



**Canal &  
River Trust**

Making life better by water

# Annual Report & Accounts 2023/2024



# Annual Report of the Trustees of Canal & River Trust 2023/2024

## Introduction

|   |   |
|---|---|
| Chair and Chief Executive's Introduction  | 3 |
| Trustees' Report (incorporating the Directors' Report and the Companies Act 2006<br>Strategic Report Directors' Requirements) |   |

## Strategic report

|  |    |
|--|----|
| Caring for our canals  | 5  |
| Providing places for people                                    | 8  |
| Helping nature to thrive                                       | 11 |
| Keeping history alive  | 12 |
| Our performance and priorities                                 | 13 |
| Section 172(1) Statement                                       | 16 |
| SECR (Streamlined energy & carbon reporting)                   | 20 |
| Governance Overview  | 32 |
| Independent Auditor's Report to Members of Canal & River Trust | 51 |

## Financial Statements

|  |     |
|--|-----|
| Financial Statements for the year ended 31 March 2024                          | 56  |
| Membership of the Board of Trustees, Executive Team, Council<br>and Committees | 107 |
| Council Members as at 31 March 2024  | 108 |
| Supporters of Canal & River Trust  | 111 |



**Above:** Anderton Boat Lift, Cheshire

# Chair and Chief Executive's Introduction

Our canal network is a national treasure – unique, living heritage dating back 250 years that connects our past to the present – and is able to play a vital role in our future prosperity. Canals and their free to access towpaths provide green-blue spaces on the doorstep for millions of people. They offer places to exercise and connect with nature for improved physical and mental health and they are traffic-free green corridors for active travel, nature recovery and wildlife migration. Our canals also bring wider benefits to society, supporting jobs and local economies, playing an important role in the nation's water and utilities infrastructure, and even delivering new sources of renewable energy.

Over the past year our work to repair and strengthen the resilience of our precious network included almost 450 planned engineering projects, at a cost of around £70 million. The work to deliver statutory safety measures at our large reservoirs, critical in protecting the communities around them, continued to dominate our major project expenditure, with over £27 million spent on resilience works at 19 of the 71 large reservoirs we are responsible for.

The succession of winter storms we experienced across the country caused significant harm to the network, with an aggregated impact in the current and future years of £9 million in emergency works. Following the prolonged hot dry weather of summer 2022, this provided further evidence of the volatility of our climate and our vulnerability to extreme weather events.

This rising cost of protecting and maintaining our ageing canal network – with two years of high inflation pushing up many of our costs significantly – underscores the challenge presented by the Government grant settlement, announced after a long delay in July 2023, with steep funding cuts to be applied from 2027. Coming after a six-year period when the grant has been frozen (and hence its value would already have fallen by over 30% in real terms), this presents a very challenging prospect, putting the future of the canal network in jeopardy.

Nevertheless, we remain determined to secure a sustainable future for our waterways, their heritage and wildlife habitats. We'll continue to make our

case for the level of funding needed to enable the broad range and vast scale of benefits we deliver for the nation to be sustained for future generations. We look forward to working with the new government in an active partnership, recognising the potential of our canal infrastructure to contribute meaningfully to a range of issues facing the country – such as water security, urban regeneration and low-carbon solutions.

We thank everyone who has so far supported our **#KeepCanalsAlive** campaign, generating widespread public, media and political support – and acknowledge the role that the Fund Britain's Waterways coalition of over 100 organisations has played in raising the profile of the funding campaign at a series of rallies and events.

In March 2024, to further support our case, we published our first Impact Report (Transforming Places and Enriching Lives) which brings together numerous examples of the effect of our work, as well as independent assessment of our network's aggregate value – delivering £4.6 billion in annual social benefits and £1.5 billion in economic benefits.

A key part of our long-term plan to reduce dependency on government funding (as we have done steadily since our formation) is to develop and grow alternative sources of income. During the year ended 31 March 2024, our commercial income was £97.1m, 12.2% higher than in the prior year.

It now represents 41.0% of our total income (2022/23: 38.1%). And our charitable income has started to rise as our new fundraising team is developing its plans to deliver significant growth in the years ahead.

It's also essential that we control our costs as far as possible, and we're adopting new and innovative ways of doing things where practicable. Key to our future is the growing role of our volunteers and this year we've achieved record numbers of volunteers and hours given. We have ambitious plans for further expansion to make volunteers integral to everything we do.

We're committed to maintaining our canal network in good working condition for the benefit of our boating customers, the millions of regular towpath users, and the tourists who flock from around the country and the globe to experience it, and to protecting neighbouring homes and businesses from the threat that our ageing infrastructure could pose if not well-managed and cared for.



**Left:**  
David Orr,  
Chair



**Left:**  
Richard Parry,  
Chief Executive

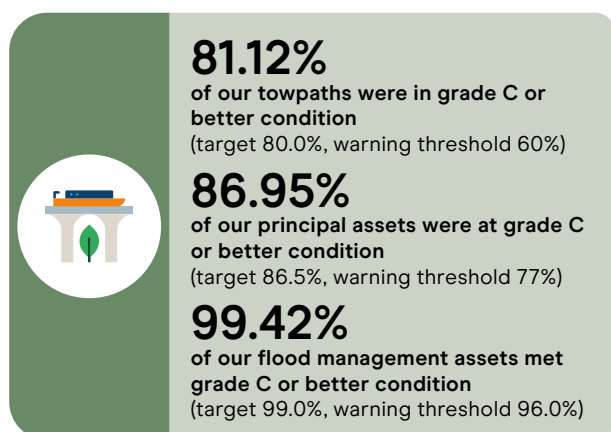


## Caring for our canals

With over 10,000 individual assets and structures including bridges, lock gates, reservoirs and aqueducts, many up to 250 years old, keeping our ageing waterways in safe working condition is a constant challenge.

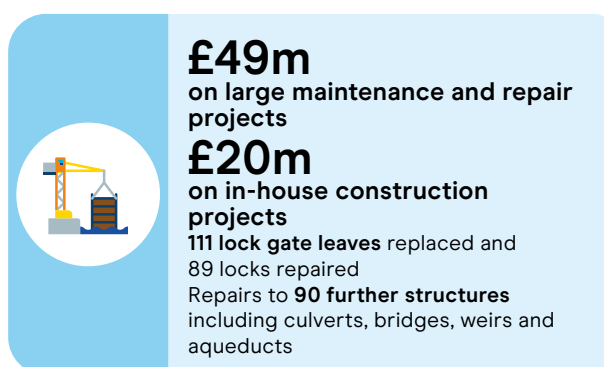
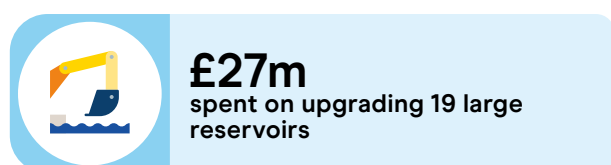
Above: Welsh Harp, Brent Reservoir

We measure our performance against our internal key measures incorporating our Defra Waterway targets. By the end of 2023/24 we were pleased to have exceeded the targets relating to how we care for and manage our assets:



**Key:** Our Key Performance Indicators (KPIs) for 2023/24 are reported in these graphics with green backgrounds

We spent close to £49 million on around 80 large maintenance and repair projects, and our skilled teams of carpenters, stone masons and bricklayers completed further construction projects, at a cost of around £20 million.



### Reservoirs and water supply

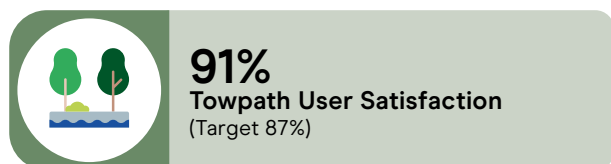
We spent £27 million upgrading 19 of the large reservoirs in our care, including spillway replacements, access improvements, sluice gate and embankment repairs. Work is ongoing to bring back to active use Toddbrook Reservoir in Whaley Bridge. This involves replacing the auxiliary spillway damaged in 2019 with a larger structure to the side of the dam, as well as creating new facilities for local people and wildlife habitats. This highly complex project has taken longer than planned due to challenging ground conditions and a succession of winter storms impeding our progress and increasing costs. Construction work is now expected to be completed by the summer of 2025 and project costs have risen to nearly £50 million. Other projects included: Harthill on the Chesterfield Canal; Barrowford on the Leeds & Liverpool Canal; March Haigh on the Huddersfield Narrow Canal; and Brent Reservoir near the Grand Union Canal in West London.

On the Kennet & Avon Canal at Crofton we completed the second phase of a £2.8 million project to replace the electric pumping system, keeping the 4-kilometre summit pound topped up with water.

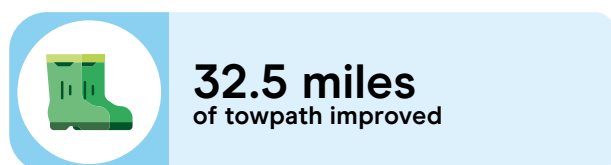
### Dredging

Nationally we spent over £6 million on dredging, removing over 82,000 tonnes of material from 21 locations, and improving 42 kilometres of waterway. We spent around £500,000 on flood recovery dredging and floodwater prevented us from carrying out some of our planned dredging work. Less than 5% of the dredged material was sent to landfill, and the rest was redistributed via our waterway banks, rivers, disposal lagoons and agricultural land.

### Towpath improvements



During 2023/24, thanks to external funding from a range of partners, we upgraded over 32.5 miles (52.3 kilometres) of towpaths, at a cost of £16.4 million. Ninety one per cent of towpath users were generally satisfied, up 5% on last year.



### Dealing with emergencies

From leaks in embankments and waterway walls, storm damage, flooding and blue green algae, to bridge strikes by road vehicles, vandalism, fly tipping and pollution incidents, we deal with dozens of emergencies across our network every week.

### The impact of climate change

Our changing climate continued to have a massive impact on our waterways. 2023 was the warmest year on record and in early summer, the combination of warm weather and storms reduced the amount of oxygen in the water in many areas, causing an unprecedented number of fish deaths across our network. Supported by the Environment Agency we installed emergency aerators and pumps at 25 locations.

The succession of named storms wreaked havoc on our network. Thousands of trees were blown down, towpaths were washed away, banks and culverts collapsed, and landslides occurred. A breach on the Leeds & Liverpool Canal at Burscough in Lancashire

cost over £270,000 to repair. In Leicester, the River Soar breached several times at Blue Bank lock, eroding the towpath and pushing the pilings over. The eastern end of the Kennet & Avon Canal was closed for several months due to extremely high water levels, widespread damage to towpaths, banks and lock walls, and extensive silt deposits. There were two major landslips on the Worcester & Birmingham Canal: on the embankment at the northern portal of Dunhamstead Tunnel; and just south of Shortwood Tunnel. There was also a major slip in the cutting at Easenhall on the Oxford Canal, requiring over 4,000 cubic metres of material to be cleared, and costing over £1 million to resolve.

### Managing invasive plants

Warmer temperatures are accelerating the spread of invasive plant species like Floating Pennywort, which can grow up to 20cm a day forming thick mats on the surface of our waterways, starving the water of light and oxygen, causing problems for wildlife and boaters. We invested over £1.1 million removing weeds and invasive plants from our waterways.

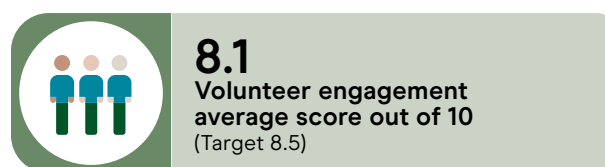
### Flood management

Our canals can play a significant role in alleviating flooding. For example, during Storm Babet in October, we fully opened our feeder sluice to take extra water into the Chesterfield Canal at Worksop, supporting the Environment Agency to reduce levels in the River Ryton.

### Managing waste

Through our waste contracts we collected over 6,700 tonnes of waste from our waterways, of which 97% was recycled or recovered through waste to energy, and 3% went to landfill.

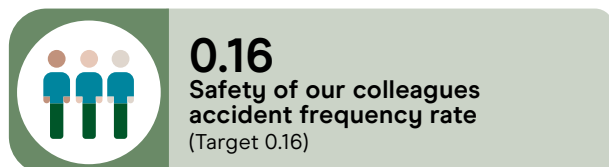
### Volunteering



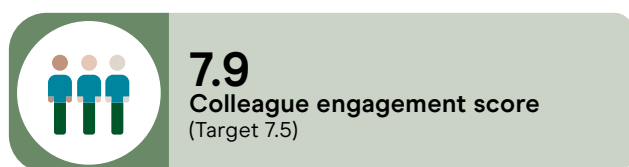
Our volunteers help us to carry out research and repairs, protect wildlife, manage invasive species and bring experiences to life. We continued to expand volunteering involvement, and strengthen ties with local communities to encourage them to help care for their local waterways.

## Our people

We saw continued improvement in our safety performance with a further reduction in our accident frequency rate, down to 0.16 RIDDOR reportable per FTE, for the first time compared to 0.18 the previous year.

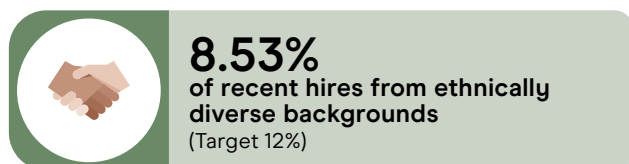
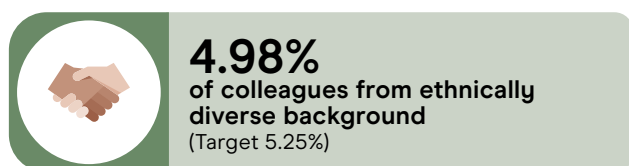


Ninety eight per cent of colleagues and volunteers completed mandatory training. We were pleased to see continued improvement in our colleague engagement score as well as maintaining an overall safety engagement score of 8.9 (out of 10). Our Safety Culture Group, made up of colleagues and volunteers from across the Trust developed a set of 'Health and Safety Promises' launched just after the year end. They set out commitments at all levels of the organisation to improve safety practice and management.



## Diversity and inclusion

We have introduced a new diversity strategy, '[Stronger Together](#)'. This sets out how we will address the challenges we are facing specifically on hiring and retaining people of colour but also delivering D&I more broadly across the organisation.



## Operations & Maintenance Review

We carried out a major review of everything we do to operate and maintain our network, examining ways to do things better. We heard the lived experience of over 2,000 colleagues and volunteers and analysed over 5,000 feedback comments to identify the best opportunities to make our waterways safer and more sustainable, for the benefit of our customers and colleagues. Learning from the review, we are now embarking on an improvement programme.

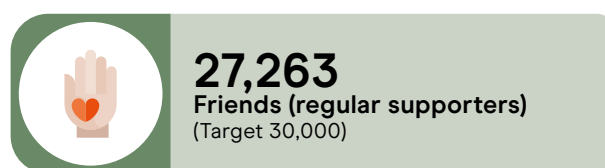
## Community payback

As part of our national partnership with the Ministry of Justice and His Majesty's Prison & Probation Service to contribute to the delivery of the Government's rehabilitation agenda, around 50,000 hours of community payback activity helped improve our waterways at 25 sites.

## Fundraising

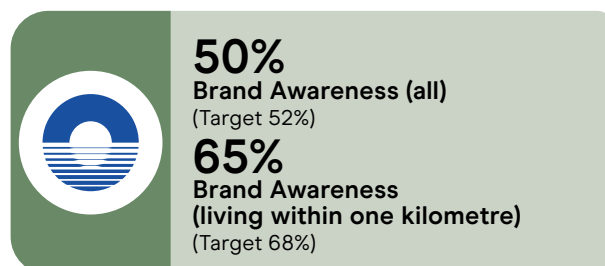
Our income from charitable activities (excluding Defra grant funding), partners, national and society lotteries, our museum and visitor attractions, and third party funded regeneration projects was up 7% to £25.9 million (£24.1 million in 2022/23). We benefited from a number of Government stimulus funds and spending programmes, including the Levelling Up, Towns and Shared Prosperity funds, Active Travel England, Sport England and the National Lottery.

Players of People's Postcode Lottery have raised over £2.5 million, awarded by Postcode Earth Trust, in support of a wide range of projects, from priority infrastructure projects to our flagship community engagement programme Community Roots.



In difficult external conditions, both due to economics and environment, we managed to grow our Friends community back to over 27,000 from a low of just under 26,000 in 2022/23. We remain committed to growing this valued community of donors to over 30,000, returning to our pre-pandemic size. We thank our Friends for showing their commitment to our cause. We're also grateful to those who have donated one-off gifts or taken part in sponsored challenges.

More information on how we comply with fundraising regulations can be found within the Governance Overview below.



During 2023/24 public awareness of the Trust remained at 50%, falling short of our target increase to 52%. Over 1.6 million people supported us across our social media channels and as email subscribers, regular donors and volunteers, up from 1.4 million last year.

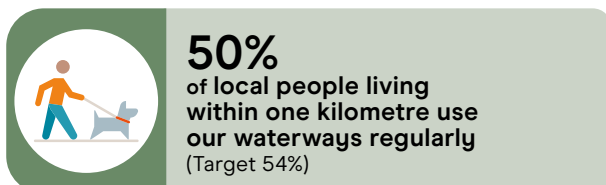
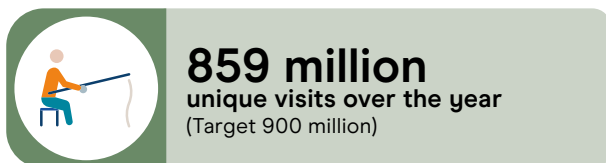
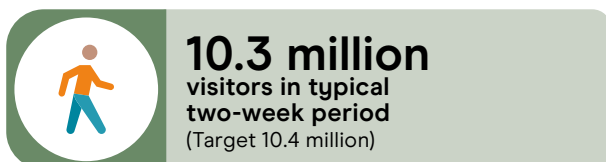
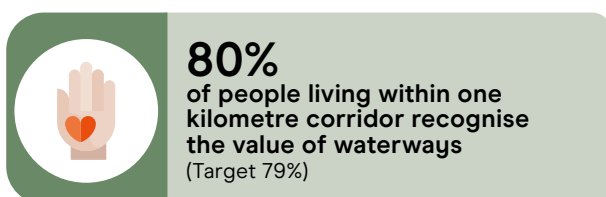


**Above:** Grand Union Canal, Braunston

## Providing places for people

Our waterways provide millions of people with easy access to blue and green outdoor space, for exercise and the chance to connect with nature, crucial for mental and physical health and wellbeing. We're committed to looking after the waterways in our care, ensuring everyone who uses them can do so safely and confidently.

This year, over 859 million visits were made to our waterways. The very wet weather undoubtedly contributed to the decline in visitors, following the record highs of the previous year.



### Bringing people to our waterways

During 2023/24 we hosted a total of 2,220 events, with an estimated attendance of 585,000. These included 1,628 Trust-led events, enjoyed by approximately 176,000 people, and 592 externally led events, attracting around 409,000 visitors.

Our in-person and virtual open day events gave visitors a behind-the-scenes or below-the-water view of waterway walls and other historic structures, and the chance to find out more about the work we do to maintain our network. This winter we hosted three face to face events attracting around 2,600 visitors and three virtual open days.

Through the support of players of People's Postcode Lottery, 19,364 people had the chance to enjoy one of our 1,082 'Let's' events, including Let's Fish, Let's Walk and Let's Paddle.

In March 2024 we celebrated the 250th anniversary of the Bingley Five Rise Locks, one of the 'seven wonders of the waterways' with a family-friendly public event that attracted around 4,000 visitors. And in partnership with Swansea Canal Society, thanks to funding from The National Lottery Heritage Fund in Wales, we asked canal lovers to travel a mile of the Swansea Canal by canoe or kayak to celebrate the canal's 225th anniversary.

### Towpaths for everyone

We published our 'Towpaths for everyone' policy setting out how our historic and typically narrow routes can be sustainably used, managed and made more accessible for the benefit of all. Developed in partnership with boaters and other representatives of the users of the canal system, Active Travel England, Sustrans and Sport England, the policy includes a code of conduct for visitors.

### Social prescribing

Social prescribing supports a preventative approach to relieve pressure on the NHS. Working with our partners, we continued to build on the learning and impact of our green social prescribing pilot programmes 'Waterways and Wellbeing' and 'Isolation to Inclusion'.

Our 'GP guided walks in Birmingham' aim to address social isolation and loneliness, providing the opportunity to talk to a GP whilst enjoying the great outdoors. Working with the Active Black Country partnership, this programme has been extended to other areas in the West Midlands with a range of healthcare professionals. And our 'Chats with Chaps' project is providing a safe place for men to talk together whilst trying new activities, including canoeing, fishing, narrowboat trips and making bird boxes.

### Community Roots

A significant proportion of our waterways run through some of the most deprived areas in the UK. Supported by players of People's Postcode Lottery, our Community Roots programme aims to increase canal and river use, volunteering and community ownership in nine urban areas, helping to reduce health inequalities.

During 2023/24 22,729 people, including 5,755 children and young people, gave over 19,000 volunteer hours, adopting 18 stretches of canal, planting 137 trees and 800 shrubs, improving over 11,000 square metres of space and collecting more than 3,300 bags of plastic waste.

### Keeping people safe

Personal security ratings of people using our waterways increased by 1% to 84%.



**37**  
reported public safety incidents  
related to defects of our  
infrastructure  
(Target <48)



**Feel Safe By  
Water 84%**  
(Target 84%)

The number of reported public safety incidents related to defects of our infrastructure also decreased from 50 reported incidents in 2022/23 to 37 in 2023/24.

We continued to promote the safe use of our waterways through a series of programmes and campaigns. For example our Water Safety for Little Explorers campaign, where thanks to funds raised by players of People's Postcode Lottery, we launched a new storybook 'Quack Quack, Take Two Steps Back!' to help young children understand how to stay safe by water.

### Education and learning

Working with our education volunteers, we further developed our outdoor learning offer for schools, groups and families.



Over  
**103,000 children**  
took part in our Canal & River  
Explorers and STEM outdoor  
learning programmes

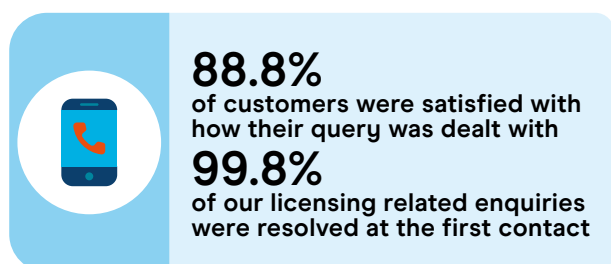
Our Canal & River Explorers team delivered water safety sessions to 77,593 children and distributed over 61,730 water safety activity booklets. Almost 25,000 children took part in our Explorers Challenge Badge for groups.

