the period. The 2024 values were not allocated as such and have been separated above.

Governance costs include audit fees set out below and legal fees in relation to the setup of the charity.

CIRCULAR BIOECONOMY ALLIANCE
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2025

4a. Support and Governance Expenditure

	£ Administration	£ Travel & Entertainment	£ Legal & Professional	£ Staff Costs	£ Finance & Other Expenses	12 months 2025 £ Total
Support costs	17,650	17,218	71,391	96,158	1,327	**203,743**
Fundraising	-	5,249	-	-	60	**5,309**
Programme Exp.	-	326	(74)	76,558	4,634	**81,444**
External Comms	-	1,889	-	1,654	229	**3,772**
Events	-	60	-	8,500	-	**8,560**
Depreciation	45	43	179	242	3	**512**
Support Total	**17,695**	**24,785**	**71,496**	**183,112**	**6,253**	**303,341**
Governance Costs						
Staff Costs	-	-	-	66,297	-	**66,297**
Due Diligence	-	-	6,692	-	-	**6,692**
Immigration Advice	-	-	25,754	-	-	**25,754**
Audit	-	-	20,040	-	-	**20,040**
IP	-	-	3,337	-	-	**3,337**
Memberships	-	-	1,306	-	-	**1,306**
Governance Total	**-**	**-**	**57,129**	**66,297**	**-**	**123,426**
Total	**17,695**	**24,785**	**128,625**	**249,409**	**6,253**	**426,767**

	£ Administration	£ Travel & Entertainment	£ Legal & Professional	£ Staff Costs	£ Finance & Other Expenses	7 months 2024 £ Total
Support costs	10,225	875	90,876	74,425	-	**176,401**
Programme Exp.	-	4,338	-	13,333	-	**17,671**
External Comms	-	2,171	-	-	-	**2,171**
Depreciation	4	3	59	14	-	**80**
Support Total	**10,229**	**7,387**	**90,935**	**87,772**	**-**	**196,323**
Governance Costs						
Staff Costs	-	-	-	4,850	-	**4,850**
Legal Fees	-	-	55,448	-	-	**55,448**
Trustee Relations	-	738	-	-	-	**738**
Audit	-	-	17,880	-	-	**17,880**
Governance Total	**-**	**738**	**73,328**	**4,850**	**-**	**78,916**
Total	**10,229**	**8,125**	**164,263**	**92,622**	**-**	**275,239**

Net income / (expenditure) is stated after charging:

	12 months 2025 £	7 months 2024 £
Auditors' remuneration (inclusive of VAT)	20,040	17,880

4b. Grants Given

	12 months 2025	7 months 2024
Grants to Institutions	£	£
Amazon Sacred Headwaters Alliance	10,000	4,058
Other Grants (<£10,000)	12,128	-
	22,128	4,058

5. Raising Funds Expenditure

	12 months 2025 £ Total	7 months 2024 £ Total
CBAA Trading Expenditure	330,585	-
CBA Fundraising Costs	5,309	1,704
Total	**335,894**	**1,704**

6. Staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff Costs were as follows:

	12 months 2025 £	7 months 2024 £
Salaries and Wages	164,287	55,224
Social Security Costs	18,408	2,203
Employer's Contribution to defined contribution pension schemes	18,383	917
Temporary and other Staff Costs	311	297
Gift in Kind (note 13)	45,500	20,634
	246,889	79,275
Seconded Staff	67,943	13,333
Indirect Cost Allocation to Programme Expenditure	(65,665)	-
Total Staff Costs	249,167	92,608

The number of employees during the year receiving benefits (excluding employer NI and employer pension contributions) above £60,000 were as follows:

	Number of Employees	
	2025	**2024**
£70,001 - £80,000	1	-

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel payable by the charity were £145,513 (2024: £42,434)

The average number of employees (head count based on number of staff employed) during the period was 2 (2024: 2).

Trustees are not remunerated. During the period, the CBA reimbursed 1 trustee £558 in relation to travel and subsistence (2024: £NIL).

7. Investment

On the 7th of November 2023, the charity set up a 100% owned Subsidiary, Circular Bioeconomy Alliance Advisors Limited (company registration number 15267318). The company's principal activity during the year was to carry on the activities and services that support the mission and vision of the parent charity, as agreed by the Directors.

The company was dormant in the period ended 31 March 2024

Capital and Reserves of the charity at 31 March 2025 were £10.

This balance is removed upon consolidation.

The Circular Bioeconomy Alliance Advisors Limited had a trading result in the period ending 31st March 2025 of £77,624

	Note	**£**
Income	**3**	440,779
Expenditure	**5**	(363,155)
Result		77,624

The Circular Bioeconomy Alliance Advisors Limited will donate all its profits to the Charity under the Gift Aid scheme. This payment represents the full distributable profits of the company for the period and is made within nine months of the company's yearend in accordance with HMRC requirements.