### Green and Blue Flag awards

We secured a further 172 miles of Green Flag status waterways, so 737 miles of our canals (more than a third of our network) have now been awarded this international benchmark for well-managed parks and green spaces. The Blue Flag award for our Royal Albert Dock and Salthouse Dock in Liverpool was reconfirmed, recognising outstanding environmental information, management, safety and boating services.

### Responding to our customers

We work hard to provide a responsive and efficient service to our customers. Across the year our customer service teams and partners answered 99,228 calls, 47,056 emails and 4,566 website live chats.



### Supporting boaters & boating

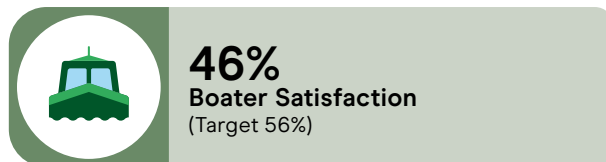
In 2023 we published the results of our first ever Boater Census, helping us to understand the different needs of those who live on or who use their boats for leisure. Nearly a third said they had difficulties accessing health services.

We convinced the Government to extend the energy support scheme to continuous cruisers and responded to its draft Clean Air Strategy asking for financial support for the development of new, cleaner technologies for boaters.

Working with the newly formed Accessible Waterways Association, we introduced the 'Accessible Mooring Bollard' and Boaters' Blue Cards. Our new equality policy under the Equality Act 2010, sets out our approach to making sure everyone can access our waterways.

In London we introduced more new pre-bookable visitor moorings at Little Venice and Paddington Basin, and standardised the mooring stay times along the canals in central Birmingham.

Our income from boat licences and mooring fees was up 9% to £51.5 million (£47.3 million in 2022/23). Revenue from boat licence fees currently makes up 11% of our annual income, and is vital to ensure the ongoing maintenance and repair of the historic canals and rivers in our care.



We announced an increase in licence fees above inflation for each of the next five years for all boats on our waterways, starting with a 6% increase effective from 1 April 2024. The increase in licence fees, combined with the disruption to our network from our reservoir works, drought, storms and the warm wet weather increasing vegetation growth, no doubt contributed to the significant drop in our Boater Satisfaction rating. We are committed to listening to the concerns of boaters and to addressing them, including a focus on getting the basics right on canal maintenance and improving communication.

Our 2024 National Boat Count showed a 1.4% drop in boat numbers. We counted 32,602 boats on our network, including private marinas. Licence compliance was 91.8%, down from 93.0% last year. This drop continues the post-pandemic trend, with the cost-of-living increases being a challenge for many in society.

Across the network, the total number of boats with a home mooring has decreased by 3.7%, while the total number of continuously cruising boats has increased by 4.9%.

We do everything we can to support boaters who are struggling to stay on the water. Our boat licence customer support and boater welfare teams work with boaters to find solutions, including accessing available benefits for those living afloat on low incomes.

It's important that we manage boats on our canals fairly. Despite our best efforts to resolve matters, when all other avenues have been exhausted, we take action to remove boats and in 2023/24 we removed 106 unlicensed boats from the network.



# Helping nature to thrive

Our canals and rivers provide green corridors in the heart of our busiest cities, linking fragmented wildlife habitats and supporting biodiversity.

## Fighting plastic pollution #PlasticChallenge

Around 14 million pieces of plastic end up in or around our canals and rivers every year, devastating wildlife in our waterways and the oceans beyond. Our Big Plastic Pick Up campaign urged people to donate towards the cost of tackling the problem and to pledge to pick up plastic rubbish. The money raised will fund interventions such as bubble barriers, sea bins and equipment for volunteers.

## Soft bank protection

The Montgomery Canal in Mid-Wales is a Site of Special Scientific Interest (SSSI) and Special Area of Conservation. Thanks to funding from the Government's UK Levelling Up Fund, in partnership with Powys County Council, and supported by the Montgomery Canal Partnership, we completed the second phase of dredging, vegetation and tree works along a 2.4 kilometre stretch of the Montgomery Canal from Bridge 99 to Vyrnwy Aqueduct. An 800-metre section of the canal bank was stabilised using coir rolls and timber stakes, creating a soft bank for wildlife such as water voles, wild fowl and invertebrates.

## Conserving rare aquatic plants

Working with the Rare British Plants Nursery, we began a research project examining two species of rare aquatic plants on the Montgomery Canal, looking at ways to develop effective conservation strategies for them. The long-stalked potamogeton praeongus and flat-stalked potamogeton friesii improve water quality, provide shelter for aquatic organisms and act as a primary food source for waterfowl and fish.

## The Anglesey Branch Canal

This SSSI waterway links several important heathlands through north Walsall and is home to rare plants species, such as floating water-plantain, tubular water dropwort, sundew and wild cranberry. Purple Horizons (NE) funded the clearance of 340m<sup>2</sup> of dense bracken, exposing the sand beneath for the benefit of ground nesting bees. And heather seed from the vicinity was sown onto the newly disturbed sands.



We care for **68** Sites of Special Scientific Interest and **1,954** county wildlife sites intersect our landholdings

## Welsh Harp Brent Reservoir

With our partners in the Welsh Harp Strategy Group, we published a new joint vision for the Welsh Harp Brent Reservoir SSSI, one of London's most significant urban wild spaces. The Vision includes steps to enhance biodiversity, reduce pollution and increase community access.

Over the winter, we drained the reservoir, ahead of statutory safety works to its sluice gates. Over 100,000 fish were rescued and re-homed across our network. The work was supported by players of People's Postcode Lottery. We carried out a series of environmental improvements, including creating new wetland bird nesting areas in the reed beds, willow coppicing and removing over 1,000 bags of rubbish, tyres, safes, e-bikes, suitcases and parking metres.



# Keeping history alive

We care for what is widely recognised as the third largest collection of listed heritage buildings and structures in England & Wales and our canals represent the finest example of industrial heritage in the world, attracting visitors from across the globe. The impact of climate change and high inflation rates are seeing the cost of caring for our 250-year old ageing infrastructure rise significantly.

**Above:**  
Pontcysyllte  
Aqueduct,  
Llangollen Canal

## Anderton Boat Lift

We launched an appeal to 'Keep Anderton Boat Lift Alive', supporting a major refurbishment project to ensure Cheshire's historic 'Cathedral of the Canals' remains operational for the next generation. The unique 150-year-old structure, the world's first major commercial boat lift, is now a major visitor attraction, transporting around 3,000 boats a year between the Trent & Mersey Canal and the River Weaver Navigation.

## Restoring the Montgomery Canal

Thanks to the support of volunteers and funding from The National Lottery Heritage Fund, the restoration of a one-and-a-half-mile section of the Montgomery Canal in Shropshire between Maesbury and Crickheath was completed, restoring navigation for eight miles from Frankton Locks to Crickheath Basin. Over 60% of the canal has now reopened for boating, with 13 miles in Welshpool in Mid-Wales also restored.

We secured a further £177,625 funding from the government's UK Shared Prosperity Fund via Shropshire Council, and another £76,250 from the Shropshire Union Canal Society and Restore the Montgomery Canal public appeal, for the next phase of the volunteer-led restoration, focussing on

a 350-metre section of the canal from Crickheath towards Schoolhouse Bridge.



Our heritage estate includes over **2,700** listed buildings and structures, **304** conservation areas, **4** World Heritage Sites and **46** scheduled monuments

## Pontcysyllte Aqueduct World Heritage site

We drained the Pontcysyllte Aqueduct for its 20-year inspection and continued repairing the cast iron hand rails on this Scheduled Monument in North Wales.

## Visits to our museums

We care for over 15,000 objects and 76 national historic ships across our museums at Gloucester, Ellesmere Port and Stoke Bruerne. Over 98,000 people visited our museums and over 143,000 experienced our visitor centres at the Anderton Boat Lift, Standedge Tunnel, Diglis Island and Trevor Basin. With support from players of People's Postcode Lottery, we launched our first online collection of digital 3D photographs, with a 'Roses and Castles' theme, showcasing diverse artistic styles and objects decorated in this way.



## Our performance and priorities

Our purpose is to secure a sustainable future for our waterways, to maintain and care for them so that they are safe, resilient and available; and to promote and extend their benefits for all, so that we maximise their positive impact for people, nature and the economy.

**Above:**  
Brindleyplace,  
Birmingham

Climate change and inflation are increasing the cost of caring for our vulnerable ageing network, at the same time as our government funding is reducing. We've undertaken a strategic review redefining how we'll work towards achieving our long-term vision of living waterways that transform places and enrich lives. Our revised strategy will help us respond to the changed world around us and focus on what is most important for the future sustainability of the canal network that we care for.

Our priorities and KPIs for 2024/25 are shown on the following page, which also shows performance against our 2023/24 KPIs. We were pleased to exceed our targets in several areas, such as in volunteer numbers and hours contributed, the safety of colleagues and the public on and around our waterways, and towpath user satisfaction. In other areas we achieved close to target, such as

visitor volume in a typical two-week period and public awareness of the Trust.

However, in some key areas – most notably boater satisfaction, but also overall visit numbers and increase in active regular givers (Friends) – we failed to achieve our targets. Given the open nature of our canals, the poor winter weather is likely to have been a contributory factor both directly and indirectly, with Friends' growth rate also affected by the need to build our internal fundraising capacity. We were concerned not to reach our targets for colleagues of ethnically diverse backgrounds, with lower than hoped recruitment and retention rates. We will be putting additional focus on all these areas in 2024/25 and beyond – see the table and commentary that follow on pages 14 and 15.

## 2023/24 performance summary and priorities for 2024/25

The preceding sections of this report have provided a brief summary of performance in all key areas. In response to this performance and our external strategic review, we have identified our areas for focus in 2024/25, reflected in the table below.

| Grow our commercial and charitable income      | 2023/24<br>Target | 2023/24<br>Actual | 2024/25<br>Target |
|--|-------------------|-------------------|-------------------|
| Grow the number of active regular givers       | 30,000            | 27,263            | 31,000            |
| People aware of the Trust (all)                | 52%               | 50%               | 52%               |
| People aware of the Trust (living within 1 km) | 68%               | 65%               | 67%               |

| Deliver the basics well  |       |       |       |
|--|-------|-------|-------|
| Broadly maintain towpath user satisfaction                         | 87%   | 91%   | 90%   |
| Increase boater satisfaction                                       | 56%   | 46%   | 54%   |
| Further reduce reported safety incidents due to our infrastructure | <48   | 37    | <35   |
| Reduce colleague accident frequency rate*                          | 0.16  | 0.16  | 0.15  |
| Increase colleague engagement score                                | 7.5   | 7.9   | 8.0   |
| Increase volunteer engagement score                                | 8.5   | 8.1   | 8.3   |
| Grow percentage of colleagues from ethnically diverse backgrounds  | 5.25% | 4.98% | 5.10% |

| Improve infrastructure resilience                       |      |     |      |
|---|------|-----|------|
| Reduce the number of critical assets rated category 1** | <143 | 139 | <138 |

| Grow public support                                     |              |              |              |
|---|--------------|--------------|--------------|
| Grow visitor volume (over a typical two-week period)    | 10.4 million | 10.3 million | 10.4 million |
| Grow number of unique visits (over the 12-month period) | 900 million  | 859 million  | 900 million  |
| Increase number of volunteer hours                      | 725,000      | 739,443      | 760,000      |
| Increase number of active volunteers                    | 4,500        | 4,566        | 4,800        |

## Develop and publish our first Climate Adaptation Report

\* Accident frequency rate expressed as no. of accidents reportable to HSE (RIDDOR reportable) per FTE

\*\* Critical asset structures are a sub-set of the Trust's principal assets, e.g. earth structures, culverts, locks, bridges, tunnels, weirs and sluices. Category 1 indicates a relatively poor condition; hence, they are subject to additional inspection, risk assessment, mitigation and monitoring, with improvement work prioritised based on risk.

In addition to the KPIs above, we continue to maintain and monitor our performance against certain asset condition KPIs set by Defra, exceeding targets in 2023/24. These targets are shown on page 5, 'Caring for our Canals'.

### **Priority 1: Grow our commercial and charitable income**

Our Fundraising Strategy has been developed and was approved by the Board in July 2024. This sets our ambition and guides our work on charitable income, not only on growing the number of Friends who support us regularly, but also on growing income from donations, charitable activities, our attractions and third-party funded projects. We will activate a larger face-to-face fundraising team and have identified areas for improvement in supporter care. Both charitable and commercial income growth will help to reduce the proportion of the Trust's total income that comes from the Defra government grant.

This year we increased the total number of supporters (active and passive) across all our channels, including social media, to over 1.6 million, and we will continue the marketing and digital activity that is instrumental to growing our passive supporter base.

### **Priority 2: Deliver the basics well**

In response to the disappointing results of our Boater Satisfaction Survey we have put together an action plan, drawn up in consultation with boater representatives on our Council and in our Advisory Groups. We recognise that improving the basics – such as fixing lock gates and paddles more quickly and better management of grass and vegetation to improve navigation – is essential, as is enhancing communication with our boating customers to keep them better informed, providing good responses at key touchpoints and making sure we optimise customer service facilities as best we can within our resources.

We will continue to act on opportunities for external funding from local authorities and other partners to upgrade our towpaths.

We aim to sustain the improvement in safety incidents that arise as a result of our infrastructure, with a number of measures including better data gathering and analysis, and will continue with initiatives to grow engagement, including various opportunities for two-way conversations

with colleagues and our new 'Assemble' app for volunteers.

We have identified ethnicity as a key priority in our 2023-26 'Stronger Together' diversity strategy, which includes actions to implement support networks and development opportunities for under-represented groups, understanding the experiences of different groups, and supporting external events that celebrate the diversity of the communities that we welcome to our canals.

### **Priority 3: Improve infrastructure resilience**

We will continue our ongoing programme of work to strengthen the resilience of our assets, undertaking planned maintenance and repair projects and addressing reservoir safety measures, with reactive repairs to our network carried out alongside these planned works. This work, which is vital to improve the safety and resilience of our network, will continue to put pressure on our ability to deliver our other charitable objectives.

### **Priority 4: Grow public support**

Our objectives around growing public support are closely interwoven with the activities to grow our charitable income and raise public awareness of the benefits of the canal network. We will launch public campaigns to highlight different aspects of our work, such as the summer 2024 nature campaign, a repeat of the 'Big Plastic Pick-Up' in September, what goes on behind the scenes of our winter works, and our ongoing work to educate children and young people about safety along our waterways. In terms of volunteering, we will continue our listening sessions to shape action plans for improving communication and connection with our volunteers.

### **Priority 5: Develop and publish our first Climate Adaptation Report**

The Trust will this year feed into the government's fourth round of climate adaptation reporting. Our first Climate Adaptation Report will be issued by the end of 2024, explaining the strategic framework for how the Trust responds to the effects of climate change.

# Section 172(1) Statement

As directors of a large company limited by guarantee, registered as a charity, the Trustees are required to report how they have performed their duty under section 172(1) ("s.172(1)") of the Companies Act 2006.

S172(1) provides that, for charitable companies where the purposes of the company are something other than the benefit of its members, the Trustees must act in the way they consider, in good faith, would be most likely to achieve its charitable purposes. Specifically, they must have regard (amongst other matters) to the following factors (contained in s172(1) (a) to (f)):

- a) the likely consequences of any decision in the long term
- b) the interests of the Trust's employees
- c) the need to foster the Trust's business relationships with suppliers, customers and others
- d) the impact of the Trust's operations on the community and the environment
- e) the desirability of the Trust maintaining a reputation for high standards of business conduct
- f) the need to act fairly as between members of the Trust

The Trust complies with s.172(1) of the Companies Act 2006. Trustees recognise the crucial role of the various stakeholders in supporting the Trust to achieve its charitable purpose. The Trust believes strong working relationships with partners and wider stakeholders to be of paramount importance; by working together, the Trust can achieve its long-term goals more effectively.

Trustees receive reports at each board meeting from the Executive Team which include details of the Trust's external relations and engagement with partners. The views of key stakeholders are relayed to Trustees to enable them to consider the impact of their decision making upon such stakeholders.

Trust Board meetings during the financial year covered a number of matters. Key matters considered by the Board during the financial year include (not exhaustive):

- Annual Report & Accounts 2022-2023
- Long term financial plan
- Outcome of the Government grant review
- Developing Our 2035 Strategic Direction and Framework
- Strategic Review of Risk and Risk Management
- Regular health and safety updates
- Boat license fee review
- Volunteering Strategy
- Approval of Trust policies

- Annual reports for reservoirs, safeguarding, harbour management and the National Advisory Groups

The agenda and supporting papers for the Board of Trustees meeting can be found on the Trust website here: [Meetings | Canal & River Trust \(canalrivertrust.org.uk\)](https://canalrivertrust.org.uk/Meetings)

The Trustees specifically considered impacts on stakeholders when making key decisions in relation to revising the business plan to respond to programme delays and inflation rises, when reviewing strategic programmes and undertaking the annual strategic review of risk.

The Trust has a wide range of stakeholders. The engagement with key stakeholders within the reporting period and the outcomes, are described below. This section includes the Trust's statement on employee engagement and its engagement with beneficiaries, services users, suppliers, customers, the wider community and others in business relationships with the Trust.

### **Our Key Stakeholders – Colleagues**

Trustees value the contribution that our colleagues (employees) and volunteers make to the successful delivery of our strategy and charitable purpose.

### **How the Board engages with them and ensures that their interests are taken into account**

Trustees, via reports to the Board (including a standing report from the Trust's People Director) and committees, take into account colleagues' and volunteers' interests when making decisions, including health & safety, safeguarding, diversity & inclusion and engagement.

Reports to the Board included updates and outcomes on trade union and other colleague consultations. In May 2023, the Board was informed of the National Joint Forum which included key discussions including on call and standby arrangements, night workers, car allowances for staff as well as the other policy and process work.

As detailed within the Governance section, diversity and inclusion remains a key focus of the Board, who were also updated on the continued growth during the year of the Trust's inclusion 'circles' (employee networks - including Armed Forces, Caring for Dementia, Ethnicity, Menopause, Neurodiversity, Rainbow and Women).

The success of the Trust's colleague engagement initiatives were measured through the year using our annual colleague and volunteer engagement survey as well as additional pulse surveys, and the outcomes shared with the Board.

The standing Board report from the Trust's Director of Health & Safety includes an update on significant and/or reportable colleague health and safety incidents and initiatives which Trustees routinely interrogate and continue to push for the highest possible standards.

### **Our Key Stakeholders – Communities and the Environment**

Trustees engage with the communities the Trust operates within – nationally and regionally – to understand the issues that are of importance to them and the impact of the Trust's activities on communities and the environment.

### **How the Board engages with them and ensures that their interests are taken into account**

The Board engages with key stakeholder groups via their elected and nominated representatives on the Council, at the Annual General Meeting and other Council meetings every year.

The Trust's Regional Advisory Boards and National Advisory Groups help the Trust to access local knowledge and ideas, and to build relationships, reach diverse local communities and stakeholder groups, and translate national priorities into local initiatives.

Regional Advisory Board Chairs are ex officio members of Council, providing additional opportunities for engagement.

Elsewhere, the Trust puts a significant amount of resource into community-based activities, which during the year included successful Open Days across the network.

The Annual Public Meeting provides an opportunity for Trustees to hear the questions and views of local stakeholders, enabling them to have these views in mind when making decisions that have a wider impact upon communities and the environment. The Annual General Meeting of Council in September 2023 was held in Milton Keynes and March 2024 the Council meeting was held at the Albert Docks in Liverpool.

Trustees met in person during the year, holding Board meetings and site visits in the regions which the Trust operates in and engaging with stakeholders at a series of evening receptions which took place in Milton Keynes, Newport, Stoke on Trent, Leeds and London.

The Board took account of the Trust's impact on communities and the environment when developing and reviewing its strategic programmes. For example, our ecological footprint and baseline have been established and internal guidance for colleagues produced in readiness for the introduction of the mandatory Biodiversity Net Gain in the planning system in England which went live on 12 February 2024.

The Board took account of the impact on local communities when undertaking its annual strategic review of risk, particularly in relation to possible risks of major breaches of assets with a high consequence of failure, in terms of flooding and local disruption.

#### **Our Key Stakeholders – Customers and Visitors**

Trustees recognise the variety of the Trust's customers and visitors and aim to foster good relationships and uphold the highest possible service standards.

#### **How the Board engages with them and ensures that their interests are taken into account**

Customer views and requirements are gained through a range of mechanisms with regular surveys to provide insight on customer satisfaction and other measures of service, which the Board took into account when considering boat licence fee rates and customer service facilities. The Trust's Annual Public Meeting provides customers and visitors with the opportunity to ask questions of the Chair and Chief Executive on a broad range of topics. In addition, Regional Advisory Boards also held local online Annual Public Meetings, giving local stakeholders further opportunity to engage with the Trust.

Customer and user groups make up our National Advisory Groups, which help inform Trust policy in particular areas such as navigation, fishing, heritage and the environment, particularly in the context of Board consideration of the updated Towpath and Heritage Policies.

Trustees also receive updates on customer and visitor views via the Chief Executive's standing report to each Board meeting, and consider those views, where relevant, as part of their decision.

#### **Our Key Stakeholders – Suppliers and Businesses**

Trustees recognise the importance of fostering good business relationships with suppliers

and other businesses in the inland waterway sector and more widely, and of maintaining a reputation for high standards of business conduct, to help achieve the Trust's charitable aims and long-term success.

**How the Board engages with them and ensures that their interests are taken into account**

The Board has approved recently an updated Procurement Policy Statement which defines for suppliers the Trust's standards of business ethics and conduct. Trustees have approved a Modern Slavery Statement and Anti-Fraud and Bribery Policy, which suppliers must adhere to. The Trust also has a policy in place to ensure its compliance with competition law in terms of its activities in areas where it is the network operator and a commercial participant (e.g. Waterside Moorings).

During the year, the Board approved a number of contracts in accordance with the agreed scheme of delegation, taking into account suppliers' and businesses' interests when doing so. For example, in October 2023, the Infrastructure Committee held a meeting focussed on the contract tenders for professional services and ground investigation prior to Board approval in January 2024 providing strategic challenge and assurance to the Board of Trustees that the processes were fair and robust.

**Our Key Stakeholders – Government and Regulators**

Trustees are fully aware of the role of Government in setting policy objectives and regulators in terms of compliance with relevant legislation.

**How the Board engages with them and ensures that their interests are taken into account**

During the financial year, the Board was kept updated on grant review discussions with Defra and subsequent correspondence with Ministers and senior Defra officials following the announcement of the grant review decision.

The Trust held a parliamentary reception on 6 March 2024 which generated a good level of engagement with Parliamentarians and saw the launch of our [Impact Report \('Transforming Places and Enriching Lives'\)](#), which provides both quantitative and wide-ranging qualitative evidence of the benefits delivered by the Trust and its canals.

Trustees are updated on legal and regulatory developments at each Board meeting and take these into account when making decisions.

# SECR (Streamlined energy & carbon reporting)

## Carbon Footprint 2023/24

| Activity  | Energy (kWh)      | Emissions (tCO <sub>2</sub> e) |
|---|-------------------|--------------------------------|
| <b>Scope 1 Total</b>  | <b>11,582,347</b> | <b>2,608</b>                   |
| Natural Gas (Mains)   | 2,815,799         | 515                            |
| Transport   | 8,753,432         | 2,090                          |
| Other Fuels   | 13,116            | 3                              |
| <b>Scope 2 (Location-Based) Total</b>   | <b>13,817,722</b> | <b>2,861</b>                   |
| Electricity (Location-Based)  | 13,817,722        | 2,861                          |
| <b>Scope 3 Total</b>  | <b>3,182,278</b>  | <b>743</b>                     |
| Business Travel – Employee owned vehicles   | 2,861,903         | 694                            |
| Business Travel – other   | 320,375           | 49                             |
| <b>Total</b>  | <b>28,582,347</b> | <b>6,212</b>                   |
| <b>Intensity Ratio – Emissions (tCO<sub>2</sub>e) per Expenditure on Charitable Activities (£million)</b> |                   | <b>33.04</b>                   |

| Outside of scopes                            | Emissions (tCO <sub>2</sub> e) |
|--|--------------------------------|
| Transport and Other Fuels (biogenic content) | 145                            |

## Carbon Footprint 2022/23

| Activity  | Energy (kWh)      | Emissions (tCO <sub>2</sub> e) |
|---|-------------------|--------------------------------|
| <b>Scope 1 Total</b>  | <b>12,269,294</b> | <b>2,780.68</b>                |
| Natural Gas (Mains)   | 2,978,456         | 543.69                         |
| Transport   | 9,224,909         | 2,222.14                       |
| Other Fuels   | 65,929            | 14.85                          |
| <b>Scope 2 (Location-Based) Total</b>   | <b>17,421,456</b> | <b>3,368.96</b>                |
| Electricity (Location-Based)  | 17,421,456        | 3,368.96                       |
| <b>Scope 3 Total</b>  | <b>3,110,520</b>  | <b>767.01</b>                  |
| Business Travel – Employee owned vehicles   | 3,026,002         | 746.58                         |
| Business Travel – other   | 84,518            | 20.43                          |
| <b>Total</b>  | <b>32,801,270</b> | <b>6,916.65</b>                |
| <b>Intensity Ratio – Emissions (tCO<sub>2</sub>e) per Expenditure on Charitable Activities (£million)</b> |                   | <b>35.65</b>                   |

## Quantification and Reporting Methodology

The Trust has taken guidance from the UK Government Environmental Reporting Guidelines (March 2019), the GHG Reporting Protocol – Corporate Standard, and from the UK Government GHG Conversion Factors for Company Reporting document for calculating carbon emissions. Energy usage information (gas and electricity) has been obtained directly from our energy suppliers and half-hourly (HH) data, where applicable, for the HH supplies (there was no estimation profiling required). For supplies where there wasn't complete 12-month energy usage available, flat profile estimation techniques were used to complete the annual consumption. Transport mileage data was obtained from expense claims submitted for our company cars and grey fleet. CO<sub>2</sub>e emissions were calculated using the appropriate emission factors from the UK Government GHG conversion information.

## Carbon Footprint comparison 2022/23 to 2023/24

| Activity   | Difference (tCO <sub>2</sub> e) | Difference (%) |
|--|---------------------------------|----------------|
| <b>Scope 1 Total</b>                             | <b>(173)</b>                    | <b>(6)</b>     |
| Natural Gas (Mains)                              | (29)                            | (5)            |
| Transport  | (132)                           | (6)            |
| Other Fuels (Workboat, plant and equipment fuel) | (12)                            | (81)           |
| <b>Scope 2 (Location-Based) Total</b>            | <b>(508)</b>                    | <b>(15)</b>    |
| Electricity (Location-Based)                     | (508)                           | (15)           |
| <b>Scope 3 Total</b>                             | <b>(24)</b>                     | <b>(3)</b>     |
| Business Travel – Employee owned vehicles        | (53)                            | (7)            |
| Business Travel – other                          | 28                              | 139            |
| <b>Total</b>                                     | <b>(705)</b>                    | <b>(10)</b>    |

### Carbon Footprint Comparison

The Trust's emissions decreased by approximately 705 tonnes tCO<sub>2</sub>e or 10% from 2022/23. These reductions were achieved through the continued rationalisation of our property assets and capital energy efficiency measures as outlined below. As a consequence of this decrease in our property footprint, travel mileage overall increased. However, carbon emissions from transport were lower overall due to the increased use of lower carbon rail travel, rather than use of the Trust fleet and employee-owned vehicles which showed a 6% and 7% decrease in emissions respectively.

### Energy Efficiency Measures

We continue to explore and implement a number of energy savings and carbon reduction initiatives as outlined below. Our multi-team Energy Usage Group continues to meet and identify opportunities across the network

#### Pumping efficiency programme

We have continued to refine the operational conditions for the large pumps installed at Gloucester Docks. The new pumping system now includes additional software for reducing starting and stopping power loads and we have installed power factor correction equipment to deliver further efficiencies.

We have also replaced a pump at the River Tove pumping station, with around a 10% improvement in efficiency. We have also installed enhanced Supervisory Control and Data Acquisition (SCADA) systems at Bath Deep Lock Pumping Station to match pumping requirements to timed usage. We have also commenced installing new efficient automation at our West India Dock site.

#### Trust's Estate

We continue work to rationalise our estate to reflect our operating requirements. We have installed LED lighting and lighting efficiency systems where we have refurbished sites, including at our lighterage depots in Osset and Leighton Buzzard, which were upgraded last year.

We continue to explore opportunities to generate low carbon electricity across the estate, including that associated with hydropower. We have progressed to detailed design for solar installation at two of our depots.

#### Electrifying our road fleet

We commenced a review with an external provider to review our transport fleet and explore its practical transition to electric power.

#### Carbon Reduction Plan

We continue to work on our carbon reduction plan and associated cost sensitive roadmap in line with the Trusts strategy. We have introduced additional carbon questions in our large procurement documents and seeking to better track carbon emissions in our upstream construction supply chain.

# Finance Review

## Introduction

This Finance Review outlines the financial performance of the Trust in the year ended 31 March 2024.

The Trust has seen an increase in income in the year to £237.3m (prior year: £225.1m). Boating income has increased in line with inflationary increases applied at the start of the year, with commercial income increasing above inflation as a result of some one off project income recognised in the year. The Trust's Defra grant funding has remained fixed at £52.6m and now represents 22.2% of total income (prior year: 23.4%). Grant income as a proportion of total income is expected to continue to decline in future years as the amount will remain fixed until the current funding agreement expires in 2027.

In order to generate this income, the Trust has incurred expenditure on raising funds of £43.7m (prior year: £41.4m). Over 90% of these costs were incurred in order to generate our commercial income streams, with only £4.2m incurred to generate our donations income.

Charitable expenditure was at record levels at £208.6m, and it is pleasing to see that the trend over a 10 year period (as shown by fig.4 below) is that we are sustainably increasing our charitable expenditure over the long term, albeit that due to the age of the network and the ongoing impacts of climate change, more and more of this expenditure is going on our reservoirs and other critical assets.

The full year deficit (net expenditure before losses on investments and our share of expenditure from joint ventures) was £15.1m (prior year: £22.8m), and after deducting a loss on investments and pension actuarial losses, funds were £42.3m lower than the previous year. Further details on the performance of the Trust's investments and our defined benefit pension scheme can be found later in this Finance Review.

The Trust has utilised its income from all sources to continue to deliver on its charitable objectives. The cost of delivering charitable activities continued to suffer associated inflationary increases. Cost increases have been offset by continued efficiencies in operational activities as well as reductions in allocated support costs.

Looking to the future, the cost of fulfilling the Trust's obligations are increasing due to climate change and the inherent challenge of maintaining a 250-year-old network. Meanwhile government support through our Defra grant agreement is declining in real terms since the previous inflation linking ended in 2021/22. The failure of the Trust's Defra grant funding to even keep pace with inflation (as measured by CPI) has cost the Trust over £23m so far, and had the grant been subject to inflation it would have been £63.7m in the year ended 31 March 2024, rather than the £52.6m the Trust received. This gap will continue to grow each year that inflation is positive, with the gap accelerating post 2027 under the proposed new arrangements announced in July 2023.

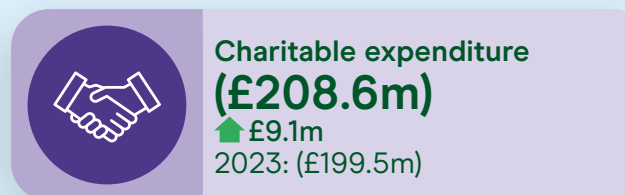
## Overview of financial performance

|   | 2023/24<br>£m | 2022/23<br>£m  |
|---|---------------|----------------|
| Income  | 237.3         | 225.1          |
| Expenditure on raising funds*                       | (43.7)        | (41.4)         |
| Net income applied to charitable activities         | 193.6         | 183.7          |
| Charitable expenditure                              | (208.6)       | (199.5)        |
| <b>Net expenditure before losses on investments</b> | <b>(15.0)</b> | <b>(15.8)</b>  |
| Share of expenditure from Joint Ventures            | (0.1)         | (7.0)          |
| Losses on investments                               | (14.3)        | (61.9)         |
| <b>Net expenditure</b>                              | <b>(29.4)</b> | <b>(84.7)</b>  |
| Pension actuarial losses                            | (12.9)        | (82.4)         |
| <b>Movement in funds</b>                            | <b>(42.3)</b> | <b>(167.1)</b> |

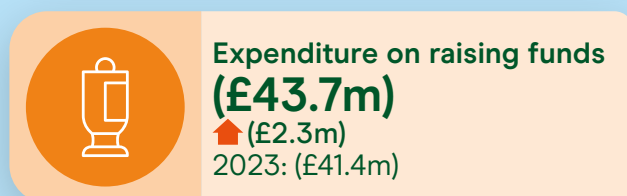
\* Expenditure on raising funds includes costs of generating income from the investment and property portfolios of £21.1m, from boating and mooring customers of £14.0m and utilities and water customers of £4.4m. £4.2m of the costs are incurred in generating income from donors.



See Fig 1.



See Fig 3.



See Fig 2.



## Income

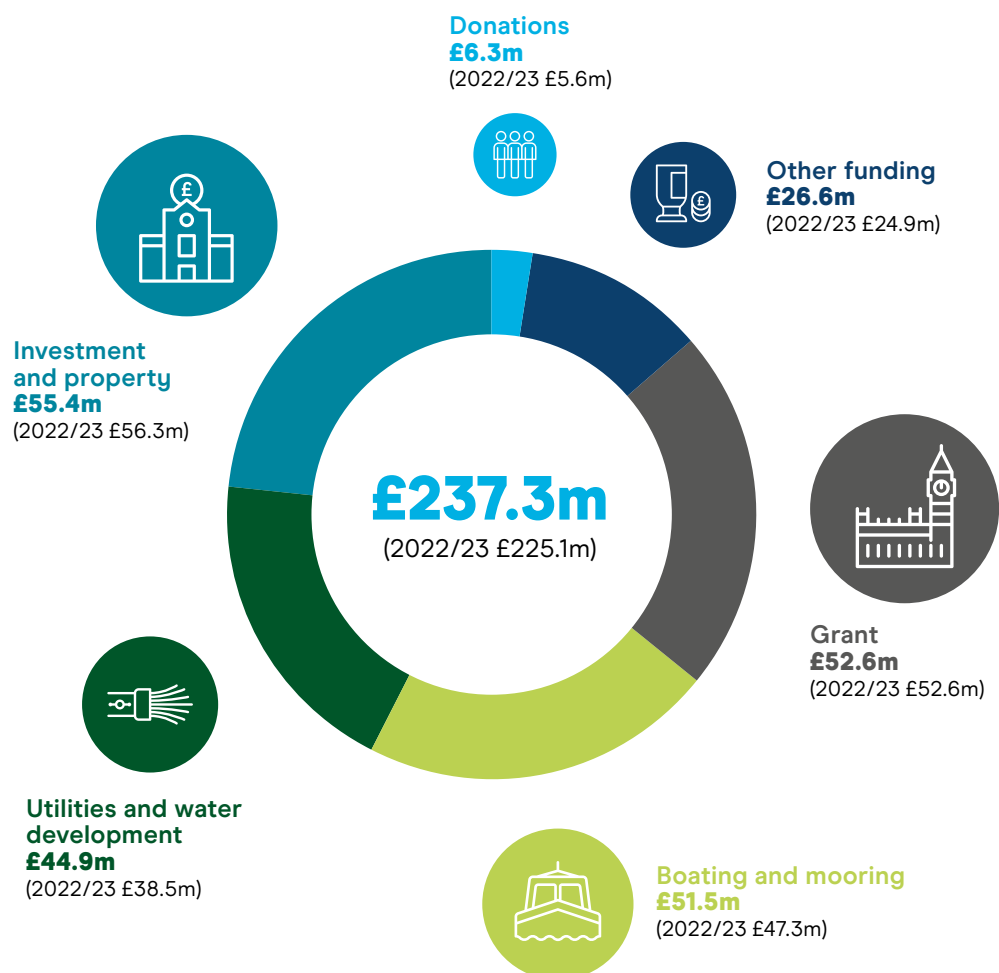


Fig 1. Income £237.3m (2023: £225.1m)

Total income has grown compared to the previous year following successful growth and new contracts in **Utilities and water** income and inflationary increases applied in the previous year increasing the **Boating and mooring** income.

**Investment and property** income slightly reduced in the year as we experienced defaults with property tenants and lower dividends from the diversified investment fund, although the capital growth in the fund has exceeded the prior year.

There has been pleasing growth in the **Other funding** income that funds specific project activity delivered in the year, and our **Donations** income has also increased and continues to be an area of focus for future growth. The Defra **Grant** income remains fixed until expiry of the current agreement in 2027.

## Expenditure on raising funds

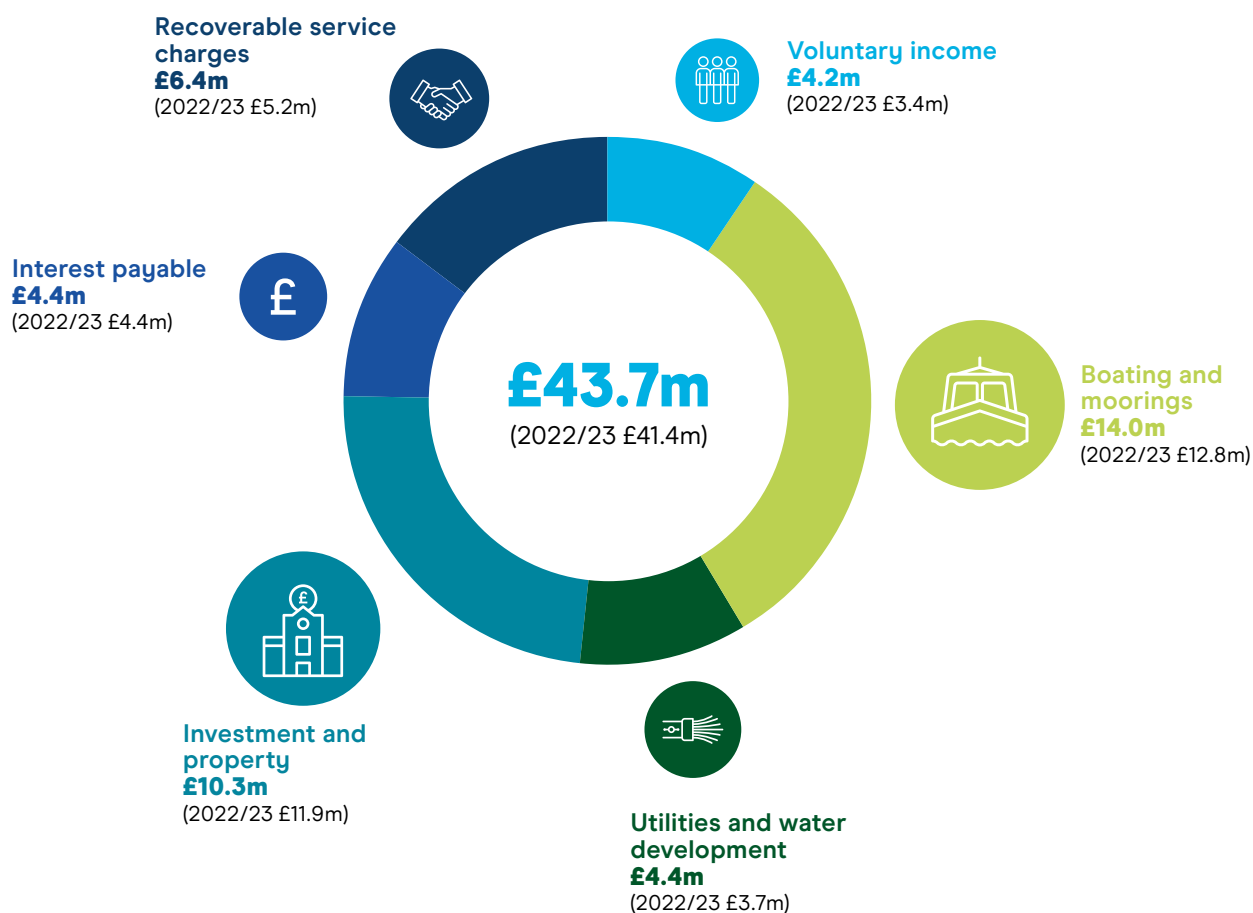


Fig 2. Expenditure on raising funds £43.7m (2023: £41.4m)

Total cost of raising funds have increased in the year across all areas, except investment and property where costs are slightly lower than the prior year. Costs incurred in administering **Boating and mooring**, including customer service and licensing, increased following investment in this area.

Similar increases were seen in the costs associated with **Utilities and water** to support income growth, and we also increased the number of face to face fundraisers with the associated **Voluntary income** (i.e. donations) costs rising.

## Charitable expenditure

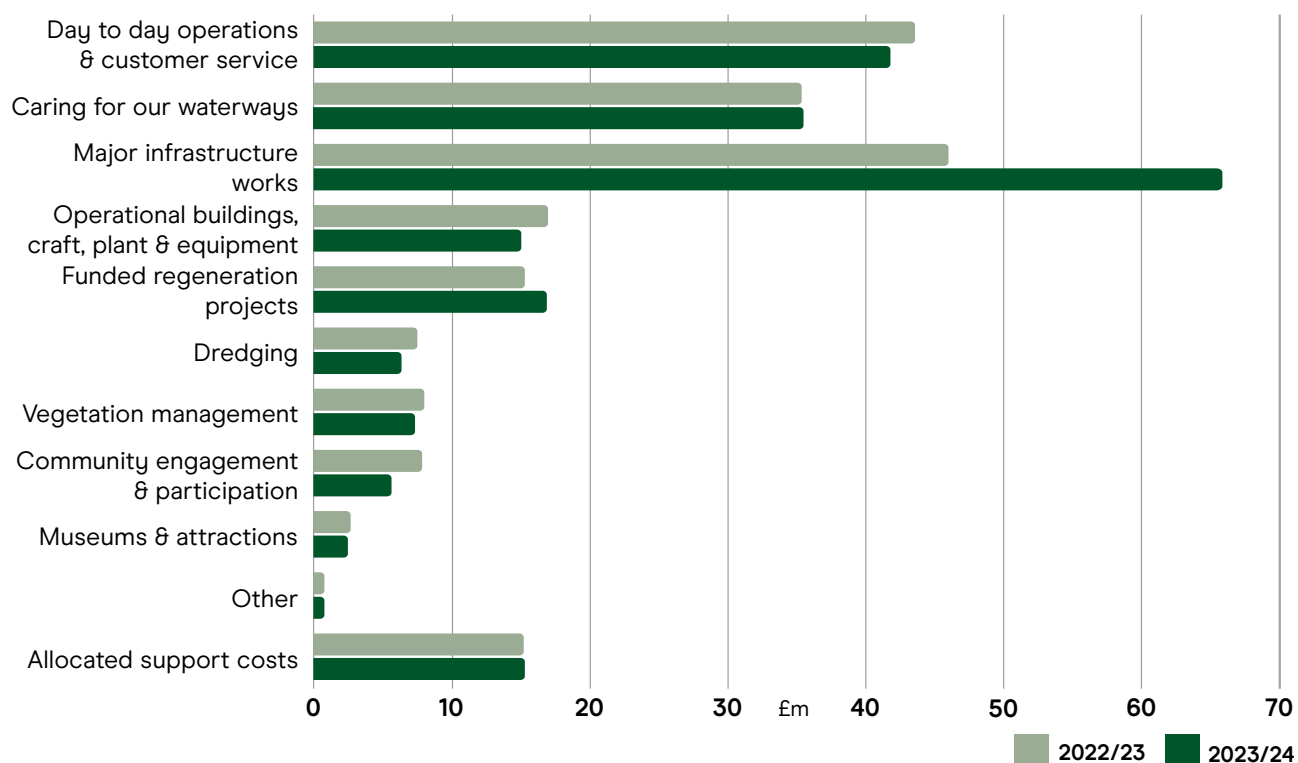


Fig 3. Charitable expenditure £208.6m (2023: £199.5m)

Charitable expenditure was once again at record levels with spending on complex and significant activities at our reservoirs and other critical assets increased year on year.

Notable impacts in the year were the continued impacts of inflation, offset by efficiency gains as well as supply management activity. Smaller development and repair activity is included within caring for our waterways costs.

Elsewhere, operational buildings, craft, plant and equipment costs reduced as a result of the strategic review of operational buildings, and funded regeneration project costs increased in line with increased funding received for these projects.