8. Tangible Fixed Assets (Group & Charity)

	£ Office Equipment	£ Total
Cost		
At the start of the period	1,234	1,234
Additions in the period	1,333	1,333
At the end of the period	2,567	2,567
Depreciation		
At the start of the period	81	81
Charge for the year	512	512
At the end of the period	593	593
Net Book value at the end of the period	1,974	1,974
At the start of the period	1,153	1,153

9. Debtors: amounts receivable within one year

GROUP:

	2025 £	2024 £
Prepayments	12,245	11,554
Trade Debtors	299,835	-
	312,080	11,554

CHARITY:

	2025 £	2024 £
Prepayments	12,246	11,554
Due from Subsidiary	123,392	-
	135,638	11,554

10. Creditors: amounts due within one year

GROUP:

	2025 £	2024 £
Accruals	270,444	100,010
Trade Creditors	91,394	84,671
Taxation & Social Security	52,277	2,585
Other creditors	3,198	917
	417,313	188,183

CHARITY:

	2025	2024
	£	£
Accruals	65,038	100,010
Trade Creditors	3,751	84,671
Taxation & Social Security	11,215	2,585
Other creditors	3,208	927
	83,212	188,193

11. Funds

GROUP:

2025	Funds b/fwd	Incoming resources	Resources expended	Gains/ (Losses)/ Transfer	Funds c/fwd
	£	£	£	£	£
Unrestricted funds					
General funds	2,698,594	486,278	(900,918)	(1,333)	2,282,621
Designated funds	1,153	-	(512)	1,333	1,974
Restricted funds	-	632,356	(254,575)	-	377,781
Total funds	**2,699,747**	**1,118,634**	**(1,156,005)**	**-**	**2,662,376**

CHARITY:

2025	Funds b/fwd	Incoming resources	Resources expended	Gains/ (Losses)/ Transfer	Funds c/fwd
	£	£	£	£	£
Unrestricted funds					
General funds	2,698,594	78,069	(570,333)	(1,333)	2,204,997
Designated funds	1,153	-	(512)	1,333	1,974
Restricted funds	-	632,356	(254,575)	-	377,781
Total funds	**2,699,747**	**710,425**	**(825,420)**	**-**	**2,584,752**

GROUP & CHARITY

2024	Funds b/fwd	Incoming resources	Resources expended	Gains/ (Losses)/ Transfer	Funds c/fwd
	£	£	£	£	£
Unrestricted funds					
General funds	-	3,024,255	(324,427)	(1,234)	2,698,594
Designated funds	-	-	(81)	1,234	1,153
Restricted funds	-	-		-	
Total funds	**-**	**3,024,244**	**(324,508)**	**-**	**2,669,747**

Purpose of Designated Funds

To identify net funds held as fixed assets used in the organisation's operations, which are not therefore available for working capital.

Purpose of Restricted Funds:

2025	**Opening Balance**	**Income**	**Expenditure**	**Closing Balance**
		£	**£**	**£**
ABOCA	-	57,955	51,440	6,515
African Fashion	-	40,000	40,000	-
Pashmina Landscape	-	214,401	61,885	152,516
Sir Evelyn Fellowship	-	300,000	101,250	198,750
Nature AI Fellowship	-	10,000	-	10,000
Wild Herb Sanctuary	-	10,000	-	10,000
TOTAL	-	632,356	254,575	377,781

There was no restricted funds balance in 2024.

ABOCA - Developing an agroforestry-based CBA Living Lab: A blueprint for the health industry in Italy. The aim of the CBA Living Lab project is 'Developing a living lab for medicinal plants in Italy' to test and scientifically evaluate agroforestry-based medicinal plant production and landscape resilience in central Italy.

African Fashion - This Feasibility Study is an assessment of the practical and potential success of an African Fashion Project. The Feasibility Study will also outline the potential social economic, cultural, and environmental benefits to local communities in Africa, including assessing the sustainability of materials used in the manufacturing process of garments.

Pashmina Landscape - The aim of this CBA Living Lab is to support local communities of Ladakh in the restoration and future management of Pashmina ecosystems (grassland/pastureland), while building capacity and creating an enabling environment along the cashmere value chain to ensure its scalability as well as socio-economic and environmental sustainability.

Sir Evelyn de Rothschild Fellowship – A Fellowship program established by the CBA focused on reforms and practices that will unlock private and public financing and resources to develop more inclusive, sustainable, and nature-positive economic systems for Reimagining Nature Finance and Inclusive Capitalism. This Fellowship seeks to pioneer a new understanding of how nature finance can catalyze transformative economic change to address the pressing social, economic, and environmental challenges of our time.

Nature AI Fellowship – The CBA wants to establish a Nature AI Fellowship (the "Fellowship") that links nature, finance, and AI capabilities in creating an AI tool which supports the monitoring and evaluation of the CBA principles in projects. The CBA recognises that AI technology is vital in reporting and wants the Fellowship to be a global leader in this specific field.