## Total charitable expenditure

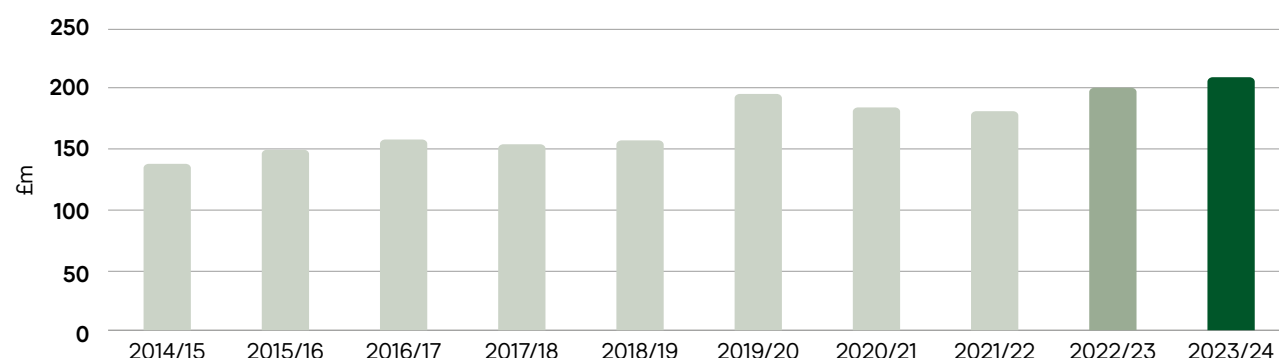
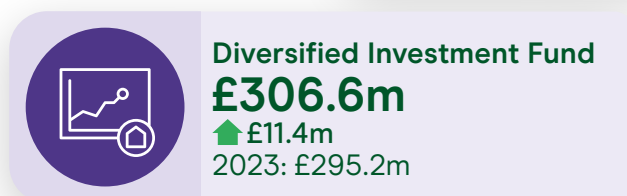


Fig 4. Charitable expenditure since 2014/15

The chart above shows the Trust's Charitable expenditure over the past 10 years. Charitable expenditure has increased over the 10 year period from an annual average of £150.5m between 2014/15 and 2018/19 to an annual average of £193.1m between 2019/20 and 2023/24. This increase of 28.3% reflects predominantly the increased cost of maintaining our reservoirs and other critical assets in the face of climate change.

## Investments



**Property investments** increased by £2.2m through net acquisition and disposal activity but this was offset by revaluation losses in the year of £31.7m. **Joint Venture investments** increased by £4.6m following further investment and by a further £0.8m based on returns achieved in the year.

|              | Actual        |                   | Benchmark*    |                   | Variance      |                   |
|--------------|---------------|-------------------|---------------|-------------------|---------------|-------------------|
|              | Annual return | 5 year annualised | Annual return | 5 year annualised | Annual return | 5 year annualised |
| Total return | <b>0.4%</b>   | 3.3%              | <b>-1.0%</b>  | 0.8%              | <b>1.4%</b>   | 2.5%              |

\* MSCI UK all commercial property quarterly benchmark.

The Trust's property investment portfolio produced a total return of 0.4% for 2023/24, 1.4% better than the benchmark. The total return includes negative capital returns of 4.3% comprising 0.3% realised gains from disposals and 4.6% revaluation losses. This compares favourably with the benchmark of 5.5% negative capital returns due principally to a higher weighting in ground rent assets that performed better than the combined market.

The portfolio has also exceeded the 5 year annualised benchmark with total returns of 3.3%, 2.5% better than the benchmark.

**The Diversified Investment Fund** grew in the year due to unrealised revaluation gains of £14.5m and dividend income of £4.6m. The valuation of the private equity component was based on valuations as at 31 December 2023, adjusted for known transactions and market movements to 31 March 2024. The Trust has withdrawn £7.7m from the fund in the year, comprising £4.6m in dividends and £3.1m of historic gains.

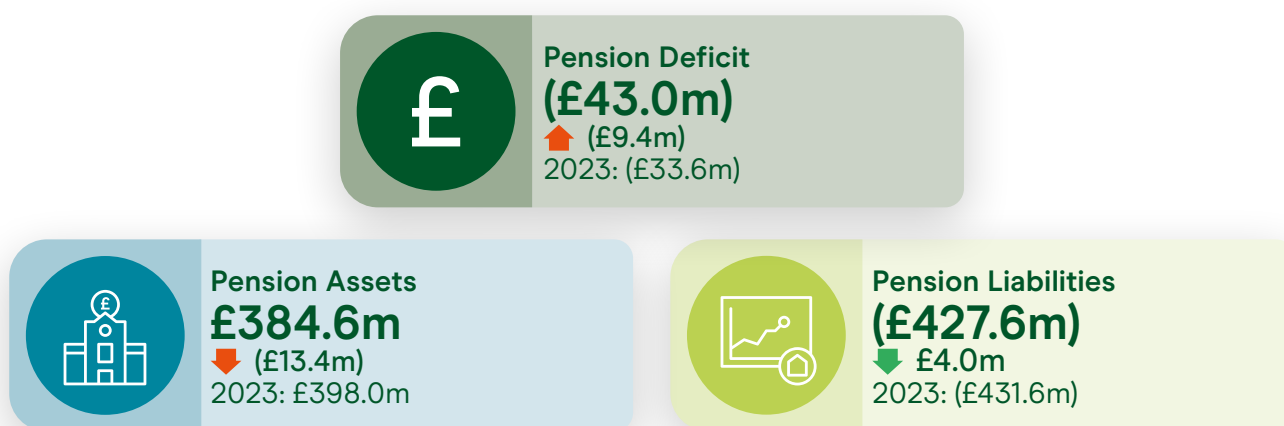
|              | Actual        |                   | Benchmark*    |                   | Variance      |                   |
|--------------|---------------|-------------------|---------------|-------------------|---------------|-------------------|
|              | Annual return | 5 year annualised | Annual return | 5 year annualised | Annual return | 5 year annualised |
| Total return | <b>6.6%</b>   | 8.1%              | <b>12.3%</b>  | 8.3%              | <b>-5.7%</b>  | -0.2%             |

\* Based on the Strategic Asset Allocation which is a composite benchmark based on a range of external benchmarks comprising fixed income, credit, absolute return, hedged equities, global equities and private equity.

The total return for the diversified investment fund was 6.6% for the year, 5.7% lower than the market benchmark for the year. This under performance is due to a lower weighting in strong performing public equities as well as some under performance in active management of private equity allocations, returning lower than the benchmark.

The fund delivered 8.1% return over the 5 year period which is close to the benchmark return of 8.3%.

## Defined benefit pension scheme



### Pension actuarial loss

The defined benefit Waterways Pension Fund (WPF) was closed to future benefit accrual on 30 September 2016. The brought forward group pension liability of £33.6m increased to a liability of £43.0m during the year. The value of the scheme investment assets reduced following general market trends and the increases in interest rates. The value of pension liabilities has reduced slightly primarily due to a rise in discount rates over the year.

The Trust has placed investment property within a pension funding partnership, Canal & River Pension Investments LP (the SLP), of sufficient value to meet the minimum collateral required for the WPF trustees to cover any funding shortfall on the WPF of up to £125m when the arrangements mature on 8 July 2031. At the same time, the SLP pays a contribution of £5m each year to the WPF until 31 March 2031. On consolidation, the WPF's interest in the partnership does not represent a plan asset for the purposes of the Group consolidated financial statements as the underlying assets have been included in the Trust's investment properties.

The position of the pension scheme for funding purposes is calculated on a different basis. A formal valuation is undertaken once every three years and was last undertaken as at 31 March 2022. As at that date the market value of the Scheme's assets (excluding members' additional voluntary contributions) amounted to £658m and the value placed upon the benefits that had accrued to members was £622m. The Scheme was therefore £36m in surplus and 106% funded on an ongoing basis. The market value of the Fund's investment in the SLP is included within the valuation of the Fund's assets. As the arrangements could give rise to proceeds above market value at the valuation date, additional contributions were not deemed necessary to eliminate the deficit at 31 March 2022.

## Summary Consolidated Balance Sheet

|                         | Unrestricted<br>general<br>fund<br>£m | Unrestricted<br>designated<br>funds<br>£m | Restricted<br>funds<br>£m | Total 31<br>March 2024<br>£m | Total 31<br>March 2023<br>£m | Variance<br>£m |
|-------------------------|---------------------------------------|---|---------------------------|------------------------------|------------------------------|----------------|
| Tangible fixed assets   | 33.4                                  | 20.0                                      | -                         | 53.4                         | 54.3                         | (0.9)          |
| Investments             | -                                     | 998.7                                     | -                         | 998.7                        | 1,011.4                      | (12.7)         |
| Current assets          | 105.2                                 | 5.1                                       | 2.0                       | 112.3                        | 121.1                        | (8.8)          |
| Current liabilities     | (86.5)                                | (0.1)                                     | -                         | (86.6)                       | (89.1)                       | 2.5            |
| Long-term liabilities   | (2.6)                                 | (150.0)                                   | -                         | (152.6)                      | (153.3)                      | 0.7            |
| Provisions              | (49.3)                                | -   | -                         | (49.3)                       | (35.6)                       | (13.7)         |
| Pension liability       | (0.1)                                 | (42.9)                                    | -                         | (43.0)                       | (33.6)                       | (9.4)          |
| <b>Total net assets</b> | <b>0.1</b>                            | <b>830.8</b>                              | <b>2.0</b>                | <b>832.9</b>                 | 875.2                        | (42.3)         |

**Tangible fixed assets** have remained consistent year on year, with depreciation charge being offset by new asset additions.

**Investments** are showing a net reduction of £12.7m, with the main movements being losses of revaluation in investment property of £31.7m being partly offset by gains in revaluation in diversified investments of £16.2m. These investments include investment property of £682.1m. The investment property comprise a variety of property types, across a number of UK regions and are inherently an illiquid asset. The remaining balance is invested in the Trust's Diversified Investment funds across a variety of investment classes globally, and is therefore exposed to a range of global macroeconomic risks. The liquidity of those funds differs according to the asset class, although it should be noted that a proportion of the fund is retained in cash to facilitate the ordinary operating and investing activities of the fund.

**Current assets and current liabilities** are both lower than prior year. This is due to timing of income and costs around the year end, which differs from year to year.

**Long term liabilities** remain consistent, representing the long term bond issued that does not get settled until final redemption.

**Provisions** have increased as a result of £37.8m new provisions being recognised in the year, partly offset by the utilisation of £21.1m of previously recognised provisions, where work has been carried out on reservoirs. £3.0m of provisions were released in the year, unused as a result of delivery of works being achieved at a lower cost than originally estimated.

## Total reserves

The total reserves of the Trust have reduced from £875.2m at 31 March 2023 to £832.9m at 31 March 2024. This is due to a net expenditure deficit for the year being compounded by realised and unrealised losses on investments of £14.3m and the unrealised loss on revaluation of the defined benefit pension scheme of £12.9m.

|                                 | 2023/24<br>£m | 2022/23<br>£m |
|---------------------------------|---------------|---------------|
| Unrestricted general fund       | 0.1           | 3.4           |
| Unrestricted designated funds   | 830.8         | -             |
| <b>Total unrestricted funds</b> | <b>830.9</b>  | 3.4           |
| Restricted income funds         | 2.0           | 1.2           |
| Protected asset fund            | -             | 870.6         |
| <b>Total restricted funds</b>   | <b>2.0</b>    | 871.8         |
| <b>Total reserves</b>           | <b>832.9</b>  | 875.2         |

All charities are required to consider the level of funds they need to hold in reserves. This is based on a number of factors, such as the scale and nature of the charity's activities, the charity's age and the stability of its income and expenditure.

Our purpose is to be a trusted guardian of the historic inland waterway network of England and Wales, seeking to enrich places of historic interest or natural beauty permanently for the benefit of the nation in perpetuity. On formation of the Trust in 2012 the Government transferred the Trusteeship of the waterways and related infrastructure assets to the Trust under the terms of a Trust settlement. These infrastructure assets have no market value and cannot be sold but the income earned from them can be applied to the Trust's charitable purposes.

Maintaining and improving the waterways and the associated structures represents a substantial financial commitment by the Trust, with the required expenditure significantly exceeding the related income generated. Therefore, on formation of the Trust the Government also transferred investment and other non-infrastructure assets to the Trust subject to the conditions of the Defra Grant agreement. The Trust referred to these assets as the Protected asset fund, a fund whose value was required to grow in real terms but the income from which could be used by the Trust for its charitable objectives. The Protected asset fund was recognised as a restricted reserve given the restrictions applied under the terms of the Defra Grant agreement.

In July 2023 the restrictions applied to the Protected asset fund were lifted following revisions made to the Defra Grant agreement. Upon removing the restriction the Protected assets were transferred into the General fund.

The Trustees can designate unrestricted funds for a specific purpose where suitable

to isolate funds from the General fund and ensure they are not used through normal operations. Where the Trustees believe there is a future obligation to meet using funds held in the General fund, the Trustees can agree to recognise a Designated fund and transfer assets from the General fund to the Designated fund.

During the year the Trustees agreed to recognise a new Designated fund, called the Designated investment fund, following the transfer of the Protected asset fund to the General fund. The previously restricted assets that were held in the Protected asset fund were transferred from the General fund to the Designated investment fund. These assets will be retained to ensure income generation and capital growth in a similar way to the previous requirements of the restricted fund.

The Trust must balance the need to maintain the waterways in a safe condition with the need to have sufficient financial resources to carry on its activities in the long term. The Trustees recognise the option to utilise the assets held within the Designated investment fund to meet this obligation if needed, either as a source of funding or as a source of collateral for borrowing.

The Trusts reserves policy has the objective to grow the real value of the Designated Investment Fund (defined as long term growth in the fund value of at least CPI+1%) whilst generating income to meet the costs of the maintenance and improvement to the waterway infrastructure as they fall due. Income generated and costs incurred are recognised through the General fund, and given the project nature of the large infrastructure costs it is expected that the balance of the General fund can fluctuate year on year. The policy of the Trust is to ensure the unrestricted general fund is managed close to zero over the long term. The General Fund balance at 31 March 2024 was £0.1m. The balance, together with this reserves policy are taken into account alongside expected contributions to charitable expenditure in annual budgeting to establish the resources available for the Trust's charitable objectives.

# Governance Overview

The Canal & River Trust is a charity registered with the Charity Commission in England and Wales (charity number 1146792). It is also a company limited by guarantee (company number 07807276) and does not have share capital. The Trust's governing documents are its Articles of Association and Trust Rules which are available on the Trust's website. [Trust Articles of Association](#)

In 2023/24, the Trust had one principal wholly owned trading subsidiary, Canal & River Trading CIC. The Canal & River Trading CIC is a community interest company that conducts trading and investment activities. The main activities are in property development and investing in joint ventures. Profits arising in the Trust's subsidiaries are donated to the Trust. In turn, the Trust uses the revenues in support of its charitable purpose of maintaining and operating the inland waterway network and conducting other charitable work in relation to inland waterways, such as conservation and education. A summary showing the Trust's subsidiaries and their results appears in note 16 in these accounts.

In setting objectives and planning our activities the Trustees have given due consideration to the Charity Commission's guidance on public benefit. Further details on our strategy and public benefit can be found on pages 5 to 13.

As a charitable company, the Trust upholds the highest standards of governance. The Trust applies the Charity Governance Code, which sets out the principles and recommended practice for good governance in charities.

The Trust's governance arrangements are organised as below:



## The Council

### Role

The Council consists of the members of the Trust. The Council has several duties including being responsible for appointing and removing Trustees. The role of a Council member is voluntary and unremunerated, although reasonable expenses may be paid.

### Membership

The Council may have up to 50 members. During 2023/2024, the Trust held elections for the Council from 13 December 2023 with the results published on the Trust website on the 10 January 2024.

At 31 March 2024, the Council had 38 members drawn from the different communities that use or benefit from the waterways, including boaters, canoeists, walkers, cyclists, heritage, local government, environment, and community groups. Members are elected, co-opted members and nominated by specified organisations.

A full list of Council biographies can be found on the website here: [The council | Canal & River Trust \(canalrivertrust.org.uk\)](https://canalrivertrust.org.uk)

Two Council members have been co-opted by the Joint Council & Trustees Appointments Committee to provide the Council with the full complement of skills and expertise required.

The six Regional Advisory Board Chairs sit on Council as members, ex officio, along with one member of Bwrdd Glandŵr Cymru (Welsh Board).

One Council member is elected as a User Representative Observer to the Waterways Ombudsman Committee. This is a non-voting post, appointed annually. From March 2024, the User Representative Observer put forward by Council was Tracey Clarke, nominated by the Accessible Waterways Association.

### **Key Activities**

The Council ordinarily meets twice a year and met in September 2023 (which was the Trust's Annual General Meeting) and in March 2024. The September meeting was held in Milton Keynes and the March 2024 Council meeting was held in Liverpool.

The Trust values the experience and input of Council members and continued to maintain contact by ensuring regular reports from the Executive Team on Trust activities were circulated to Council.

Council undertook the following key activities at its September 2023 meeting:

- Approved the appointment of Sir James Bevan and Chris Fellingham as Trustees for a first term of up to 3 years
- Received the Report of the Joint Council & Trustees Appointments Committee
- Reappointed BDO LLP as auditors for 2023/2024
- Received the Annual Report and Accounts for the Year Ended 31 March 2023
- Approved new Articles of Association to reflect the resignation of Defra as the Trust's B Member in June 2023
- Received an activity update from the Chief Executive which included updates on health & safety performance; new Green Flag awards, the Trust's major works programme, Open Days for 2023/2024, the Towpath Code and Policy and welcomed Susie Mather as the Director of Communications and External Relations
- Received a presentation on the outcome of the Government Grant Review
- Received a presentation on "Developing our 2035 Strategy"

At the March 2024 meeting, Council:

- Received the Report of the Joint Council & Trustees Appointments Committee welcoming new elected and co-opted members
- Approved an Ordinary Resolution to amend the Trust Rules and the list of nominating bodies to the Council adding British Marine, Royal Yachting Association, National Academy of Social Prescribing, UK Youth and Accessible Waterways Association.
- Received an activity update from the Chief Executive, including the Trust's #KeepCanalsAlive campaign and Impact Report 2021-2023
- Received a presentation on the progress of the Trust's volunteering strategy
- Received a presentation on the Trust's approach to inclusion and diversity.

## The Board

### Role of the Board

As the principal governing body of the Canal & River Trust, the Board of Trustees (the Board) is responsible for governing or directing the Trust and for approving strategy and policy to deliver the Trust's charitable objects. The Trustees are also the Directors of the charitable company. The term Trustees has been used throughout this report but refers to both roles. Trustees have ultimate responsibility for the Trust's funds and assets, including its reputation. The Board has five committees, to which it has delegated specific decisions through its Scheme of Delegation and Terms of Reference:

- Audit & Risk Committee
- Investment Committee
- Remuneration Committee
- Infrastructure Committee
- Fundraising Committee (since May 2024)

In addition, three Trustees are members of the Joint Council & Trustees Appointments Committee.

The Board has approved a Scheme of Delegation, which identifies matters delegated to committees or postholders within the Trust. Responsibility for certain matters is retained by the Trustees, which generally fall within four areas:

- Structure and governance, including making changes to governance, overseeing risk management, approving the formulation of subsidiaries and the initiation of any major litigation.
- Planning and reporting, including approving the annual budget and long-term plans, recommending the Annual Report and Accounts and monitoring performance against plans.
- Financial aspects, including approving a framework of financial controls, expenditure or certain commitments over a limit, and novel or contentious projects.
- Certain matters related to pensions.

In addition to the Scheme of Delegation, specific matters are reserved to Committees or individuals by the Trust's Articles of Association, Trust Rules, and Terms of Reference for Committees.

### Board Membership

Trustees are appointed by the Council, which is supported in this process by the Joint Council & Trustees Appointments Committee.

In September 2023 Sue Wilkinson and Sarah Whitney (Trustees), terms of office came to an end. At the AGM in September 2023, Sir James Bevan and Chris Fellingham were appointed as Trustees. Biographies for all Trustees can be found on the Trust Internet site. [Board of Trustees | Canal & River Trust \(canalrivertrust.org.uk\)](https://canalrivertrust.org.uk)

All Trustees are voluntary, unremunerated, non-Executive appointments. Trustees may be appointed by Council for up to three terms of 3 years, after which they must retire from the Board.

Trustees are appointed to different committees during their term of office. One Trustee, Janet Hogben, is nominated as one of two Trust non-voting representatives on the Waterways Ombudsman Committee (the other nominee being the Trust's Legal & Governance Director). In addition, a further Trustee, Ian Peters, has been appointed as the Trust's nominated Safeguarding Trustee and is a member of the Trust's Safeguarding Steering Group.

The Trust has appointed a Company Secretary, who Trustees are able to access for advice. The responsibilities of the Chair, Deputy Chair and Executive Team are clearly set out. In addition, each Committee has approved Terms of Reference which are subject to regular review.

### **Meetings**

The Trust Board meets, together with the Executive team, six times a year to review progress and ensure that the Trust is on track to meet its strategic plan and objectives, and to review strategy and business plans as appropriate. Ordinarily, meetings are held around the country, with one meeting held in each of the Trust's six regions across the financial year.

### **Board Evaluation**

In accordance with the Charity Governance Code, the Trust aims to carry out an external board effectiveness review at least every 3 years – with annual internal reviews in-between.

The Chair undertook a Board Appraisal process supported by Campbell Tickell, the outcome of which was reported to the Board in January 2024 which resulted in a number of actions including the re-balancing of a number of Board committees, a scaling down of Board programmes during the winter months and further improvements to Board papers to clarify Executive recommendations.

Where Trustees could not attend meetings, they received papers and were invited to submit questions/ comments to the Chair in advance of the meeting. The Executive Team were available for discussion, should the Trustees require any further information.

### **Board Induction and Training**

The Trust provides appropriate resources for the Trustees' professional development. New Trustees during the year had a tailored induction programme. Deep dive sessions are arranged following each Board meeting and also delivered at the relevant committee meeting.

### **Independence and Conflicts**

The Board has ensured there are adequate processes in place to identify and manage conflicts of interests should they arise. All Trustees, co-opted members of committees and Executive Team members complete an annual declaration of interests return and are under a further duty to notify of any conflicts at the start of each meeting.

When considering any conflict, current or potential, Trustees and Co-opted members are able to draw upon the advice of the Company Secretary but the decision on how to manage the conflict rests with the Chair of the Board or Committee.

## **Culture and Values**

Trustees recognise the importance of setting high business standards and embedding a positive and high performing culture across the Trust. Trustees, upon appointment, confirm that they will execute their duties to the standard required by law and regulation and will uphold the Trust's culture and values.

## **Diversity and inclusion**

At the Trust we care passionately for our waterways, and as importantly, for those who look after and use them. We strongly believe that a diverse workforce brings with it a diversity of ideas, thinking, and ways of working which enhances what we do as a Trust. It also increases our ability to engage with the diverse communities in which we operate. To be able to deliver our vision of living waterways transform places and enrich lives, everyone who works here or volunteers with us must be able to be themselves, performing at their best, free from any pressure to conform or be different from how they are.

We have a governance framework for how we manage inclusion and diversity across the Trust. This consists of an Inclusion and Diversity Policy Statement and an inclusion and diversity Strategy "Stronger Together" that we launched this year, with an underpinning three-year action plan.

Where the public sector equality duty applies to our activities, for example boat licensing, we conduct equality impact assessments and have further developed this process this year.

Through its equality, diversity and inclusion policies, the Trust seeks to ensure that all colleagues are treated equally and fairly, with disabled colleagues supported fully. We take active measures via a robust reasonable adjustment process and provide disability-specific resources. We are a Disability Confident Employer, and are committed to taking action to improve how we recruit, retain and develop disabled people.

This year, we launched our inclusion and diversity strategy, Stronger Together, along with a programme of work over the next three years to help us deliver on the ambition set out in the strategy. An inclusion and diversity audit, along with a "deep dive" session at the Board of Trustees early in the year helped shape the strategy. Grouped around the themes of leadership, culture, and representation, we have started to put in place the building blocks, and improve existing processes to improve leadership capabilities, drive culture change, and become a more diverse organisation.

We established suitable governance to drive progress and hold us to account for delivery of the Strategy. This steering committee consists of the Chief Investment Officer (our Executive Sponsor for inclusion and diversity), the People Director, and a Regional Director.

The Executive undertook a programme of inclusive leadership development demonstrating their commitment to leading the change, and we have worked with our partner Inclusive Employers to start the roll out of inclusive leadership training for line managers, embedding a module on inclusive leadership in Peopleways, our management development programme.

We have recently delivered an expanded set of diversity questions in our People IT system, helping us to better understand the makeup of our colleagues. This will be pivotal in helping us understand where we need to improve our people processes.

Our inclusion circles (networks run by and for colleagues and volunteers) continue to grow, now numbering 11, each with an Executive Sponsor to platform their work, and to visibly profile inclusion and set the standards of behaviour at the Trust. Through them, we have developed a menopause policy, attended Prides, and held Black History Month community events, as well as other internal awareness raising events such as National Inclusion Week and Race Equality Week. The focus in this area for 2024/25 will be to embed those events more firmly into business processes.

Finally, with our focus on customers this year, we have published our Towpath Policy, committing to making towpaths accessible where we are able to, updated the accessibility information for customers on our website, progressed the design and development of accessible moorings, and held an event in conjunction with the disabled boaters forum and the newly formed Accessible Waterways Association to highlight our work to make waterways more accessible and how we can work together in the future.

### **Gender Pay Reporting**

The Trust strives to achieve gender equality across all aspects of our employment and monitors the pay gap between male and female employees on an annual basis.

The Trust is required to calculate its gender pay gap annually based on a snapshot date of 5th April. It then has 12 months to publicly report this data meaning that the reporting is often 12 months in arrears.

### **Our Population**

As at April 2024 30% of all Trust employees were female. 57% of all women within the Trust are employed in professional level roles or higher (56% in 2023) and 41% of our senior management population is female (40% in 2023).

### **Our Gender Pay Gap**

As reported in our 2023/24 gender pay gap report, our mean (average) gender pay gap was 5.22%. This means that on average women are paid 5.22% more than men. Further information on the Trust's gender pay reporting can be found on both the GOV.UK website (search for Canal & River Trust) and the Trust's website.

Updated with current information (as at snapshot date of April 2023, reported here [CANAL & RIVER TRUST gender pay gap data for 2023-24 reporting year – GOV.UK – GOV.UK \(gender-pay-gap.service.gov.uk\)](https://www.gov.uk/government/statistics/canal-and-river-trust-gender-pay-gap-data-for-2023-24-reporting-year)).

### **Safeguarding**

The safeguarding of children, young people and adults at risk is a legal and organisational priority for the Trust. We are committed to identifying and minimising safeguarding risks across all of our activities through appropriate safeguarding training, risk assessments, policies, and processes.

The Trust's safeguarding commitments are set out in the Policy Statement, which is published on our website. The Trust's Safeguarding Standard provides key definitions, explains how to raise safeguarding concerns and sets out the rules Trust colleagues and volunteers must follow in order to give effect to our safeguarding commitments. The Safeguarding Standard is reviewed annually and is published on the Trust's website and intranet.

The Trust's Safeguarding Steering Group, which is responsible for key strategic safeguarding decisions, is chaired by our Chief Executive and includes the Legal & Governance Director and Chief Operations Officer, as well as the nominated Safeguarding Trustee, Ian Peters. The Trust has a Safeguarding Team, led by our Designated Safeguarding Officer, which is responsible for the effective management of safeguarding cases; regularly reviewing and updating the Safeguarding Policy and associated guidance in line with organisational developments and Charity Commission Guidance; providing advice and guidance; and reporting to the Trust's Safeguarding Steering Group. The Trust takes seriously any report of suspected harm, abuse or neglect.

The Trust has an Inclusive & Safer Recruitment Standard, which outlines safe and transparent recruitment practices, including a requirement for appropriate Disclosure and Barring Service checks for colleagues and volunteers who work with children and/or adults at risk. The Trust risk assesses criminal record disclosures and has a policy against engaging anyone who is deemed to present an unacceptable level of risk.

Our Safeguarding Standard, Code of Conduct and Volunteer Handbook set out clear rules and expectations about appropriate standards of behaviour. We promote a culture of openness in which our people feel comfortable to raise concerns any concerns. The Trust conducts an annual colleague engagement survey covering a range of key topics, including an understanding of the importance of safeguarding and knowing how to raise any safeguarding concern. The overall colleague safeguarding engagement score in this year's survey was 9.4/10. The Trust has a Whistleblowing Standard, which provides clear details about how colleagues and volunteers can raise any concerns about serious wrongdoing. This includes the ability to raise concerns via an independent third-party whistleblowing service provider.

## **Fundraising**

The Canal & River Trust is committed to complying with regulatory standards for fundraising and to ensuring that fundraising is delivered in a manner aligned with our values. We are registered with the Fundraising Regulator and committed to complying with the Code of Fundraising Practice.

During the year, an internal audit review of fundraising compliance observed several areas of good practice. The annual planning and approval process is in place, together with detailed reporting mechanisms to provide the Board with oversight of fundraising activities. One mid-level finding observed that there was no formalised fundraising strategy. Work was already in place on this and the fundraising strategy was signed off by the Board in July 2024.

Our public fundraising work includes:

- Soliciting single and regular gifts through a variety of channels including face-to-face fundraising and digital
- Legacy fundraising and In Memory giving
- Direct marketing, including via post and telephone
- Event fundraising, for example via the London Marathon

All fundraising is undertaken under our management. We use creative agencies and sometimes use contracted fundraising suppliers to help us raise funds. All fundraising suppliers to the Canal & River Trust are required to adhere to the Code of Fundraising Practice.

Our website contains our Supporter Promise, which explains how individuals can change the way we contact them and details our complaints policy.

We are committed to transparency and accountability in all our fundraising activities. As part of this commitment, the Canal & River Trust received six fundraising complaints during 2023/24, as compared to three during 2022/23. This data is critical in helping us identify areas for improvement and ensuring that any issues are addressed promptly and effectively.

Canal & River Trust have an organisational standard on 'Fundraising and People in Vulnerable Circumstances'. This standard specifically refers to our fundraising activity and how we align with the Chartered Institute of Fundraising 'Treating Donors Fairly Report' as well as the Fundraising Regulator Code of Practice. We take seriously our responsibility to promote and protect the safety and welfare of vulnerable people. Fundraising also complies with the Canal & River Trust's Safeguarding Policy Statement which sets out the wider Trust approach.

## The Executive Team

The Chief Executive reports directly to the Trust Board and has been delegated responsibility for the day-to-day management of the Trust, as well as the implementation of the Trust's strategy and policies. The Chief Executive is assisted by the Executive Team. There is a clear division of responsibilities between the Trust Board and the Executive Team, with clear role descriptions in place. Biographies of each member of the Executive Team and their areas of responsibility can be found on the Trust internet site. [Executive team | Canal & River Trust \(canalrivertrust.org.uk\)](https://canalrivertrust.org.uk)

## Joint Council and Trustees Appointments Committee

### Role

The purpose of the Committee, as stated in the Trust's Articles of Association, is to oversee Council membership, help the Council appoint Trustees, appoint Regional Advisory Board Chairs and appoint the Chair of the Bwrdd Glandŵr Cymru.

### Membership

The membership of the Committee is determined by the Trust's Articles, which stipulate there to be an equal number of Council members and Trustees, with a minimum of two drawn from each constituency group. Each member's appointment to the Committee runs alongside their appointment to Council or Trust Board.

Trustees are recruited to the Committee dependent upon their skills and experience. Council members are recruited to the Committee by an open election amongst eligible members. When undertaking recruitment activities, the Committee takes diversity and inclusion into consideration within the search criteria.

During 2023/24, the membership of the Committee comprised of:

Dame Jenny Abramsky, Trustee (*Chair*)

David Orr (*Trust Chair, Committee Member from January 2024*)

Janet Hogben, Trustee

Ian McCarthy, Council Member (*until March 2024*)

Andrew Phasey, Council Member (*reappointed from April 2024*)

Phil Prettyman, Council Member (*until March 2024*)

Scott Martin, Council Member (*appointed from April 2024*)

Trevor Clark, Council Member (*appointed from April 2024*)

### Key activities

The Committee meets as and when required. During the 2023/24 financial year, the Committee met four times.

- In June 2023, the Committee met to commence Trustee recruitment, approved the appointment of the new Chair of the Southwest Regional Advisory Board and received an update on the upcoming Council elections.
- In July 2023, the Committee ratified the appointment of Gareth Jones, as a Member of the Bwrdd Glandŵr Cymru.

- In September 2023, the Committee recommended the appointment to the Council of Sir James Bevan, and Chris Fellingham; approved the 2023/2024 Council Electoral Regulations and noted the update on the nominating bodies to the Council.
- In December 2023, the Committee met and noted the Trustee induction process; endorsed the appointments on the Bwrdd Glandŵr Cymru; noted the recruitment process for the Northwest Regional Advisory Board' noted the nominees in the Council Elections and endorsed the approach regarding the new nominating bodies to join the Council.

### **Succession Planning, Recruitment & Diversity**

Council membership is comprised of elected, co-opted and members nominated by organisations identified within the Trust Rules. The Committee does not have a role in the recruitment and appointment of the Executive Team.

### **Recruitment of Council Members**

The Committee does appoint co-opted Council members and Regional Advisory Board Chairs (who are ex-officio members of Council). The constitution of Council membership for elected and nominated members has the effect that the Committee has no direct role in the appointment of these members.

### **Recruitment of Trustees**

During the 2023/24 financial year there were two Trustees appointed. Where a Trustee vacancy occurs, a skills audit is used to inform the search process. The Trust's focus upon diversity is interwoven through the recruitment process. Vacancies are advertised widely through open advertisements. Individual applications are assessed upon merit and against objective criteria, to identify a short-list of candidates. The preferred candidates were proposed and endorsed by the Council at the September 2023 AGM.

The Trust voluntarily complies with Hampton-Alexander Review (*published in February 2021*) which has set a target of at least 33% of Board membership to be female. The Trust currently performs above this target, with 36% female members.

### **Audit & Risk Committee**

#### **Role**

The main responsibilities of the Audit & Risk Committee are to provide assurance and recommendations to the Trustees on the effectiveness of its governance, internal controls, and risk management framework.

#### **Membership**

The membership of the Committee is comprised mostly of independent Trustees and one co-opted member with recent and relevant financial experience. The Chair of the Trust Board is not a member of the Committee.

Sir Chris Kelly, Trustee (*Chair*)

Dame Jenny Abramsky, Trustee

Nigel Annett CBE, Trustee

Jennie Price CBE, Trustee

Bronagh Kennedy, Trustee (*from January 2024*)

Robert Milburn, Co-opted Member

### **Key Activities**

At each meeting the Committee receives and discusses a number of standing items such as, risk reporting and internal audit progress reports. The Committee undertook the following key activities within the year:

- Reviewed the 2022/23 annual report and accounts and reviewed the external auditors' Audit Completion report
- Received risk management updates, including reviewing the corporate risk register; and preparing for the annual strategic risk discussion at Trust Board
- Received updates on the policy and assurance framework
- Received an annual cyber security review
- Received the annual whistleblowing report
- Reviewed internal audit reports
- Received regular updates on serious incidents reported to the Charity Commission, information governance and any Charity Commission Regulatory concerns.
- Reviewed specific update reports and agreed follow up actions following internal audits, e.g. volunteering, lone working.

During the year the Committee received updates on internal audit recommendations and undertook deep-dive sessions which included the areas of freedom of information compliance and lock gate replacement programming.

### **Review of Systems of Internal Controls**

The Trust Board has overall responsibility for the Trust's risk management and internal control systems but has delegated specific areas of oversight to the Committee. The Trust undertakes a continual review of risks and internal controls. The Trust Board, via the Audit & Risk Committee, monitors the effectiveness of those internal controls. In addition, assurance is provided by Grant Thornton, the Trust's appointed internal auditor.

### **Internal Audit**

The Committee undertook the following activities in relation to internal audit:

- Reviewed internal audit reports, progress reports and the internal auditor's annual report
- Agreed the extension of the internal audit contract for a further year
- Assessed effectiveness, engagement and remuneration of the internal auditors
- Approved the draft internal audit plan

### **External Audit**

The Committee undertook the following activities in relation to external audit:

- Assessed the effectiveness, engagement and remuneration of BDO, the Trust's external auditors
- Approved the external audit strategy
- Reviewed BDO's Audit Completion report

The Trust has in place a non-audit services policy which safeguards BDO's independence and objectivity. This is also reflected in the Terms of Reference for the Audit & Risk Committee. The Trust has voluntarily adopted the Financial Reporting Council's 70% cap on fees for non-audit services provided by the External Auditors. Proposed fees more than £20k require the Committee's prior approval. Non-audit fees are reported to the Committee, at least annually, to ensure oversight from the Committee.

### **Risk Management**

The Trust maintains a corporate risk register which ranks all known risks according to likelihood and impact (after current mitigation actions are taken into account). The ranking is built up by considering the financial, reputational and operational impact and a specific risk factor relating to loss of life and property.

- The Trust Board has overall responsibility for the Trust's risk management and internal control systems but has delegated specific areas of oversight to the Audit & Risk Committee (ARC).
- The ARC regularly undertakes a review of risks and the internal controls measures in place and monitors the effectiveness of those internal controls. In addition, assurance is provided by Grant Thornton, the Trust's internal auditors who undertake a targeted programme of audits during the year.
- The Trust's risk register is reviewed by the Board during its annual review of risk and this is used to review the sufficiency of controls and mitigation around each key risk (including the setting of an annual programme of internal audit reviews) and to drive the allocation of Trust focus and resources.
- The Trust has a framework of policies and standards which contain measures to manage risk and is developing an assurance framework in relation to key compliance obligations and policy commitments.

### **Risk Tolerance**

- The Trust is responsible for a historic waterways network that is subject to a range of safety risks, given the inherent age and condition of the infrastructure, the impact of climate change, including more frequent and more intense extreme weather events (associated with the changing climate) and the relatively open and easily accessible nature of the waterways.
- In light of this, we adopt an approach to risk that seeks to minimize all public safety risks, given the potential harm to people and communities if the network is not well managed and maintained, whilst recognizing that these risks can never be completely removed.
- We are also committed to creating a safe environment and safe ways of working for all our people (colleagues and volunteers), as well as the general public, and those partners who help us in our stewardship of the waterways.
- The Trust will generally accept a higher risk tolerance in other areas of our work, for example in seeking investment returns and generating income.

## Key Strategic Risks

The key 10 risks managed by the Trust in order of appearance on the Trust's corporate risk register are as follows:

| Risk  | Mitigating Actions  |
|---|---|
| <b>High risk asset failure</b> – a risk of failure of specific Trust assets (e.g. reservoirs, embankments) which could have significant consequences for public safety, particularly given their water impounding function  | <ul style="list-style-type: none"><li>• Full compliance with legislation (e.g. Reservoirs Act 1975)</li><li>• Regular monitoring by specialist reservoir and other asset engineers</li><li>• Implementation of Trust risk-based asset management approach</li><li>• High risk asset investment programme</li><li>• Maintenance and regular review of emergency and contingency plans</li><li>• Modelling of higher risk assets for breach consequence</li><li>• Oversight of the Board Infrastructure Committee</li></ul> |
| <b>Unsatisfactory grant determination</b> – we have failed to receive a satisfactory Grant settlement effective from 2027   | <ul style="list-style-type: none"><li>• Campaign to change the funding decision launched</li><li>• Continue using long term model to develop alternative scenarios and long-term strategies</li></ul>   |
| <b>Condition of other operational assets</b> – a risk of failure or deterioration of other Trust assets with potential consequences for public safety and service delivery  | <ul style="list-style-type: none"><li>• Works programme management arrangements</li><li>• Regular progress reporting on works delivery</li><li>• Asset inspections prioritising safety defects</li><li>• Long term asset strategy</li></ul>   |
| <b>Financial sustainability</b> – a risk of inability of the Trust to maintain sufficient financial resources to adequately maintain and operate the inland waterway network and delivery of its charitable objects, particularly in a high-inflationary economic environment | <ul style="list-style-type: none"><li>• Long term financial planning, with Board oversight</li><li>• Annual business planning process, with review of productivity improvements</li><li>• Implementation of the Trust's Treasury Management Policy</li><li>• Regular liquidity forecasting</li><li>• External audit and oversight of the Trust's Audit &amp; Risk Committee</li></ul>   |

| Risk  | Mitigating Actions  |
|---|---|
| <b>Safety of general public</b> – a risk of failure to provide a safe environment for visitors of the Trust's inland waterway network, balancing the needs of various user groups   | <ul style="list-style-type: none"> <li>• Implementation of the Trust's Visitor Risk Assessment Standard and implementation of suitable mitigation measures</li> <li>• Participation in local Water Safety Partnerships</li> <li>• Active monitoring and reviewing of infrastructure-related safety incidents involving members of the public</li> </ul>   |
| <b>Safety of boating customers</b> – a risk of failure to provide a safe environment for our boating customers  | <ul style="list-style-type: none"> <li>• Colleague and volunteer training on boater safety advice</li> <li>• Implementation of Trust navigation standards</li> <li>• Undertaking visitor risk assessment with boater-specific mitigation measures</li> <li>• Participation and sponsorship of the Boat Safety Scheme</li> <li>• Partnership working with stakeholder groups, such as the Trust's Navigation Advisory Group</li> </ul> |
| <b>Backlog of asset works and repairs</b> – potential failure to deliver works programmes efficiently and effectively   | <ul style="list-style-type: none"> <li>• Asset management system in place together with strategic asset management plan</li> <li>• Asset inspection procedures and planned preventative maintenance supported by programme management governance and performance management processes</li> </ul>  |
| <b>Deteriorating lock gate condition</b> – limited workshop capacity and deliver resource, historic peaks of lock gate replacement coming to end of life  | <ul style="list-style-type: none"> <li>• Lock gate strategy in place</li> <li>• Lock Gate Standardisation Group working on agreeing key design standardisations</li> <li>• Delivery and installation of new machinery in workshops</li> </ul>   |
| <b>Water abstraction licensing</b> – a risk of an inability to secure water abstraction licences to provide the Trust's inland waterway network with sufficient water resource in the light of the removal of exemption for navigation authorities under the Water Act 2003 | <ul style="list-style-type: none"> <li>• Understanding and modelling of water resource needs by the Trust's expert hydrologists</li> <li>• Close working with the Environment Agency and Natural Resources Wales</li> <li>• Submission of over 150 applications for licences in good time prior to statutory deadlines</li> <li>• Appeals against unfavourable decisions</li> </ul>   |
| <b>Colleague safety</b> – a risk of failure to provide a safe working environment for Trust colleagues and volunteers   | <ul style="list-style-type: none"> <li>• Application of health and safety policies and standards, including risk assessment</li> <li>• Mandatory health and safety training for all colleagues and volunteers</li> <li>• Health and safety Incident reporting and investigation</li> </ul>  |

## Investment Committee

### Role

The Investment Committee provides non-executive oversight and assurance for the Board in respect of the Trust's investments and other commercial activities, supervising the implementation of the Group Investment Policy for the Designated Investment Fund, as well as oversight of its own property and utilities activities.

The Group Investment Policy in place during the financial year contained a long term objective to grow the real value of the Designated Investment Fund (defined as long term growth in the fund value of at least CPI+1%) whilst generating income for spending on the waterways. This was achieved in practice by retaining within the fund any realised or unrealised capital gains and transferring to the General Fund any net income (the so called "natural yield"). It should be noted that the Board approved a change to the Group Investment Policy in July 2024, with the most significant change being to adopt a total return policy which seeks maintain rather than grow the fund's real value at CPI, in order to facilitate increased Charitable Expenditure from either capital or income returns, particularly on Major Infrastructure Works. In addition, in both the previous and current Group Investment Policy, consideration is given to environmental, social and governance matters in relation to the management of the scheme and the underlying investments, although this is done on a pragmatic basis so as not to have a material impact on the total return of the fund.

### Membership

The Committee comprises Trustees and three co-opted members. During the reporting period, the following were members of the Committee:

Sarah Whitney, Trustee (*Chair until September 2023*)

Ian Peters, Trustee (*Chair from September 2023*)

Sir Chris Kelly, Trustee (*from March 2024*)

Chris Fellingham, Trustee (*from September 2023*)

Nigel Annett CBE, Trustee

Nick Ritblat, Co-opted Member

Tim Sketchley, Co-opted Member

Diane Seymour-Williams, Co-opted Member

The Committee met five times during the financial year, in addition to three specific meetings discussing the Group Investment Policy.

### Key Activities

At each scheduled meeting, the Committee reviews a number of standing items relating to financial performance and investment updates for property, joint ventures and financial assets, which includes a full quarterly review with the Trust's investment manager, Partners Capital (operating on a fully delegated mandate subject to the terms of the Trust's Group Investment Policy). A key focus of the Committee during the year was a detailed review of the Group Investment Policy.

During the year, the Committee undertook the following key activities:

- Received non-property investment updates
- Annual property valuation
- Office Property strategy
- Building Safety Act liabilities update
- Property interim valuation
- Ad-hoc meetings were held during the year to consider the purchase or disposal of property.