Wild Herb Sanctuary - A CBA Living Lab in Wild Herbs established in 2024/25. The wild herbs project is highly relevant for its biological, environmental, and cultural value.

12. Analysis of net assets by fund

GROUP:
2025

	Fixed Assets	Net Current Assets/(Liabilities)	Creditors > 1 year	Total
	£	£	£	£
Funds				
Unrestricted funds				
General funds	-	2,282,621	-	2,282,621
Designated funds	1,974	-	-	1,974
Restricted funds	-	377,781	-	377,781
	1,974	2,660,402	-	2,662,376

CHARITY:
2025

	Fixed Assets	Net Current Assets/(Liabilities)	Creditors > 1 year	Total
	£	£	£	£
Funds				
Unrestricted funds				
General funds	-	2,204,997	-	2,204,997
Designated funds	1,974	-	-	1,974
Restricted funds	-	377,781	-	377,781
	1,974	2,582,778	-	2,584,752

GROUP & CHARITY
2024

	Fixed Assets	Net Current Assets/(Liabilities)	Creditors > 1 year	Total
	£	£	£	£
Funds				
Unrestricted funds	-			
General funds	10	2,698,584	-	2,698,594
Designated funds	1,153	-	-	1,153
Restricted funds	-	-	-	-
	1,163	2,698,584	-	2,699,747

13. Related Party

Mark Palahi, Circular Bioeconomy Alliance's Chief Executive Officer, was employed by Lombard Odier during the period, and seconded to the charity on a part time pro bono basis. A gift in kind of £37,000 is included in these accounts to reflect the trustees' best estimate of the value to the charity of Marc's time (2024: £20,634). Kitty Parker Brookes was also seconded to the CBA from Lombard Odier on a project basis, to help manage and support the CBA Flagship Event, a gift in kind valued at £8,500 (2024: £0)

At the end of the period there is an intercompany balance of £123,392, owed by CBAA to the Charity (2024: £10).

Transactions between the Charity and CBAA during the year were:

	£
Recharged expenses	32,569
Payments made on CBAA's behalf	90,823
	123,392

14. Reconciliation of net movement in funds to net cash flow from operating activities.

GROUP:

	2025	2024
	£	£
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(37,371)	2,699,747
Adjustments for:		
Increase in debtors	(300,526)	(11,554)
Increase in creditors	229,130	188,183
Increase/(decrease) in Depreciation	512	81
Net cash (used in)/provided by operating activities	**(108,255)**	**2,876,457**

15. Analysis of changes in Net Funds

GROUP:

	At Start of Period	Cashflows	At end of Period
	£	£	£
Cash in hand	2,875,223	(109,588)	2,765,635

Accounts

Charity Registration No. 1204669 (England and Wales)

CIRCULAR BIOECONOMY ALLIANCE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2024

CONTENTS

CIRCULAR BIOECONOMY ALLIANCE
LEGAL AND ADMINISTRATIVE INFORMATION

Trustee	Dame Amelia Chilcott Fawcett (Chair) (Appointment 12 September 2023) Francis Vijay Narasimhan Rangarajan (Appointment 5 Oct 2023) Professor Nathalie Seddon (Appointment 12 September 2023) Professor Hans Joachim Schellnhuber (Appointment 12 September 2023) Tanya Margaret Anne Steel (Appointment 12 September 2023)
Chief Executive Officer	Marc Palahi
Chief Financial and Operating Officer	Paula Wilson
Registered office	71 Queen Victoria Street London, EC4V 4BE
Bankers	HSBC 31 Holborn Holborn Circus London EC1N 2HR
Independent Statutory Auditor	Saffery LLP 71 Queen Victoria Street London EC4V 4BE
Solicitors	Charles Russell Speechlys 5 Fleet Place London EC4M 7RD
Charity Registration No.	1204669

CIRCULAR BIOECONOMY ALLIANCE
REPORT OF THE TRUSTEES
FOR THE SEVEN-MONTH PERIOD ENDED 31 MARCH 2024

The Trustees of Circular Bioeconomy Alliance present their annual report and financial statements for the first period of accounts for the seven-month period ended 31 March 2024, which are also prepared to meet the requirements of a directors' report.

The financial statements have been prepared in accordance with the Charities Act 2011, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing accounts in accordance with the Financial Reporting Standard (FRS 102). The legal and administrative information on page 1 forms part of this report.

Constitution and governance
CBA is constituted as a Charitable Incorporated Organisation (CIO) with a constitution dated 12th of September 2024 as its governing documents.

The Objects of the CBA as set out in its constitution are as follows:

To promote for the public benefit the conservation, protection, and improvement of the physical and natural environment, in particular, but not exclusively, by the transformation of degraded land into regenerative landscapes that are biodiversity positive and climate neutral.