#### **Investment Committee's Performance & Training**

A Committee effectiveness review and review of Terms of Reference was undertaken in November 2023. Training for members is available as and when required. During the year a deep-dive sessions were held on financial investments for private equity and illiquid credit.

#### **Remuneration Committee**

##### **Role**

The Remuneration Committee oversees the remuneration policies for the Trust, with particular focus on the remuneration of the Executive Team and key management personnel. The Committee determines the overall reward and remuneration strategy for the Trust, including any annual or periodic pay award. It approves the design of, and determines targets for, any performance-related pay scheme operated by the Trust for any Executive Directors. The Committee is able to take independent advice, as necessary, to inform those judgements.

When making decisions the Committee also takes into consideration affordability for the Trust, and the fact that the Trust operates in the third sector. The Committee continues to be satisfied that the level of Executive pay is appropriate to the responsibilities of the posts concerned.

##### **Membership**

The Remuneration Committee is constituted solely of Trustees. During 2023/24 the following served on the Remuneration Committee during the year:

Janet Hogben, Trustee (*Chair*)

Sue Wilkinson, Trustee (*until September 2023*)

Bronagh Kennedy, Trustee

Sir James Bevan, Trustee (*from January 2024*)

The Executive Team are not present when any decisions regarding their remuneration are made.

The Committee met four times during the financial year.

## Key Activities

The Committee undertook the following key activities:

- Executive Salary Review
- October Managers Review
- Mandate for Pay Negotiations
- Inclusion & Diversity Deep Dive
- People Team Structure
- Update on Pay Negotiations
- Overview of Pay & Structure
- Leadership Behaviours

## Infrastructure Committee

### Role

The Infrastructure Committee provides oversight, assurance and expert advice in relation to the Trust's major asset improvement programme and considers issues of delivery and risk together with questions of economy and efficiency.

The Committee advises the Board with regard to:

- the delivery of the Trust's asset improvement programme, including consideration of risk, organisational capability and the efficiency, effectiveness and economy of delivery of the programme;
- the approval of the annual projects plan and specific major projects by the Board, ensuring they are reviewed and developed thoroughly;
- the adequacy of progress in delivery of the programme and major projects;
- other aspects of the asset improvement programme as it considers appropriate; and
- examination and commentary upon the Trust's Asset Strategy and Asset Management Plan.

### Membership

The Infrastructure Committee is constituted of independent Trustees (plus one co-opted member). During 2023/2024 the following members served on the Infrastructure Committee:

Nigel Annett CBE, Trustee (*Chair*)

Janet Hogben, Trustee

Sir Chris Kelly, Trustee

Jennie Price CBE, Trustee (*until January 2024*)

Sir James Bevan, Trustee (*from January 2024*)

Suzanne Crouch, Co-opted Member

The Committee met four times during the year.

## Key Activities

The Committee undertook the following key activities:

- Incident response simulation exercise
- Changing reservoirs legislation and guidance
- Reservoirs and critical assets monitoring and risk mitigation updates
- Project delivery and reporting update
- Update reports on repair works to Toddbrook reservoir

## Bwrdd Glandŵr Cymru (Welsh Board)

The Bwrdd Glandŵr Cymru (“the Bwrdd”) has an advisory remit and takes a strategic perspective in developing the Trust’s work in Wales. It works to ensure the Trust has a good understanding of the needs, issues and opportunities relevant to the waterways of Wales.

The Bwrdd has an important role in working with the Welsh Government and the main all Wales public institutions. It also works closely with the Trust’s Regional Advisory Boards which border Wales.

The membership of the Bwrdd can be found on the Trust’s internet here: [Bwrdd Glandŵr Cymru | Canal & River Trust \(canalrivertrust.org.uk\)](https://canalrivertrust.org.uk/bwrdd-glandwr-cymru)

## Regional Advisory Boards

The Trust has six Regional Advisory Boards in England which mirror the Trust’s operational regional structure. The Regional Advisory Boards are advisory in nature. They help the Trust use local knowledge, ideas and capacity to build relationships, reach the diverse local communities that we serve and translate national priorities into local initiatives. The membership of the Regional Advisory Boards can be found on the Trust’s website here: [Regional Advisory Boards | Canal & River Trust \(canalrivertrust.org.uk\)](https://canalrivertrust.org.uk/regional-advisory-boards)

## National Advisory Groups

The Trust’s work is supported by National Advisory Groups. These sit outside the formal governance structure of the Trust and are advisory in nature. Their role is to help develop specific aspects of the Trust’s strategy. Members of the National Advisory Groups are drawn for their skills and experience in specific areas. At present the Trust has Advisory Groups in the following areas: Environmental, Fisheries & Angling, Navigation, Youth Engagement and Cultural Heritage. The membership of the National Advisory Groups can be found on the Trust’s website here: [National Advisory Groups | Canal & River Trust \(canalrivertrust.org.uk\)](https://canalrivertrust.org.uk/national-advisory-groups)

## Trustees’ Responsibilities Statement

The Trustees are responsible for preparing the Strategic Report, the Annual Report and the Financial Statements in accordance with applicable law and regulations. Company law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group and charity for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK 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 adequate accounting records that are sufficient to show and explain the charity's transactions and 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 Companies Act 2006. 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 confirm that:

- So far as each Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware.
- The Trustees 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 the charitable company's auditor is aware of that information.

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

### Going Concern

The Trust has a broad range of secure income streams that provide a reliable source of income to fund the Trust's charitable activities. This income is supplemented by around £50m of grant income from Defra under a Grant Agreement dated 28 June 2012, which is for a fixed term of 15 years. A £10m portion of the Defra grant income is subject to performance conditions.

Having reviewed the operational financial projections, and associated cash flow forecasts, as detailed in note 1.2, the Trustees have concluded that the Trust has sufficient resources to continue funding the charitable activities at the current level of operation for the foreseeable future.

This report, including the Director's report and the strategic report, was approved by the Board of Trustees on 26 September 2024 and signed on their behalf by:



David Orr CBE

# Independent Auditor's Report to Members of Canal & River Trust

## Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 31 March 2024 and of the Group's 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 Companies Act 2006.

We have audited the financial statements of Canal & River Trust ("the Parent Charitable Company") and its subsidiaries ("the Group") for the year ended 31 March 2024 which comprise the Consolidated statement of financial activities (incorporating the income and expenditure account), the Balance Sheets, the Consolidated statement of cash flows and notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

## 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Independence

We remain independent of the Group and the Parent Charitable Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

## Conclusions related 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 and the Parent Charitable Company'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 Trustees are responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. 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.

## **Other Companies Act 2006 reporting**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' Report, which are included in the Trustees' Report, have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic report or the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Group and Parent Charitable Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Group and Parent Charitable Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

### *Extent to which the audit was capable of detecting irregularities, including fraud*

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

### *Non-compliance with laws and regulations*

Based on:

- Our understanding of the Group and Parent Charitable Company and the sector in which it operates;
- Discussion with management and those charged with governance, including Audit & Risk Committee, legal counsel and internal audit; and
- Obtaining an understanding of the Group's and the Parent Charitable Company's policies and procedures regarding compliance with laws and regulations.

We considered the significant laws and regulations to be the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Charities SORP (FRS102), Charities Act 2011, Companies Act 2006, UK tax legislation and the Reservoirs Act 1975.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be Health and Safety Act 1974, Water Act 2003, Building Safety Act 2022, Data Protection Act 2018, Employment Rights Act 1996, Code of Fundraising Practice (2019) and the Bribery Act 2010.

Our procedures in respect of the above included:

- Review of minutes of meetings of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

#### *Fraud*

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Review of investigation procedures undertaken by management in response to instances of theft and fraud arising during the year, including consultation with our forensic specialists to inform our fraud risk assessment;
- Obtaining an understanding of the Group's and Parent Charitable Company's policies and procedures relating to:
  - Detecting and responding to the risks of fraud; and
  - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meetings of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team and forensics specialists as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

Based on our risk assessment, we considered the areas most susceptible to fraud to be journals, income and key estimates and judgements.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, in addition to a random sample of other journals, by agreeing to supporting documentation;
- Assessing significant estimates and judgements made by management for bias, including defined benefit pension scheme assumptions, the valuation of investments and investment properties, the determination of the useful economic lives of operational fixed assets and assumptions applied in determining provisions;
- Testing the existence, accuracy and completeness of income recognised in the year;

- Reviewing the performance related remuneration paid to management and staff to assess incentives to manipulate results; and
- Reviewing and assessing the compliance with loan covenants.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

For the work performed by component auditor, we determined the level of involvement needed in order to be able to conclude whether sufficient appropriate audit evidence has been obtained as a basis for our opinion on the Group financial statements as a whole. Our involvement with component auditor included the following:

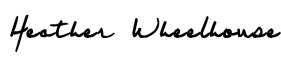
- Issuing detailed Group reporting instructions which set out key aspects of the audit such as component materiality, significant audit and accounting issues from a Group perspective and the key audit procedures to be performed in order to address these; and
- Reviewing the group reporting documents submitted by the component auditor along with the work performed on their audit files to ensure the work performed was sufficient for our purposes and consistent with Group instructions.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed 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 are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

## Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charitable Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company and the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:  
  
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**Heather Wheelhouse**  
 (Senior Statutory Auditor)

For and on behalf of BDO LLP, statutory auditor  
 Bristol, UK

**Date:** 26 September 2024

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# Financial Statements for the year ended 31 March 2024

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

|  |      | 2023/24            |                        |                    |                            |                   | 2022/23        |
|--|------|--------------------|------------------------|--------------------|----------------------------|-------------------|----------------|
|  |      | Unrestricted funds |                        | Restricted funds   |                            |                   |                |
|  | note | General fund<br>£m | Designated funds<br>£m | Income funds<br>£m | Protected asset fund<br>£m | Funds Total<br>£m | Total<br>£m    |
| <b>Income and endowments from:</b>                                   |      |                    |                        |                    |                            |                   |                |
| Donations and legacies   |      | -                  | -                      | 6.3                | -                          | 6.3               | 5.6            |
| Charitable activities  | 3    | 63.1               | -                      | 15.4               | -                          | 78.5              | 76.7           |
| Trading activities   | 4    | 97.1               | -                      | -                  | -                          | 97.1              | 86.5           |
| Investments  | 5    | 52.6               | -                      | -                  | 1.7                        | 54.3              | 55.9           |
| Share of net income from joint ventures                              | 16   | 1.1                | -                      | -                  | -                          | 1.1               | 0.4            |
| <b>Total Income</b>  |      | <b>213.9</b>       | <b>-</b>               | <b>21.7</b>        | <b>1.7</b>                 | <b>237.3</b>      | <b>225.1</b>   |
| <b>Expenditure on:</b>   |      |                    |                        |                    |                            |                   |                |
| Raising funds  | 6    | (42.4)             | -                      | -                  | (1.3)                      | (43.7)            | (41.4)         |
| Charitable activities  | 7    | (187.3)            | -                      | (20.9)             | (0.4)                      | (208.6)           | (199.5)        |
| Share of net expenditure from joint ventures                         | 16   | (0.1)              | -                      | -                  | -                          | (0.1)             | (7.0)          |
| <b>Total expenditure</b>   |      | <b>(229.8)</b>     | <b>-</b>               | <b>(20.9)</b>      | <b>(1.7)</b>               | <b>(252.4)</b>    | <b>(247.9)</b> |
| <b>Net (expenditure)/income before gains/(losses) on investments</b> |      | <b>(15.9)</b>      | <b>-</b>               | <b>0.8</b>         | <b>-</b>                   | <b>(15.1)</b>     | <b>(22.8)</b>  |
| Net gains/(losses) on investments                                    | 10   | 10.2               | (24.3)                 | -                  | (0.2)                      | (14.3)            | (61.9)         |
| <b>Net (expenditure)/income</b>                                      |      | <b>(5.7)</b>       | <b>(24.3)</b>          | <b>0.8</b>         | <b>(0.2)</b>               | <b>(29.4)</b>     | <b>(84.7)</b>  |
| <b>Transfers between funds</b>                                       | 22   | <b>2.4</b>         | <b>868.0</b>           | <b>-</b>           | <b>(870.4)</b>             | <b>-</b>          | <b>-</b>       |
| <b>Other recognised losses</b>                                       |      |                    |                        |                    |                            |                   |                |
| Actuarial losses on defined benefit schemes                          | 25   | -                  | (12.9)                 | -                  | -                          | (12.9)            | (82.4)         |
| <b>Net movement in funds</b>   |      | <b>(3.3)</b>       | <b>830.8</b>           | <b>0.8</b>         | <b>(870.6)</b>             | <b>(42.3)</b>     | <b>(167.1)</b> |
| <b>Reconciliation of funds:</b>                                      |      |                    |                        |                    |                            |                   |                |
| Total funds brought forward  |      | 3.4                | -                      | 1.2                | 870.6                      | 875.2             | 1,042.3        |
| <b>Total funds carried forward</b>                                   |      | <b>0.1</b>         | <b>830.8</b>           | <b>2.0</b>         | <b>-</b>                   | <b>832.9</b>      | <b>875.2</b>   |

The above amounts represent all gains and losses recognised during the year. All 2023/24 activities are continuing activities.

The accompanying notes on pages 61 to 106 form part of these financial statements.

## Balance Sheets as at 31 March 2024

|  | note | Group         |               | Canal & River Trust |               |
|--|------|---------------|---------------|---------------------|---------------|
|  |      | 31 March 2024 | 31 March 2023 | 31 March 2024       | 31 March 2023 |
| <b>Fixed assets</b>  |      |               |               |                     |               |
| Tangible assets  | 12   | 53.4          | 54.3          | 53.4                | 54.3          |
| Heritage assets  | 13   | -             | -             | -                   | -             |
| Investments:   |      |               |               |                     |               |
| Property   | 14   | 682.1         | 711.6         | 536.6               | 567.6         |
| Diversified investment funds                               | 15   | 306.6         | 295.2         | 306.6               | 295.2         |
| Subsidiaries   | 16   | -             | -             | 79.0                | 81.1          |
| Joint ventures   | 16   | 10.0          | 4.6           | -                   | -             |
|  |      | 1,052.1       | 1,065.7       | 975.6               | 998.2         |
| <b>Current assets</b>                                      |      |               |               |                     |               |
| Stock  |      | 1.5           | 1.7           | 1.5                 | 1.7           |
| Debtors: Amounts falling due within one year               | 17   | 63.3          | 68.7          | 64.6                | 68.0          |
| Debtors: Amounts falling due after more than one year      | 17   | 13.6          | 12.6          | 7.9                 | 7.2           |
| Investments  | 15   | 10.0          | 2.7           | 10.0                | -             |
| Cash at bank and in hand                                   |      | 23.9          | 35.4          | 18.4                | 31.9          |
|  |      | 112.3         | 121.1         | 102.4               | 108.8         |
| <b>Current liabilities</b>                                 |      |               |               |                     |               |
| Creditors: Amounts falling due within one year             | 18   | (86.6)        | (89.1)        | (95.9)              | (102.9)       |
| <b>Net current assets</b>                                  |      | 25.7          | 32.0          | 6.5                 | 5.9           |
| <b>Total assets less current liabilities</b>               |      | 1,077.8       | 1,097.7       | 982.1               | 1,004.1       |
| Creditors: Amounts falling due after one year              | 18   | (152.6)       | (153.3)       | (152.7)             | (153.5)       |
| Provisions for liabilities                                 | 20   | (49.3)        | (35.6)        | (49.3)              | (35.4)        |
| <b>Net assets excluding pension fund asset/(liability)</b> |      | 875.9         | 908.8         | 780.1               | 815.2         |
| Pension fund (liability)/asset                             | 25   | (43.0)        | (33.6)        | 7.5                 | 25.0          |
| <b>Net assets including pension fund asset/(liability)</b> |      | 832.9         | 875.2         | 787.6               | 840.2         |
| <b>Funds</b>   |      |               |               |                     |               |
| Unrestricted funds   |      |               |               |                     |               |
| General fund   | 22   | 0.1           | 3.4           | 3.3                 | 11.2          |
| Designated funds   | 22   | 830.8         | -             | 782.3               | -             |
|  |      | 830.9         | 3.4           | 785.6               | 11.2          |
| Restricted funds   |      |               |               |                     |               |
| Income funds   | 22   | 2.0           | 1.2           | 2.0                 | 1.2           |
| Protected asset fund                                       | 22   | -             | 870.6         | -                   | 827.8         |
|  |      | 2.0           | 871.8         | 2.0                 | 829.0         |
| <b>Total Funds</b>   |      | 832.9         | 875.2         | 787.6               | 840.2         |

The net expenditure after other recognised gains and losses for the year of Canal & River Trust was £52.6m (2023: net expenditure of £153.5m).

Approved and authorised for issue by the Board of Trustees on 26 September 2024 and signed on their behalf by:



David Orr CBE  
Chair

26 September 2024

Company number 07807276

The accompanying notes on pages 61 to 106 form part of these financial statements.

## Consolidated statement of cash flows

for the year ended 31 March 2024

|   | 2023/24 |        | Restated<br>2022/23 |        |
|---|---------|--------|---------------------|--------|
|   | £m      | £m     | £m                  | £m     |
| <b>Cash flows from operating activities</b>             |         |        |                     |        |
| Net cash used in operating activities                   |         | (41.7) |                     | (66.4) |
| <b>Cash flows from investing activities</b>             |         |        |                     |        |
| Rental proceeds from property and utilities investments | 39.9    |        | 40.7                |        |
| Purchase of tangible fixed assets                       | (6.7)   |        | (7.7)               |        |
| Purchase of investment property                         | (8.1)   |        | (9.5)               |        |
| Proceeds from sale of tangible fixed assets             | 0.7     |        | 0.2                 |        |
| Proceeds from sale of investment property               | 10.0    |        | 23.6                |        |
| Proceeds from sale of subsidiary                        | 1.5     |        | -                   |        |
| Withdrawals from diversified funds                      | 9.3     |        | 23.4                |        |
| Loans to joint ventures                                 | (9.8)   |        | (6.6)               |        |
| Repayments from joint ventures                          | 5.2     |        | 9.2                 |        |
| Dividends from joint ventures                           | 0.2     |        | 0.2                 |        |
| Receipts from short term deposits                       | -       |        | 0.1                 |        |
| <b>Net cash provided by investing activities</b>        |         | 42.2   |                     | 73.6   |
| <b>Cash flows from financing activities</b>             |         |        |                     |        |
| Interest paid   | (4.4)   |        | (4.4)               |        |
| Interest received                                       | 2.3     |        | 2.7                 |        |
| <b>Net cash flows from financing activities</b>         |         | (2.1)  |                     | (1.7)  |
| <b>Change in cash and cash equivalents in the year</b>  |         | (1.6)  |                     | 5.5    |
| Cash and cash equivalents at 1 April                    |         | 35.4   |                     | 29.8   |
| <b>Cash and cash equivalents at 31 March</b>            |         | 33.9   |                     | 35.4   |

a) Reconciliation of net expenditure to net cash used in operating activities

|   | 2023/24 |               | Restated<br>2022/23 |               |
|---|---------|---------------|---------------------|---------------|
|   | £m      | £m            | £m                  | £m            |
| <b>Net expenditure</b>  |         | <b>(29.4)</b> |                     | <b>(84.7)</b> |
| <b>Adjustments for:</b>   |         |               |                     |               |
| Realised gains on disposals of investment assets  | (2.0)   |               | (2.7)               |               |
| Net unrealised losses on revaluation of investment assets                               | 15.6    |               | 64.7                |               |
| Realised losses on disposal of subsidiary   | 1.2     |               | -                   |               |
| Finance expense   | 4.4     |               | 4.4                 |               |
| Finance income  | (2.3)   |               | (2.7)               |               |
| Rents from property and utilities investments   | (40.7)  |               | (41.5)              |               |
| Share of net (gains)/losses from joint ventures   | (1.1)   |               | 6.6                 |               |
| Depreciation  | 4.8     |               | 5.2                 |               |
| Diversified funds investment return: dividend income                                    | (4.5)   |               | (5.8)               |               |
| Gain on sale of tangible fixed assets   | (0.4)   |               | (0.2)               |               |
| Difference between payments to defined benefit scheme and amount charged to expenditure | (3.5)   |               | (6.3)               |               |
|   |         | <b>(28.5)</b> |                     | 21.7          |
| Decrease/(Increase) in stock  |         | 0.2           |                     | (0.1)         |
| Decrease/(Increase) in debtors  |         | 4.4           |                     | (7.3)         |
| (Decrease)/Increase in creditors  |         | (2.1)         |                     | 3.7           |
| Increase/(Decrease) in provisions   |         | 13.7          |                     | 0.3           |
| <b>Net cash used in operating activities</b>  |         | <b>(41.7)</b> |                     | <b>(66.4)</b> |

The 2022/23 consolidated statement of cash flows included within cash flows from investing activities £19.6m of rental income from property and utilities investments which should have been included within cash flows from operating activities. The comparative amounts have been restated to correct for this misclassification.

b) Analysis of changes in net debt

|                                  |                    | 2023/24       |                              |                     |
|----------------------------------|--------------------|---------------|------------------------------|---------------------|
|                                  | At 1 April<br>2023 | Cash<br>flows | Other<br>non-cash<br>changes | At 31 March<br>2024 |
|                                  | £m                 | £m            | £m                           | £m                  |
| <b>Cash and cash equivalents</b> |                    |               |                              |                     |
| Cash                             | 35.4               | (11.5)        | -                            | 23.9                |
| Funds held on short-term deposit | -                  | 10.0          | -                            | 10.0                |
|                                  | 35.4               | (1.5)         | -                            | 33.9                |
| <b>Borrowings</b>                |                    |               |                              |                     |
| Debt due within one year         | -                  | -             | -                            | -                   |
| Debt due after one year          | (150.0)            | -             | -                            | (150.0)             |
|                                  | (150.0)            | -             | -                            | (150.0)             |
| <b>Total net debt</b>            | (114.6)            | (1.5)         | -                            | (116.1)             |

|                                  |                    | 2022/23       |                              |                     |
|----------------------------------|--------------------|---------------|------------------------------|---------------------|
|                                  | At 1 April<br>2022 | Cash<br>flows | Other<br>non-cash<br>changes | At 31 March<br>2023 |
|                                  | £m                 | £m            | £m                           | £m                  |
| <b>Cash and cash equivalents</b> |                    |               |                              |                     |
| Cash                             | 29.8               | 5.6           | -                            | 35.4                |
| <b>Borrowings</b>                |                    |               |                              |                     |
| Debt within one year             | -                  | -             | -                            | -                   |
| Debt due after one year          | (150.0)            | -             | -                            | (150.0)             |
|                                  | (150.0)            | -             | -                            | (150.0)             |
| <b>Total net debt</b>            | (120.2)            | 5.6           | -                            | (114.6)             |

# Notes to the accounts

## 1. Accounting policies

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### 1.1 Basis of preparation

The financial statements of the Canal & River Trust ('the Trust') have been prepared under the historical cost convention, except for the modification to a fair value basis for investment properties and certain financial instruments, as specified in the accounting policies below.

The financial statements have been prepared in accordance with Charities SORP (FRS 102) – Second edition October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. Where further clarity beyond FRS102 guidance is required, the relevant IFRS guidance has been consulted. Reference to the appropriate standard has been included in these cases.

The Trust meets the definition of a public benefit entity under FRS 102. The Trust is a Charity registered with the Charity Commission in England and Wales, and a Company limited by Guarantee.

A separate Statement of Financial Activity (SoFA) for the parent company is not presented with the Group financial statements as permitted by section 408 of the Companies Act 2006. The net movement in funds of the parent company is disclosed in note 22 of the financial statements.

### 1.2 Going concern

The Trust's annual financial planning process, including financial projections, has taken into consideration the current economic climate, as well as the significant financial resources required in order to maintain and repair the canal network, especially in light of climate change.

The planning process and financial projections have included scenario analysis using most likely case as well as stress testing severe downside scenarios. This confirms that the Trust has sufficient liquidity to withstand a significant reduction in income with little cost mitigation and continue in operation whilst meeting its debt covenants. In reality, where the Trust's income is materially impacted, costs can in some cases be reduced to offset the reduction in income, which would reduce liquidity requirements even further.

In view of the significant resources available to the Trust, the Trustees consider that there are adequate resources to continue in operation for the foreseeable future, and at least 12 months from the signing of the accounts and audit report. The Trustees have not identified any material uncertainties that would alter this view, and in particular, as at 31 March 2024, they recognise that the Trust had £23.9m in cash and access to £54.5m in liquid funds within 60 days within the Diversified Income Fund. In the longer term, the value of property and non-property assets could fund the activities of the Trust for several years. Accordingly, the Trustees have adopted the going concern basis in preparing the financial statements.

### 1.3 Significant judgements and sources of estimation uncertainty

Judgements and estimates are continually evaluated and are based on historical experience as well as other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Trust makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are detailed below.

#### 1.3.a Pension scheme

As described further within the defined benefit pension scheme policy, a judgement is made regarding the pension scheme's investment in a subsidiary of the Trust, which is not recognised as a scheme asset within the consolidated financial statements as this is considered to be a non-transferrable financial instrument issued by the Group. An asset is recognised in Canal and River Trust (the entity), as the Trust's investment in the pension fund is recognised as an investment in the pension scheme accounts, reducing the funding deficit. Judgements and estimates are also made, using actuarial guidance, regarding key assumptions in valuing scheme assets and liabilities, and in recognising a scheme asset at entity level. Note 25 sets out the sensitivities regarding the principal assumptions applied in valuing the assets and liabilities of pension scheme.

## 1. Accounting policies (continued)

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### 1.3.b Joint ventures

Significant judgement has been required in assessing the carrying values of the Trust's investments in joint ventures. Judgement is required in determining the carrying value which has been evaluated based on recent accounts, access to joint venture board papers and discussions with our partners.

### 1.3.c Loan notes

The Trust issued £150m loan notes by way of a private placement in 2018. These loan notes are repayable in Sterling, but some contain an embedded derivative that would be realised should the loan notes be repaid before their due date. The Trust has chosen to adopt IAS 39 to value these loan notes which values the considerably smaller derivative element rather than adopt FRS 102 which would value the entire loan notes. This derivative has been valued at £nil at the year-end (2023: £nil).

### 1.3.d Useful economic lives of operational fixed assets

As explained further within the tangible fixed assets policy, buildings, plant, machinery and vehicles held by the Trust are depreciated from acquisition based on their useful economic life, to write off the cost of the asset less any residual value. Judgement is required to assess the length of this life, and this is evaluated based on past experience, asset classification and condition reviews. Depreciation rates for classes of assets are reviewed annually to ensure they remain appropriate with reference to external and internal factors, including the level of proceeds (and resulting profit / loss) recognised on disposal of such items.

### 1.3.e Reservoir provisions

Due to the significant requirement to safely maintain the infrastructure of the network, the Trust routinely accommodates independent reviews of major infrastructure assets to comply with the Reservoirs Act 1975 and to assess requirements for rectification or improvement. Following the reviews the Trust receives reports outlining the requirements for action. As a result of the legal requirements outlined in the reports, or due to the Trust's constructive obligation as a result of a published intention to rectify breaches or failures, the Trust establishes a project to address the requirements, including an estimate of the likely costs to satisfactory completion. Due to the legal or constructive obligation to carry out some of the recommended works the Trust provides for the cost when the requirements are known and the costs can be reasonably estimated. The provision is estimated at the balance sheet date covering all known requirements at that date. Actual costs will be incurred in future periods and any under or over provision as a result of differences between the estimated costs provided and the actual costs incurred will be recognised in the operating costs in the period they. Due to the uncertainty associated with such estimates, there is a possibility, that on conclusion of open matters at a future date, the final outcome may differ.

### 1.3.f Property investments

Independent professionally qualified surveyors value the Trust's investment property in line with the "Red Book" methodology of the Royal Institute of Chartered Surveyors however the valuation is based on judgement. Every five years all properties are externally valued. The top 100 properties by value are valued annually as well as a quarter of all other properties.

### 1.3.g Lease classification

The Trust's leasehold agreement with the Royal Armouries leasee is a 999 year lease of land which has 971 years unexpired of its term. At inception this was judged to be an operating lease and has been accounted for as such. This judgement was reached as the lease term is not for the major part of the land's economic life, the asset does not transfer to the lessee at the end of the lease, nor does the lessee have the option to purchase the land, and the land is not of a specialised nature. In addition, the present value of future lease payments is not roughly equal to the fair value of the land.

## 1. Accounting policies (continued)

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### 1.4 Basis of consolidation

The Group comprises the Canal & River Trust and its subsidiaries which are set out in note 16 to these financial statements. The principal subsidiaries are Canal & River Trading CIC, a community interest company, and the Canal & River Pension Investments LP (SLP).

Subsidiaries are entities controlled by the Trust. Control exists when the company has the power, directly or indirectly, to govern the financial and operating policies of an entity to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The turnover and expenditure of the subsidiaries are included within the consolidated SoFA. The assets and liabilities are included on a line by line basis in the consolidated balance sheet in accordance with FRS 102, section 9.13 'Consolidated and Separate Financial Statements.' The financial statements of all Group companies are prepared using consistent accounting policies.

The Group has a number of contractual arrangements with other parties that represent joint ventures. These joint ventures are established through an interest in a limited company, partnership or other entity. The Group recognises its interest in the entity's assets and liabilities using the equity method of accounting in accordance with FRS 102 section 15 'Investments in Joint Ventures.' The names of joint ventures, the nature of the business and details of the shares held by the Group are disclosed in note 16 to these financial statements.

Intra-Group balances and transactions, and any unrealised gains arising from intra-Group transactions with joint ventures, are eliminated in preparing the consolidated financial statements. Unrealised gains resulting from transactions with joint ventures are eliminated against the carrying value of the investment in the joint venture.

Waterways Infrastructure Trust (WIT) (Charity number 1146792-2) is a linked charity of Canal & River Trust and is included in the financial statements of the Trust and Group on a branch accounting basis, whereby funds are aggregated. The only assets held by WIT are heritage assets, as disclosed in note 13 to the accounts. The WIT does not have income, expenditure, liabilities or accumulated funds. As heritage assets are held at nil value, the funds of WIT are £nil in these financial statements and separate fund disclosures have therefore not been made.

### 1.5 Income recognition

#### 1.5.a Donations and legacies

- i) Donation income is recognised when received. Where the use of the income has been restricted in accordance with the donor's wishes, appeals and gifts, income is credited to restricted funds until spent for the purpose for which it was given.
- ii) Entitlement to legacy income is considered to be on the earlier of the date of receipt of finalised estate accounts, the date of payment or where it is probable that the legacy will be received and the value is measurable with sufficient reliability. For pecuniary legacies this is the point when formal notification has been received from the estate and for residuary legacies when the Trust's interest can be measured, which is normally on grant of probate.
- iii) Income received from the People's Postcode Lottery (PPL) is recognised as a donation on receipt.

## 1. Accounting policies (continued)

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### 1.5.b Charitable activities

- i) Waterway infrastructure income is income to maintain an area of the waterway network and is recognised on a straight-line basis over the term of the agreement.
- ii) Third party funded project income is contributions towards restoring and improving the waterways network and is accounted for as a contract for services or as grant income depending on the funding agreement. Contract for services income is unrestricted income and is recognised to the extent that the service has been delivered. Grant income is recognised as restricted income when conditions of Trust entitlement are met. Any cash amounts received in advance of due date are treated as deferred income creditors in accordance with the general principles on income recognition. Revenue is recognised in proportion to the stage of completion of the work in accordance with relevant funding agreements.

Other funding received for restricted purposes is recognised as restricted income when conditions of Trust entitlement are met.

- iii) Museums and attractions income from entrance fees and sale of goods from museums and visitor centres are recognised at point of sale.
- iv) Defra funding is accounted for as a government grant and is recognised when the conditions for the receipt of the grant have been complied with and it is probable that the grant will be received.

### 1.5.c Trading activities

- i) Boat licences and mooring permits are invoiced in advance and income is recognised over the term of the licence or permit, with amounts relating to future periods shown as deferred income. Where the Trust has granted concessions to boating customers, the income has been reduced in the period the concession relates to.
- ii) Utilities and water development income is received in return for access to the Trust's land, e.g. for underground pipes. Where agreements are for fixed time periods, revenue is recognised on a straight-line basis over the term of the agreement. Sales of water supplied from the Trust's waterway network under a water sales agreement allow access to a continuous supply of water over the period contracted. These are invoiced in advance and revenue is deferred and recognised as earned over the period.

### 1.5.d Investments

- i) Investment property income is income received from operating leases and is recognised on a straight-line basis over the term of the lease. Where the Trust has granted rent, the income has been reduced in the period the concession relates to.

Lease incentives granted are recognised as a reduction of rental income. The cost of the incentive is allocated over the lease term unless another systematic basis is representative of the time pattern of the benefit from the use of the leased asset. The lease term is the period for which the lessee has contracted to rent the property. This only includes optional extensions where it is reasonably certain that the lessee will exercise such an option.

Where lease incentives are provided, the fair value of the incentive is accounted for as a debtor and recognised in line with this accounting policy.

- ii) Income from diversified investments includes dividend and interest payments distributed from investment funds and is recognised in the period in which it is earned.
- iii) The SoFA reflects the Trust's share of the joint ventures' results after interest.

## 1. Accounting policies (continued)

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### 1.6 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised when a constructive or legal obligation is created, where outflows are probable and can be reliably measured. Irrecoverable VAT is either charged to the appropriate heading or it is capitalised as appropriate.

### 1.7 Redundancy and termination payments

Redundancy and termination payments are recognised when there is a demonstrable commitment on an individual or group basis that cannot realistically be withdrawn.

### 1.8 Support costs

Support costs representing expenditure on administration, financial management, human resources and information systems are allocated to expenditure on raising funds and charitable activities, on the basis of headcount or on the estimated service delivered by the support service or other bases if these are more appropriate.

Governance costs are those associated with the governance arrangements rather than the day-to-day management of the Trust. These include the costs of meetings and associated support costs for the Trustees, Trust Council and Waterway Partnerships. It also includes the costs of internal and external audit and preparing the Trustees' Report and Accounts. These costs are allocated to expenditure on raising funds and charitable activities based on estimated service usage within each area.

### 1.9 Tangible fixed assets

Expenditure on the purchase of land and the cost of construction and major improvement of buildings is capitalised. Expenditure on the purchase, addition to and improvement of boats, plant and equipment in excess of £5,000 is also capitalised.

Tangible fixed assets are stated at cost, net of depreciation and any provision for permanent diminution in value. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

- Freehold buildings: 40 years
- Leasehold land and buildings: Over the unexpired term of the lease
- Maintenance craft and floating plant: Between 10 and 25 years
- Other plant and machinery: Between 5 and 10 years
- Vehicles: 5 years

### 1.10 Leased land and buildings, plant and equipment

#### 1.10.a Group as a lessor

Where any part of land and buildings owned by the Trust and used for operational purposes is let out under an operating lease to a third party the part let out is reclassified as an investment property asset and is then held at fair value. The remaining part of the land and/or building occupied by the Trust is treated in the same way as other operational properties which are held at cost and depreciated over their estimated useful lives. Rental income, adjusting for the effect of lease incentives, is recognised on a straight-line basis over the lease term, including any rent-free periods.

## 1. Accounting policies (continued)

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### 1.10.b Group as a lessee

Costs in respect of operating leases are charged on a straight-line basis over the lease term, including any rent-free periods.

### 1.10.c Grant of long lease over investment property

In transferring property rights for consideration there may be instances where the Trust wishes to retain a level of control over the use of property where this issues onto or borders the waterway. This is achieved through the grant of a finance lease, and profit or loss is recognised at inception of the lease. The freehold reversion, whilst initially an insubstantial value, remains held for future capital growth and is fair valued each year.

In order for a long lease to be treated as a disposal it would be usual for the lease term to be for the major part of the economic life of the property (typically more than 50 years) and at the inception of the lease the present value of minimum lease payments would amount to substantially all of the fair value of the leased property.

## 1.11 Heritage assets

Heritage assets are assets of the Waterways Infrastructure Trust (WIT) and are aggregated into the financial statements on a branch basis as set out at 1.4. The charity does not consider that reliable cost or valuation information can be obtained for the Trust's heritage assets. The Waterway Infrastructure is generally around 200 years old and the costs of maintaining the Waterway Infrastructure in a safe and accessible state significantly exceed any income generated from them. The WIT does not consider that any meaningful value can be placed on the Waterways Infrastructure, nor the museum artefacts and archives and therefore does not recognise those assets on its balance sheet. The WIT also considers, in line with section 18.14 of the Charities SORP (FRS 102), that obtaining a meaningful valuation of these assets would not be achievable at a cost commensurate with the benefit to the users of the financial statements. Expenditure to maintain, repair and preserve these assets is charged to the SoFA of Canal & River Trust as incurred.

Further information on the management and preservation of heritage assets is given in note 13 to the financial statements.

The Trust has two classes of heritage assets:

### 1.11.a Waterways infrastructure

Canal & River Trust maintains inland waterways that include the assets listed in note 13 to these financial statements. These waterway assets are maintained regularly as an integrated network to ensure that the waterways can be used for continuous navigation and access. The assets are referred to as the Waterways Infrastructure and are held under a perpetual trust from Defra, known as The Waterways Infrastructure Trust, which specifies that the waterways are to be held in trust and retained in perpetuity for the following purposes:

- To operate and manage the waterways infrastructure for public benefit, use and enjoyment including navigation; walking on towpaths; and for recreation or other leisure-time pursuits of the public in the interest of their health and social welfare.
- To protect and conserve, for public benefit, sites, objects and buildings of archaeological, architectural, engineering or historic interest on, in the vicinity of, or otherwise associated with the Infrastructure Property
- For public benefit, the conservation, protection and improvement of the natural environment and landscape of the Infrastructure Property

Also included within this category are a number of assets which the Trust doesn't own, but for which

## 1. Accounting policies (continued)

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agreements are in place which transfer responsibility for maintenance and inspection to the Trust. The Trust acts as Trustee for these assets.

### 1.11.b Waterway museum artefacts collections and archives

Canal & River Trust maintains many thousands of heritage artefacts in its collection and many more archive records of the construction and operation of the historic waterways. These items are held for display to the public or in secure storage facilities.

Canal & River Trust incurs significant expenditure in relation to the management and preservation of the heritage assets owned by the WIT. This expenditure is primarily day to day repairs and maintenance but elements of enhancement occur when assets are damaged or modern materials, design, or technology are applied. As this expenditure is incurred by Canal and River Trust to directly deliver its own charitable objects, this expenditure is taken to the SoFA. This spend does not represent a donation or grant to WIT and is not therefore considered for capitalisation in WIT. This reflects the branch accounting approach applied in these accounts to WIT as a linked charity as noted at 1.4.

### 1.12 Investment properties

Investment properties are measured initially at cost and subsequently at fair value at the reporting date. Valuation movements arising from the annual revaluation exercise are included within "net gains/(losses) on investment" in the SoFA. The Trust accounts for disposals of investment properties upon completion of sale or when the sale is unconditional. Where transfers are made from Operational to Investment Property, these are revalued at fair value on the day of transfer with fair value gains and losses taken to profit or loss.

### 1.13 Diversified investments

Quoted investments are stated at open market value and unquoted investments are stated at most recent underlying net asset values from fund managers, adjusted for subsequent capital calls or distributions. Both are deemed to represent the fair value of the investments. Income from the investments is recognised as 'investment income' in the General Fund. Realised and unrealised investment gains and losses were recognised as gains/losses on revaluation of diversified investments in the Protected Asset Fund, consistent with the treatment in the prior year. Following changes to the DEFRA Grant Agreement in July 2023 subsequent gains and losses were recognised within the unrestricted general fund.

### 1.14 Investment in subsidiaries

The investment in Canal & River Pension Investments LP is shown at fair value. All other investments in subsidiaries are stated at cost less impairment. All subsidiaries are held at amortised cost apart from Canal & River Pension Investment Limited Partnership which is held at fair value due to the fact that its asset comprises part of the Trust's investment portfolio and forms the Trust's pension fund partnership "PFP" (see note 25).

### 1.15 Impairment

The carrying values of the Trust's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated. The recoverable amount of an asset is the higher of fair value less costs to sell the asset and its value in use. An impairment loss is recognised as additional depreciation of the impaired asset whenever the carrying amount of an asset exceeds its recoverable amount, except in the case of investment property where it is included within recognised gains and losses on investment assets.

### 1.16 Taxation

As a registered charity, the Canal & River Trust is exempt from taxation of income and gains falling within Part 11 Corporation Tax Act 2010 or Section 256 Taxation of Chargeable Gains Act 1992 to the extent these are applied to its charitable objects.

## 1. Accounting policies (continued)

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### 1.17 Pension schemes

The Trust operates defined benefit and defined contribution pension schemes.

#### 1.17.a Defined benefit scheme

The defined benefit scheme is a multi-employer scheme with the Trust being the principal employer.

The pension liabilities and assets are recorded in line with FRS 102 section 28 'Employee Benefits,' with a valuation undertaken by an independent actuary. FRS 102 measures the value of pension assets and liabilities at the balance sheet date, determines the benefits accrued in the year and the interest on assets and liabilities. The value of benefits accrued is used to determine the pension charge in the SoFA and the net interest cost on the Fund's assets and liabilities are allocated across the appropriate incoming/outgoing resource categories. The net interest cost reflects application of the discount rate on the scheme's assets and liabilities over the course of the year.

The change in value of assets and liabilities arising from asset valuation, changes in benefits, actuarial assumptions, or change in the level of deficit attributable to members is recognised in the SoFA within actuarial gains/losses on defined benefit pension schemes.

The resulting pension fund liability or asset is shown on the balance sheet.

An accounting judgement has been taken that the Scheme's interest in Canal & River Pension Investments LP (known as the 'SLP'), which is a subsidiary of the Trust, does not represent a plan asset for the purposes of the Group consolidated financial statements because it is a financial instrument issued by the Group and therefore, has not been taken into account in arriving at the Group pension scheme deficit presented in these financial statements.

The Scheme's interest in the SLP is included in the valuation of the Scheme in the Trust's company balance sheet. The assumptions required for accounting purposes under FRS 102 differ from the assumptions used for the Scheme's Technical Provisions funding assumptions and as a result, under FRS 102, the Scheme valuation may result in a surplus position. A pension fund asset will be recognised in accordance with FRS 102 with further clarification sought from IFRIC 14 as under the Scheme trust deed and rules, the Trust has an unconditional right to its share of any surplus following the winding up of the Scheme.

#### 1.17.b Defined contribution scheme

Pension contributions are charged to the SoFA as incurred.

### 1.18 Provisions

A provision is recognised in the balance sheet when the Group has a present legal or constructive obligation because of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. The measurement of these amounts must be known, or reliably estimable, for a provision to be recognised. Due to the uncertainty associated with such estimates, there is a possibility, that on conclusion of open matters at a future date, the final outcome may differ.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. Provisions are not recognised for future operating losses.

## 1. Accounting policies (continued)

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### 1.19 Financial instruments

The Group has opted to apply the recognition and measurement provisions of IAS 39 (as adopted for use in the UK) and the disclosure requirements of FRS 102 in relation to financial instruments.

Financial assets and financial liabilities are recognised on the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument. The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for any amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset. The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled, or expire. The specific application of these principles in relation to the Trust's financial instruments means that:

- 1.19.a** Diversified investments have been designated as at fair value through SoFA.
- 1.19.b** Trade and other receivables are recognised and carried at the lower of their original invoiced value or recoverable amount. A provision is made when there is evidence that the Group will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.
- 1.19.c** Current asset investments represent investments with maturity dates of over three months at the date of acquisition and under one year and are held at fair value through SoFA.
- 1.19.d** Cash and cash equivalents comprises cash balances and short-term deposits with banks with initial maturity less than three months and are held at face value.
- 1.19.e** Trade and other payables are recorded at cost.
- 1.19.f** The Trust's investment in the SLP is measured at fair value within the Trust's entity only financial statements. The value is determined using a discounted cash flow model, based on the profit sharing conditions of the partnership agreement. This agreement states that the Trust receives the value of the properties held within the SLP less the net present value of the obligation to pay £5m per annum to the Waterways Pension Fund (WPF) until 2031 as well as a lump sum up towards any deficit at 31 March 2031 up to a maximum of £125m. The discount rate applied to the WPF interest is the mid-point between gilts and AA corporate bond.
- 1.19.g** Loan notes are assessed on issue as to whether they should be classified as being held at amortised cost or fair value through profit and loss based on the terms of the bond and in accordance with IAS 39 Financial Instruments. Those loan notes where the embedded derivative relating to the prepayment of the bond is closely related to the host contract are carried at amortised cost. The host contract on those loan notes where the embedded derivative relating to the prepayment of the bond is not closely related to the host contract is valued at amortised cost. The embedded derivative is separated out and valued at fair value through the profit and loss (within the SoFA).

### 1.20 Fund accounting

Reserve policies are set out on pages 30 to 31 of the Finance Review as well as here in the accounting policies.

The trustees have agreed how the following funds are managed, taking into account best practice and guidance from the Charity Commission.