To promote sustainable development for the benefit of the public by:

- the preservation, conservation and the protection of the environment and the prudent use of resources.
- the relief of poverty and the improvement of the conditions of life in socially and economically disadvantaged communities; and
- the promotion of sustainable means of achieving economic growth and regeneration of nature

To advance the education of the public in subjects relating to sustainable development and the protection, enhancement and rehabilitation of nature and the environment and to promote study and research in such subjects provided that the useful results of such research which are disseminated to the public at large.

Sustainable development means "development which meets the needs of the present without compromising the ability of future generations to meet their own needs."

The CBA constitution states there must be a minimum of 3 trustees serving on the CBA Board, up to a maximum of 9 trustees. A Founder Member may nominate a trustee for consideration to the Board but must remain in, the minority of the total number of charity trustees appointed at any one time. It is the Boards full discretion to appoint a new trustee. A new trustee would be appointed for a term of three years.

The CBA will make available to each new charity trustee, on or before his or her first appointment, a copy of the constitution and any amendments made to it; and a copy of the CBA's latest trustees' annual report and statement of accounts.

The CBA will also arrange key meetings with the Executive Team and any key stakeholders to induct the new trustee. If additional training is highlighted as part of this process, the CBA will resource this training.

The inaugural charity trustees of the CBA have been "hand" selected and were chosen to help establish the charity through their dedicated years of service and experience with other charitable and business organisations. The CBA needed a cross-section of individuals from legal, finance, charity, government and the scientific community.

In selecting future individuals to be appointed as a charity trustee, the trustees will have regard to the skills, knowledge and experience needed for the effective administration of the CBA. In doing so, they would review the skills already represented on the Board.

The Executive Team will assist in this process by keeping a record of any trustee prospects, including biographies of candidates on which basic due diligence will have been completed.

CBA has a small core team, headquartered in London, with team members either directly employed by or engaged through collaboration or service agreements with the European Forest Institute to enable the CBA activities.

The CBA has dedicated support from its governance committee, the Board of Trustees, and advisory services from the Scientific Advisory Board. Each Board represents a large and diverse range of well-known global leaders and experts in their field.

Day-to day operational control of the CBA is delegated by the Board of Trustees to the Chief Executive Officer and key management personnel listed on page 1, who are responsible for the direction and success of the strategy, in line with the CIO's charitable objects.

Remuneration for key management is set reviewing the skills and experience of the candidate for the role and responsibilities. The position is benchmarked against similar positions in the sector. Due to the technical and international expertise needed for some positions, salary comparison may not be available.

Currently the role of the Chief Executive Officer is a seconded position from Lombard Odier and is on a part-time basis.

In addition, support was provided for the initial set up of The Circular Bioeconomy Alliance by the European Forest Institute. This has not been included as a gift in kind as the charity cannot reliably estimate the value.

The Board of Trustees remains responsible for ensuring that the CBA functions within the legal and financial requirements of a registered charity, for approving long-term objectives and strategy, and approving the annual budget and any material variations.

Trustees do not receive any benefit or payment in connection with their services to the CBA, but travel and subsistence may be reimbursed. (2024:NIL)

CIRCULAR BIOECONOMY ALLIANCE STRATEGY OBJECTIVES

The Circular Bioeconomy Alliance initiative was established in 2020 by His Majesty King Charles III (formerly His Royal Highness The Prince of Wales).

In September 2023, the Circular Bioeconomy Alliance became a registered charity. It intends to build upon the successes of the initiative bearing the same name which was hosted by the European Forest Institute, and which had become a leading collaborative platform with around fifty members including scientific organisations, corporations, banks and funds, Indigenous peoples, NGOs, and companies.

The CBA provides funding, expertise, and know-how to facilitate projects designed to accelerate the transition to a circular bioeconomy that is climate neutral, inclusive and prospers in harmony with nature.

Mission

The CBA's vision is a world powered by and prospering in harmony with Nature. The CBA's mission is accelerating the transition to a nature-first economy.

The CBA aims to accelerate the transition to a nature-first circular bioeconomy that is climate neutral, inclusive and powers prosperity.

Striving for Impact

The CBA, through the principle of a circular bioeconomy, offers a conceptual framework for using renewable natural capital to holistically transform and manage our land, food, health, and industrial systems as well as our cities. Putting forward a new economic model will require transformative policies, purposeful innovation, access to finance, risk-taking capacity as well as new and sustainable business models and markets.

Delivering Objectives

<u>Living Labs</u>

The CBA collaborates with scientists, Indigenous communities, corporates, and local governments to develop Living Labs. These are pilots of nature-first economies, using sustainable value chains to holistically regenerate landscapes and power prosperity in the local community.

Connecting the dots

We deliver transformative impact at scale through:

Activating and demonstrating: creating scalable 'proof of concept' through a global network of Living Labs that blend science, technology, and Indigenous knowledge to holistically regenerate landscapes, support communities and rethink value chains.

Advancing and sharing knowledge: scaling learning-to-action by supporting research, communication and capacity building through leading experts, rigorous scientific frameworks and data and inclusive programmes.

Connecting and facilitating: developing targeted global-to-local partnerships, to advocate for and advance global efforts through a diverse network of leading scientists, pioneering corporations, Indigenous communities, campaigning organisations, and public institutions.

Grants

During the 2023/34 financial year, the CBA awarded one grant to the Amazon Sacred Headwaters Alliance for £4,058. This was to fund an Indigenous Leader from the Amazon to attend COP28.

Advocacy and Engagement

The CBA will freely disseminate and actively promote our charitable activities in the future to the widest audiences. We hope that the charitable 'Living Labs' will serve as a blue print for organisations to adopt and we would encourage this.

At COP28, the Circular Bioeconomy Alliance (CBA) called on leaders from across government, corporate, finance and civil society spheres to play their part in creating regenerative landscapes, and sustainable communities and markets.

At an event co-hosted with the UK Government on 2 December 2023 at COP28, efforts to 'put nature, people and livelihoods at the heart of climate action', the CBA brought together leading voices to highlight the critical role of nature, and the circular bioeconomy it powers, in driving the transition to a net-zero, climate positive and inclusive economy. When properly valued by economic systems, nature's benefits can help to address complex global and interconnected crises.

The Wildfire-Resilient Landscapes Network was launched at a reception in Dubai attended by His Majesty King Charles III, on 30 November ahead of the start of COP28. The network brings together Indigenous and scientific knowledge to develop Living Labs that demonstrate how to create resilient landscapes to deal with the increasing problem of wildfires in fire-prone areas of the world. The initiative will work with the finance industry to develop innovative financial tools (for example around emerging Nature markets) that can generate the necessary investments to support the transition to resilient landscapes. The founding of the network was inspired by The King's interest in linking Australia's indigenous fire experts with Canadian experts to share best practices following Canada's horrific fire season.

Finally, a new publication from the CBA explores the role the circular forest-based bioeconomy could play, to fulfil African aspirations and answer many of these current and future challenges. As Africa consists of 54 countries with vast differences between them and the forests which they contain, the study takes an in-depth look at five different countries: Gabon, Kenya, Nigeria, South Africa, and Tanzania.

Future Considerations

As a newly established charity, the CBA is focused on shaping the charitable activities for the future years. For more than a hundred years we have relied on an extractive economy powered by fossil resources that has developed at the expense of Nature.

While a variety of regenerative and circular strategies are being pursued to advance this goal, there is no cohesive approach or means to scale. Time is running out to deliver the collective and integrated action that is needed, to put the world on a path towards sustainable economic growth.

The CBA expects to see momentum on designing and implementing charitable 'Living Labs', creating impact at scale, building sustainable value chains which transform our land, food, health, and industrial systems.

Our visionary approach combines a rigorous science-based framework, coalitions of expert willing partners, Indigenous and local leaders, and a bespoke 'Living Lab' activation model.

Other priority areas for the CBA in 2024/25 will be a scoping exercise for a grants programme and scientific research in priority areas.

Additionally, the CBA has set priorities for underlying operations to ensure the CBA continues as a strong, resilient organisation, as follows:

Finance – Growing our charitable income through general and targeted fundraising and working with donors to support our 'Living Labs'.

People – Ensuring the people needed to deliver against our charitable aims are in place, through retaining, growing, and establishing collaborations and recruiting the "best people".

Affiliate Network – Support our affiliate network members and continue to recruit new members, to help support the CBA charitable activities.

Grant Making Policy

The Trustees have delegated to the Executive Team the ability to award small grants (under £10,000) to external organisations to further the vision and mission of the CBA.

Fundraising

The CBA is committed to maintaining the highest standards in our fundraising activities. We adhere to the Code of Fundraising Practice and ensure that all our fundraising efforts are ethical and transparent.

The CBA would like to thank our Founder Members; Lombard Odier, AstraZeneca and LVMH who have funded the CBA since its incorporation as a CIO.

The Trustees take their responsibility under the Charities (Protection and Social Investment) Act 2016 seriously and have considered the implications for the Charity's activities. The Charity does not seek donations from the general public. The Charity does not engage any professional or third-party fundraisers. No complaints were received during the year in relation to fundraising. The Trustees are therefore satisfied that it is not necessary for the Charity to have a formal fundraising policy at this time.

However, since the end of the reporting period, the CBA has registered with the Fundraising Regulator, and we will ensure that all our activities are conducted in accordance with their standards. We will also provide training to our staff and volunteers to ensure they are aware of and adhere to these regulations.

We respect the privacy of our donors and are committed to protecting their personal information. We comply with the General Data Protection Regulation (GDPR) and ensure that all donor data is securely stored and used only for the purposes for which it was collected.

Risk Management

The CBA, with the considerable and diverse experience within its staff and governance structure, is well placed to deliver on its aims. Although no steps can be taken to secure all risks, the Trustees are aware of the risk factors involved in CBA's work and the risk register will be reviewed annually.

The CBA has a profound commitment to safeguarding, ensuring the protection of the most vulnerable in our communities. The CBA prioritise creating a safe environment for all individuals, particularly children, young people, and at-risk adults. This commitment is reflected through policies and procedures, training for staff and volunteers, and a transparent culture of accountability. Safeguarding is not just a policy; it's a fundamental ethos that guides every action and decision within the organisation.

In common with other charities dependant on donated income, one ongoing risk is that the CBA is unable to secure sufficient funding to deliver its strategy. This is an area of significant management focus and action. Securing funding for our 'Living Labs' is of the highest priority.

As an organisation with a highly scientific and technical focus, a further risk is the ability both to secure and retain skilled staff. The CBA mitigates this through remuneration structures and pathways for growth. The CBA has also put in place agreements for secondments from respected organisations to grow a diverse pool of consultants to provide specialist input.

The Trustees are also conscious of reputational risk to the CBA and close stakeholders by its own actions or associated members. This is mitigated through external communications and the current and future working partners we align ourselves with.

Financial Review

Total income for the period was £3,024,255, made up of donations from our Founder Members. CBA's expenditure for the period was £324,508, which includes support costs of £198,186. Spend in the first seven months largely consisted of support and governance costs, as the CBA was supporting the establishment of the charity.

The charity's reserves at the year-end were £2,699,747, which consisted of £2,698,594 in unrestricted and £1,153 in designated funds which relates to a tangible fixed asset fund.

Reserves Policy

The Trustees recognise the need to have sufficient unrestricted funds held as a reserve to ensure the underlying stability should the CBA face an unexpected decline in income, unexpected cost increase or the need to respond to a change in its environment.

The level of unrestricted reserves that the Trustees believe to be appropriate and sufficient to fulfil its core commitments is defined as unrestricted reserves equivalent to circa three months of running costs, currently this is less than £200,000. Future unrestricted reserves will incorporate the delivery of our 'Living Labs'.

The level of unrestricted reserves at 31 March 2024 stands at £2,699,747, or approximately 13.5 months of running costs. This reflects the cycle of receipts of donations in our first year.

Public Benefit

The Trustees have considered the Charity Commission's guidance on public benefit under the Charities Act 2011, and this report sets out the work performed by the CIO in furtherance of the public benefit.

Subsidiary – Circular Bioeconomy Alliance Advisors Ltd

A trading subsidiary was incorporated on the 7 November 2023 named the Circular Bioeconomy Alliance Advisors Ltd (CBAA) for the period up to the end of the 31 March 2024 the company remained dormant. However, since the period ended the CBAA has begun trading.

The subsidiary was established to provide consultancy services to organisations based on the charitable vision and mission of the CBA.

CIRCULAR BIOECONOMY ALLIANCE
REPORT OF THE TRUSTEES (continued)
FOR THE SEVEN-MONTH PERIOD ENDED 31 MARCH 2024

Trustees' responsibilities statement

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).
The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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, applicable accounting regulations and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity 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 charity 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

Provision of information to the auditor

The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the Trustees has confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

On behalf of the board

Dame Amelia Chilcott Fawcett Trustee 28th of January 2025

CIRCULAR BIOECONOMY ALLIANCE
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS
FOR THE SEVEN-MONTH PERIOD ENDED 31 MARCH 2024

Opinion

We have audited the financial statements of Circular Bioeconomy Alliance for the seven-month period ended 31 March 2024 which comprise the statement of financial activities, balance sheet, statement of cash flows and 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 Financial Reporting Standard 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 charity's affairs as at 31 March 2024 and of its incoming resources and application of resources for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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 charity 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 charity'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 annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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 require 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; or
- the charity has not kept sufficient accounting records; 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 Trustees' Responsibilities Statement set out on page 9, 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 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 charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under 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 auditors' 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:
We assessed the susceptibility of the charity's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charity by discussions with trustees and updating our understanding of the sector in which the charity operates.

Laws and regulations of direct significance in the context of the charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:
We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the 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 charity and the trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Saffery LLP

Saffery LLP

71 Queen Victoria Street
London
EC4V 4BE

Statutory Auditors

Date: 28 January 2025

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

CIRCULAR BIOECONOMY ALLIANCE
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE SEVEN MONTH PERIOD ENDED 31 MARCH 2024

	Note	2024 Unrestricted And Total Funds £
Income from:		
Donations and legacies	**2**	3,024,255
Total Income		3,024,255
Expenditure on:		
Raising funds		1,704
Charitable activities	**3**	322,804
Total expenditure		324,508
Net income		2,699,747
Other (losses) /gains on foreign exchange		-
Net movement in funds for the period		2,699,747
Total funds brought forward		-
Total funds carried forward	**9**	2,699,747

The statement of financial activities includes all gains and losses recognised in the period.
All income and expenditure derive from continuing activities.

The notes on pages 17 to 24 form part of these financial statements.

CIRCULAR BIOECONOMY ALLIANCE
BALANCE SHEET
AS AT 31 MARCH 2024

	Note	2024 £
Fixed Assets		
Investment in Subsidiary	**5**	10
Tangible Fixed Assets	**6**	1,153
		1,163
Current assets		
Cash at bank and in hand		2,875,223
Prepayments and other debtors	**7**	11,554
		2,886,777
Liabilities		
Creditors: amounts falling due within one year	**8**	(188,193)
Net current assets		2,698,584
Net assets		2,699,747
Funds	**9**	
Unrestricted funds		
General funds		2,698,594
Designated funds		1,153
Total funds		2,699,747

The notes on pages 17 to 24 form part of these financial statements.

Approved and authorised for issue on behalf of the Trustees by:

On behalf of the board

Dame Amelia Chilcott Fawcett Trustee 28th of January 2025

CIRCULAR BIOECONOMY ALLIANCE
STATEMENT OF CASH FLOWS
FOR THE SEVEN-MONTH PERIOD ENDED 31 MARCH 2024

	Note	2024	
		£	**£**
Net Cash provided by operating activities	**12**		2,876,467
Cash flow from Investing activities:			
Purchase of Fixed Asset		(1,234)	
Purchase of Investment in Subsidiary		(10)	
Net Cash provided by investing activities			(1,244)
Change in cash and cash equivalents in the period			**2,875,223**
Change in cash and cash equivalents at the beginning of the period			**-**
Change in cash and cash equivalents at the end of the period			**2,875,223**

1. Accounting policies

Circular Bioeconomy Alliance is a charitable incorporated organisation (CIO) registered with the Charity Commission for England and Wales. The registered office is 71 Queen Victoria Street, London, EC4V 4BE.

The principal accounting policies adopted, judgements and key sources of estimating uncertainty in the preparation of the financial statements are as follows:

1.1 Accounting convention

Basis of preparation

The financial statements are the first period of accounts and cover the seven-month period ended 31st March 2024.

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 Standards applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP (FRS 102)), the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) and applicable charity law for England and Wales. The accounts 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.

Circular Bioeconomy Alliance meets the definition of a public benefit entity under FRS 102. Assets and liabilities are recognised at the historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

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

The subsidiary has not been consolidated on the basis it is immaterial therefore these accounts are for the charity only.

1.2 Going concern

The Trustees and management of the Circular Bioeconomy Alliance have assessed the charity's ability to continue as a going concern. As of 31st March 2024, we have unrestricted reserves of £2,699,747, which significantly exceed our operating expenses for the next 12 months.

Key considerations in our assessment include:

- Reserves: Our substantial reserves provide a strong financial cushion, ensuring continuity of operations.
- Budgets and Forecasts: We have reviewed our budgets and forecasts, considering any material uncertainties.
- Operating Environment: Despite any changes, we remain confident in our ability to fulfil our charitable objectives.

In light of the above, we believe that the Circular Bioeconomy Alliance is a going concern. We have not identified any material uncertainties that would impact our ability to continue operating.

1.3 Income

1.3.1 Donations and gifts

Income is recognised in the period in which there is probability of receipt, the charity is entitled to receipt and the amount can be measured with reasonable certainty.

1.3.2 Gifts in Kind

Donated goods or services are included in the Statement of Financial Activities as both income and expenditure at a value estimated by the Trustees based on their value to the charity, where it can be reliably estimated.

1.4 Expenditure

Expenditure is included on an accruals basis including irrecoverable VAT. Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Charity to the expenditure.

1.4.1 Grants

The value of grants is recognised in full as expenditure in the period when the Charity creates a legal or constructive obligation, even where they may be multi-year in nature. Typically, this arises when an unconditional grant offer has been communicated to the recipient. The notification gives the recipient a reasonable expectation that they will receive the one year or multi-year grant.

1.4.2 Governance costs

Governance costs are the costs involved in the constitutional and strategic matters of running the Charity as a legal entity.

1.4.3 Advocacy and Engagement and Other costs

Other direct and support costs are allocated to the appropriate activity as the cost is incurred.

1.5. Funds

Unrestricted Funds comprise those funds, which the Trustees are free to use in accordance with the charitable objects. Designated funds are unrestricted funds of the Charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are funds received where the donor has indicated that they can only be spent on specific projects.

1.6. Foreign currency translation

Foreign currency transactions are translated into pounds sterling at the exchange rate prevailing at the transaction date. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date.

1.7. Tangible Fixed Assets

Tangible Fixed Assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation.
Depreciation is charged as to write of the cost of assets over their estimated useful lives, as follows.

Asset Class	**Depreciation Method and Rate**
Office Equipment	33.33% Straight Line

1.8. Investment in Subsidiary

Investment recognised at cost in 100% Subsidiary Circular Bioeconomy Alliance Advisors Limited

1.9. Financial instruments

The Charity only has financial assets and liabilities 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method. There were no bank loans in the period.

1.10. Areas of judgement and uncertainties

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions. These are based on historical experience and other relevant factors.

The estimates and underlying assumptions are reviewed on an ongoing basis.
In the opinion of the trustees there are no critical estimates or judgements that have affected the financial position at year end.

2. Donations and Legacies

	2024
	£
Donation – unrestricted	3,000,000
Donated Services	24,255
	3,024,255

3. Charitable activities

	2024
	£
Grant Giving - Amazon Sacred Headwaters Alliance	4,058
Advocacy	43,507
Support Costs	166,869
Governance Costs	108,370
	322,804

Support Costs include staff costs of £79,275 (note 4) as well as £49,200 for assistance in the development of the Strategic Framework and Financial Business plan which was outsourced to a third party. All staff time has been classified as expenditure on charitable activities for the period ended 31 March 2024 as this was the primary focus of their work. The Trustees will keep this under review as the charity evolves.

Governance costs include audit fees set out below and legal fees relation to the setup of the charity.

Net income / (expenditure) is stated after charging:

	2024
	£
Auditors' remuneration (inclusive of VAT)	17,880

4. Staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff Costs were as follows:	**2024** **£**
Salaries and Wages	55,224
Social Security Costs	2,203
Employer's Contribution to defined contribution pension schemes.	917
Temporary and other Staff Costs	297
Gift in Kind (note 11)	20,634
	79,275

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel payable by the charity were £42,434.

During the period no employees received employee benefits of more than £60,000.

The average number of employees (head count based on number of staff employed) during the period was 2.

Trustees are not renumerated. During the period no expenses were reimbursed to the Trustees for directly incurred travel expenses to visit the charity partner projects and attend board meetings.

5. Investment

On 7 November 2023, the charity set up a 100% owned Subsidiary, Circular Bioeconomy Alliance Advisors Limited (company registration number 15267318).

The company was dormant in the period ended 31 March 2024

Capital and Reserves of the company at 31 March 2024 were therefore £10

6. Tangible Fixed Assets

	Office Equipment 2024	Total
Cost		
	£	£
At the start of the period	-	-
Additions in the period	1,234	1,234
At the end of the period	1,234	1,234
Depreciation		
At the start of the period	-	-
Additions in the period	(81)	(81)
At the end of the period	(81)	(81)
Net Book value at the end of the period	1,153	1,153
At the start of the period	-	-

7. Debtors: amounts receivables within one year

	2024
Prepayments	11,554

8. Creditors: amounts due within one year

	2024
Accruals	100,010
Trade Creditors	84,671
Other creditors	3,512
	188,193

9. Funds

2024	**Funds b/fwd**	**Incoming resources**	**Resources expended**	**Gains/ (Losses)/ Transfer**	**Funds c/fwd**
	£	£	£	£	£
General unrestricted funds	-	3,024,255	(324,427)	(1,234)	2,698,594
Designated funds:				-	
Fixed Asset Fund	-	-	(81)	1,234	1,153
Total funds	-	3,024,255	(324,508)	-	2,699,747

Purpose of Designated Funds

To identify net funds held as fixed assets used in the organisation's operations, which are not therefore available for working capital.

10. Analysis of net assets by fund

2024

	Fixed Assets	**Net Current Assets/ (Liabilities)**	**Creditors Over 1 year**	**Total**
	£	£	£	£
Funds				
Unrestricted funds				
General funds	10	2,698,584	-	2,698,594
Designated funds	1,153	-	-	1,153
	1,163	2,698,584	-	2,699,747

11. Related Party

Mark Palahi, Circular Bioeconomy Alliance's Chief Executive Officer, was employed by Lombard Odier during the period, and seconded to the charity on a part time pro bono basis. A gift in kind of £20,634 is included in these accounts to reflect the trustees' best estimate of the value to the charity of Marc's time.

Expenditure also includes £55,448 in relation to legal fees and other costs paid by Lombard Odier on behalf of the charity. At year end, the charity owed Lombard Odier £55,448 in respect of these costs and this was paid in April 2024.

12. Reconciliation of net movement in funds to net cash flow from operating activities.

	2024
	£
Net income for the reporting period (as per the statement of financial activities)	2,699,747
Adjustments for:	
Increase in debtors	(11,554)
Increase in creditors	188,193
Depreciation	81
Net cash provided by operating activities	**2,876,467**

13. Analysis of changes in Net Funds

	At Start of Period	**Cashflows**	**At end of Period**
	£	**£**	**£**
Cash in hand	-	2,875,223	2,875,223
Total	**-**	**2,875,223**	**2,875,223**