## 1. Accounting policies (continued)

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### 1.20.a General fund

The general fund comprises unrestricted funds that are accumulated from surpluses of net income that are held specifically to fund the permitted activities of the Trust, the Trust's other charitable objects, and the Trust's statutory obligations, in each case net of the support costs and cost of ancillary activities that support, facilitate or promote that expenditure.

### 1.20.b Designated funds

Designated funds are unrestricted funds that are set aside at the discretion of the trustees for specific purposes. They would otherwise form part of the general reserves. In March 2024 the trustees agreed to create a new designated fund (the designated investment fund) to hold the assets previously held in the Protected asset fund (see 1.20.d below).

### 1.20.c Restricted income funds

The Restricted income funds are funds that have been donated to the Trust with specific restrictions on how the funds may be applied imposed by donors or by the nature of an appeal. The purpose of each restricted fund is set out in the notes to the financial statements. Restricted donations of less than £1m, unless part of a larger project, are reported in aggregate.

### 1.20.d Protected asset fund

The Protected asset fund was a restricted reserve subject to the terms of the Defra Grant Funding Agreement (dated 28 June 2012) established when the Protected Assets, as defined in that Grant Agreement, were transferred to the Trust on 2 July 2012 by the UK Government. The fund consisted of these Protected Assets, less the value of the liabilities for the Trust's borrowings and pension fund liabilities that were secured on the Protected Assets, less any other capital liabilities and creditors.

The Protected Assets were not held on legal Trust; rather they were the corporate property of Canal & River Trust, subject to contractual restrictions imposed by the Grant Agreement which permitted capital to be used for funding revenue in certain circumstances. Following changes to the Grant agreement in June 2023 these restrictions were lifted and the assets held within the Protected asset fund were transferred to the general fund and subsequently, in March 2024, to the designated investment fund.

## 2. Comparative consolidated statement of financial activities

|  |      | Restated<br>2022/23   |                       |                               |                      |
|--|------|-----------------------|-----------------------|-------------------------------|----------------------|
|  |      | Unrestricted<br>funds | Restricted<br>funds   |                               |                      |
|  | note | General<br>fund<br>£m | Income<br>funds<br>£m | Protected<br>asset fund<br>£m | Funds<br>Total<br>£m |
| <b>Income and endowments from:</b>           |      |                       |                       |                               |                      |
| Donations and legacies                       |      | -                     | 5.6                   | -                             | 5.6                  |
| Charitable activities                        | 3    | 62.1                  | 14.4                  | 0.2                           | 76.7                 |
| Other trading activities                     | 4    | 86.5                  | -                     | -                             | 86.5                 |
| Investments                                  | 5    | 47.7                  | -                     | 8.2                           | 55.9                 |
| Share of net income from joint ventures      | 16   | -                     | -                     | 0.4                           | 0.4                  |
| <b>Total Income</b>                          |      | <b>196.3</b>          | <b>20.0</b>           | <b>8.8</b>                    | <b>225.1</b>         |
| <b>Expenditure on:</b>                       |      |                       |                       |                               |                      |
| Raising funds                                | 6    | (34.4)                | -                     | (7.0)                         | (41.4)               |
| Charitable activities                        | 7    | (179.3)               | (20.1)                | (0.1)                         | (199.5)              |
| Share of net expenditure from joint ventures | 16   | -                     | -                     | (7.0)                         | (7.0)                |
| <b>Total expenditure</b>                     |      | <b>(213.7)</b>        | <b>(20.1)</b>         | <b>(14.1)</b>                 | <b>(247.9)</b>       |
| Expenditure before gains on investments      |      | (17.4)                | (0.1)                 | (5.3)                         | (22.8)               |
| Net gains/(losses) on investments            | 10   | 0.1                   | -                     | (62.0)                        | (61.9)               |
| <b>Expenditure</b>                           |      | <b>(17.3)</b>         | <b>(0.1)</b>          | <b>(67.3)</b>                 | <b>(84.7)</b>        |
| Transfers between funds                      | 22   | 10.0                  | -                     | (10.0)                        | -                    |
| <b>Other recognised losses</b>               |      |                       |                       |                               |                      |
| Actuarial losses on defined benefit schemes  | 25   | -                     | -                     | (82.4)                        | (82.4)               |
| <b>Net movement in funds</b>                 |      | <b>(7.3)</b>          | <b>(0.1)</b>          | <b>(159.7)</b>                | <b>(167.1)</b>       |
| Reconciliation of funds:                     |      |                       |                       |                               |                      |
| Total funds brought forward                  |      | 10.7                  | 1.3                   | 1,030.3                       | 1,042.3              |
| <b>Total funds carried forward</b>           |      | <b>3.4</b>            | <b>1.2</b>            | <b>870.6</b>                  | <b>875.2</b>         |

Please refer to note 28 for details of the 2022/23 restatement.

### 3. Income from charitable activities

|  | 2023/24                               |   |                           |                               |                      |
|--|---------------------------------------|---|---------------------------|-------------------------------|----------------------|
|  | Unrestricted<br>general<br>fund<br>£m | Unrestricted<br>designated<br>funds<br>£m | Restricted<br>funds<br>£m | Protected<br>asset fund<br>£m | Funds<br>Total<br>£m |
| Waterway infrastructure income                 | 8.7                                   | -   | -                         | -                             | 8.7                  |
| Third party funded projects                    | 0.6                                   | -   | 15.4                      | -                             | 16.0                 |
| Museums and attractions                        | 1.2                                   | -   | -                         | -                             | 1.2                  |
| Third party income from charitable activities  | 10.5                                  | -   | 15.4                      | -                             | 25.9                 |
| Defra grant funding                            | 52.6                                  | -   | -                         | -                             | 52.6                 |
| <b>Total income from charitable activities</b> | <b>63.1</b>                           | <b>-</b>                                  | <b>15.4</b>               | <b>-</b>                      | <b>78.5</b>          |

|  | Restated<br>2022/23                   |   |                           |                               |                      |
|--|---------------------------------------|---|---------------------------|-------------------------------|----------------------|
|  | Unrestricted<br>general<br>fund<br>£m | Unrestricted<br>designated<br>funds<br>£m | Restricted<br>funds<br>£m | Protected<br>asset fund<br>£m | Funds<br>Total<br>£m |
| Waterway infrastructure income                 | 7.8                                   | -   | -                         | -                             | 7.8                  |
| Third party funded projects                    | 0.6                                   | -   | 14.4                      | -                             | 15.0                 |
| Museums and attractions                        | 1.1                                   | -   | -                         | 0.2                           | 1.3                  |
| Third party income from charitable activities  | 9.5                                   | -   | 14.4                      | 0.2                           | 24.1                 |
| Defra grant funding                            | 52.6                                  | -   | -                         | -                             | 52.6                 |
| <b>Total income from charitable activities</b> | <b>62.1</b>                           | <b>-</b>                                  | <b>14.4</b>               | <b>0.2</b>                    | <b>76.7</b>          |

Please refer to note 28 for details of the 2022/23 restatement.

#### 4. Income from trading activities

|   | 2023/24                         |                                     |                        |                            |                   |
|---|---------------------------------|-------------------------------------|------------------------|----------------------------|-------------------|
|   | Unrestricted general fund<br>£m | Unrestricted designated funds<br>£m | Restricted funds<br>£m | Protected asset fund<br>£m | Funds Total<br>£m |
| Boating and moorings                        | 51.5                            | -                                   | -                      | -                          | 51.5              |
| Utilities and water development             | 44.9                            | -                                   | -                      | -                          | 44.9              |
| Other trading income                        | 0.7                             | -                                   | -                      | -                          | 0.7               |
| <b>Total income from trading activities</b> | <b>97.1</b>                     | <b>-</b>                            | <b>-</b>               | <b>-</b>                   | <b>97.1</b>       |

|   | 2022/23                         |                                     |                        |                            |                   |
|---|---------------------------------|-------------------------------------|------------------------|----------------------------|-------------------|
|   | Unrestricted general fund<br>£m | Unrestricted designated funds<br>£m | Restricted funds<br>£m | Protected asset fund<br>£m | Funds Total<br>£m |
| Boating and moorings                        | 47.3                            | -                                   | -                      | -                          | 47.3              |
| Utilities and water development             | 38.5                            | -                                   | -                      | -                          | 38.5              |
| Other trading income                        | 0.8                             | -                                   | -                      | -                          | 0.8               |
| <b>Total income from trading activities</b> | <b>86.5</b>                     | <b>-</b>                            | <b>-</b>               | <b>-</b>                   | <b>86.5</b>       |

#### 5. Income from investments

|  | 2023/24                         |                                     |                        |                            |                   |
|--|---------------------------------|-------------------------------------|------------------------|----------------------------|-------------------|
|  | Unrestricted general fund<br>£m | Unrestricted designated funds<br>£m | Restricted funds<br>£m | Protected asset fund<br>£m | Funds Total<br>£m |
| Investment Property income                 | 41.7                            | -                                   | -                      | 1.6                        | 43.3              |
| Dividends from diversified investment fund | 4.6                             | -                                   | -                      | -                          | 4.6               |
| Other investment income                    | 4.1                             | -                                   | -                      | -                          | 4.1               |
| Interest receivable                        | 2.2                             | -                                   | -                      | 0.1                        | 2.3               |
| <b>Total income from investments</b>       | <b>52.6</b>                     | <b>-</b>                            | <b>-</b>               | <b>1.7</b>                 | <b>54.3</b>       |

|  | 2022/23                         |                                     |                        |                            |                   |
|--|---------------------------------|-------------------------------------|------------------------|----------------------------|-------------------|
|  | Unrestricted general fund<br>£m | Unrestricted designated funds<br>£m | Restricted funds<br>£m | Protected asset fund<br>£m | Funds Total<br>£m |
| Investment Property income                 | 36.8                            | -                                   | -                      | 6.3                        | 43.1              |
| Dividends from diversified investment fund | 6.0                             | -                                   | -                      | -                          | 6.0               |
| Other investment income                    | 4.1                             | -                                   | -                      | -                          | 4.1               |
| Interest receivable                        | 0.8                             | -                                   | -                      | 1.9                        | 2.7               |
| <b>Total income from investments</b>       | <b>47.7</b>                     | <b>-</b>                            | <b>-</b>               | <b>8.2</b>                 | <b>55.9</b>       |

## 6. Expenditure on raising funds

|   | 2023/24                               |   |                           |                               |                      |
|---|---------------------------------------|---|---------------------------|-------------------------------|----------------------|
|   | Unrestricted<br>general<br>fund<br>£m | Unrestricted<br>designated<br>funds<br>£m | Restricted<br>funds<br>£m | Protected<br>asset fund<br>£m | Funds<br>Total<br>£m |
| Voluntary income                          | 4.2                                   | -   | -                         | -                             | 4.2                  |
| Boating and moorings                      | 14.0                                  | -   | -                         | -                             | 14.0                 |
| Utilities and water development           | 4.4                                   | -   | -                         | -                             | 4.4                  |
| Investment and property income            | 9.0                                   | -   | -                         | 1.3                           | 10.3                 |
| Interest payable                          | 4.4                                   | -   | -                         | -                             | 4.4                  |
| Recoverable service charges               | 6.4                                   | -   | -                         | -                             | 6.4                  |
| <b>Total expenditure on raising funds</b> | <b>42.4</b>                           | <b>-</b>                                  | <b>-</b>                  | <b>1.3</b>                    | <b>43.7</b>          |

|   | 2022/23                               |   |                           |                               |                      |
|---|---------------------------------------|---|---------------------------|-------------------------------|----------------------|
|   | Unrestricted<br>general<br>fund<br>£m | Unrestricted<br>designated<br>funds<br>£m | Restricted<br>funds<br>£m | Protected<br>asset fund<br>£m | Funds<br>Total<br>£m |
| Voluntary income                          | 3.4                                   | -   | -                         | -                             | 3.4                  |
| Boating and moorings                      | 12.8                                  | -   | -                         | -                             | 12.8                 |
| Utilities and water development           | 3.7                                   | -   | -                         | -                             | 3.7                  |
| Investment and property income            | 4.9                                   | -   | -                         | 7.0                           | 11.9                 |
| Interest payable                          | 4.4                                   | -   | -                         | -                             | 4.4                  |
| Recoverable service charges               | 5.2                                   | -   | -                         | -                             | 5.2                  |
| <b>Total expenditure on raising funds</b> | <b>34.4</b>                           | <b>-</b>                                  | <b>-</b>                  | <b>7.0</b>                    | <b>41.4</b>          |

## 7. Expenditure on charitable activities

|   | 2023/24                         |                                     |                        |                            |                   |
|---|---------------------------------|-------------------------------------|------------------------|----------------------------|-------------------|
|   | Unrestricted general fund<br>£m | Unrestricted designated funds<br>£m | Restricted funds<br>£m | Protected asset fund<br>£m | Funds Total<br>£m |
| Waterway operation, maintenance and repair        | 178.0                           | -                                   | 5.5                    | -                          | 183.5             |
| Third party funded regeneration projects          | 4.9                             | -                                   | 15.4                   | -                          | 20.3              |
| Museums and attractions                           | 3.3                             | -                                   | -                      | -                          | 3.3               |
| Net interest cost on pension liabilities          | 1.1                             | -                                   | -                      | 0.4                        | 1.5               |
| <b>Total expenditure on charitable activities</b> | <b>187.3</b>                    | <b>-</b>                            | <b>20.9</b>            | <b>0.4</b>                 | <b>208.6</b>      |

|   | Restated<br>2022/23             |                                     |                        |                            |                   |
|---|---------------------------------|-------------------------------------|------------------------|----------------------------|-------------------|
|   | Unrestricted general fund<br>£m | Unrestricted designated funds<br>£m | Restricted funds<br>£m | Protected asset fund<br>£m | Funds Total<br>£m |
| Waterway operation, maintenance and repair        | 172.2                           | -                                   | 5.7                    | -                          | 177.9             |
| Third party funded regeneration projects          | 3.7                             | -                                   | 14.4                   | -                          | 18.1              |
| Museums and attractions                           | 3.4                             | -                                   | -                      | 0.1                        | 3.5               |
| <b>Total expenditure on charitable activities</b> | <b>179.3</b>                    | <b>-</b>                            | <b>20.1</b>            | <b>0.1</b>                 | <b>199.5</b>      |

Please refer to note 28 for details of the 2022/23 restatement.

## 8. Support costs

|                                      | 2023/24          |                    |                          |             |             |
|--------------------------------------|------------------|--------------------|--------------------------|-------------|-------------|
|                                      | Governance<br>£m | Finance & IT<br>£m | Human<br>Resources<br>£m | Other<br>£m | Total<br>£m |
| Expenditure on raising funds         | 0.1              | 1.7                | 0.2                      | 0.7         | 2.7         |
| Expenditure on charitable activities | 0.6              | 11.3               | 3.3                      | 3.6         | 18.8        |
| <b>Total support costs</b>           | <b>0.7</b>       | <b>13.0</b>        | <b>3.5</b>               | <b>4.3</b>  | <b>21.5</b> |

|                                      | 2022/23          |                    |                          |             |             |
|--------------------------------------|------------------|--------------------|--------------------------|-------------|-------------|
|                                      | Governance<br>£m | Finance & IT<br>£m | Human<br>Resources<br>£m | Other<br>£m | Total<br>£m |
| Expenditure on raising funds         | 0.1              | 1.3                | 0.2                      | 0.6         | 2.2         |
| Expenditure on charitable activities | 0.6              | 11.5               | 3.0                      | 3.6         | 18.7        |
| <b>Total support costs</b>           | <b>0.7</b>       | <b>12.8</b>        | <b>3.2</b>               | <b>4.2</b>  | <b>20.9</b> |

|   | 2023/24<br>£000 | 2022/23<br>£000 |
|---|-----------------|-----------------|
| Fees payable to the auditors of Canal & River Trust:    |                 |                 |
| in respect of the charity audit                         | 320             | 320             |
| in respect of the subsidiary audits                     | 30              | 30              |
| Other non-audit services:                               |                 |                 |
| in respect of taxation compliance                       | -               | 6               |
| Fees payable to other auditors of subsidiary companies: |                 |                 |
| in respect of audit                                     | 23              | 13              |
| in respect of taxation compliance                       | 7               | 7               |
| in respect of taxation advisory                         | -               | 3               |
| <b>Total fees payable to auditors</b>                   | <b>380</b>      | <b>379</b>      |

## 9. Employee costs

No remuneration was paid to any member of the Board of Trustees.

Trustee expenses include the reimbursement by the Trust of costs incurred by its trustees in carrying out their duties and similar payments made by the Trust directly to third parties on their behalf. During the year there was £10,795 incurred by 13 trustees for travel, subsistence and accommodation (2022/23: £11,900 incurred by 12 trustees for travel, subsistence and accommodation).

**The average number of persons employed during the year on a full-time equivalent basis was:**

|   | Group             |                   |
|---|-------------------|-------------------|
|   | 2023/24<br>Number | 2022/23<br>Number |
| Investment management                       | 57                | 61                |
| Engineering, projects and repairs           | 520               | 508               |
| Operations, customer service and engagement | 975               | 1,001             |
| Museums and attractions                     | 29                | 37                |
| Support functions                           | 146               | 141               |
| <b>Total number of persons</b>              | <b>1,727</b>      | <b>1,748</b>      |

The average number of employees is calculated using the full-time equivalent method. The actual average number of employees is 1,796 (2023: 1,810).

**Total employment costs were:**

|   | Group         |               |
|---|---------------|---------------|
|   | 2023/24<br>£m | 2022/23<br>£m |
| Wages and salaries                          | 63.1          | 61.9          |
| Car cash allowances                         | 3.2           | 3.1           |
| Social security costs                       | 6.4           | 6.5           |
| Defined benefit pension costs (see note 25) | 0.8           | 0.9           |
| Defined contribution pension costs          | 5.2           | 5.0           |
| Redundancy and termination costs            | 0.4           | 0.4           |
| <b>Total employment costs</b>               | <b>79.1</b>   | <b>77.8</b>   |

Redundancy and termination payments of £0.4m (2022/23: £0.4m) were made during the year. These payments were made at the point the employee's contract was terminated and were fully paid at the year end.

## 9. Employee costs (continued)

The number of employees whose gross remuneration (including redundancy payments made) and taxable benefits, but not employer pension costs paid during the year, exceeded £60,000 and fell within the following ranges were:

|                   | 2023/24                                 |   | 2022/23                                 |   |
|-------------------|---|---|---|---|
|                   | Including redundancy payments<br>Number | Excluding redundancy payments<br>Number | Including redundancy payments<br>Number | Excluding redundancy payments<br>Number |
| £60,000-£70,000   | 69                                      | 70                                      | 41                                      | 41                                      |
| £70,001-£80,000   | 31                                      | 29                                      | 22                                      | 22                                      |
| £80,001-£90,000   | 14                                      | 14                                      | 13                                      | 13                                      |
| £90,001-£100,000  | 11                                      | 11                                      | 6                                       | 6                                       |
| £100,001-£110,000 | 7                                       | 6                                       | 7                                       | 6                                       |
| £110,001-£120,000 | 2                                       | 1                                       | 1                                       | 1                                       |
| £120,001-£130,000 | 3                                       | 3                                       | 2                                       | 2                                       |
| £150,001-£160,000 | 1                                       | 1                                       | 1                                       | 1                                       |
| £170,001-£180,000 | 2                                       | 2                                       | 1                                       | 1                                       |
| £180,001-£190,000 | -                                       | -                                       | 1                                       | 1                                       |
| £210,001-£220,000 | -                                       | -                                       | 1                                       | 1                                       |
| £220,001-£230,000 | 1                                       | 1                                       | 1                                       | 1                                       |
| £240,001-£250,000 | 1                                       | 1                                       | -                                       | -                                       |
|                   | 142                                     | 139                                     | 97                                      | 96                                      |

Contributions from the Trust to the defined contribution pension scheme in respect of 139 of the 142 (2022/23: 94 of the 97) higher paid employees amounted to £905,400 (2022/23: £637,517).

### Key management personnel

The key management personnel are the Trustees and Executive team (listed on page 106). The remuneration costs relating to key management personnel were:

|                             | 2023/24<br>£m | 2022/23<br>£m |
|-----------------------------|---------------|---------------|
| Salary (including pensions) | 1.7           | 1.5           |
| Social security costs       | 0.2           | 0.2           |
| <b>Total</b>                | <b>1.9</b>    | <b>1.7</b>    |

There were two additional members appointed to the executive committee in the 2022/23 year.

The remuneration during the year of the Chief Executive comprised a salary of £197,483 (2022/23: £195,750), pension allowance of £17,023 (2022/23: £16,874), car allowance of £9,768 (2022/23: £9,768) and benefits in kind of £2,606 (2022/23: £2,111), totalling £226,880 (2022/23: £224,503).

There was one employee whose remuneration during the year was higher than the Chief Executive. The Chief Investment Officer, received a salary of £179,292 (2022/23: £177,400), pension allowance of £15,455 (2022/23: £15,292), car allowance of £9,768 (2022/23: £9,768), performance related pay related to the 2022/23 year of £33,896 (2022/23: £8,820) and benefits in kind of £4,930 (2022/23: £3,195), totalling £243,341 (2022/23: £214,475).

## 10. Net gains/(losses) on investments

|  | 2023/24                               |   |                           |                               |                      |
|--|---------------------------------------|---|---------------------------|-------------------------------|----------------------|
|  | Unrestricted<br>general<br>fund<br>£m | Unrestricted<br>designated<br>funds<br>£m | Restricted<br>funds<br>£m | Protected<br>asset fund<br>£m | Funds<br>Total<br>£m |
| Realised gains on disposal of investment assets            | 2.3                                   | -   | -                         | 0.1                           | 2.4                  |
| Realised losses on disposal of subsidiary                  | (1.2)                                 | -   | -                         | -                             | (1.2)                |
| Unrealised losses on revaluation of investment property    | -                                     | (31.7)                                    | -                         | -                             | (31.7)               |
| Unrealised gains on revaluation of diversified investments | 9.1                                   | 7.4                                       | -                         | (0.3)                         | 16.2                 |
| <b>Net gains/(losses) on investments</b>                   | <b>10.2</b>                           | <b>(24.3)</b>                             | <b>-</b>                  | <b>(0.2)</b>                  | <b>(14.3)</b>        |

|   | 2022/23                               |   |                           |                               |                      |
|---|---------------------------------------|---|---------------------------|-------------------------------|----------------------|
|   | Unrestricted<br>general<br>fund<br>£m | Unrestricted<br>designated<br>funds<br>£m | Restricted<br>funds<br>£m | Protected<br>asset fund<br>£m | Funds<br>Total<br>£m |
| Realised gains on disposal of investment assets             | -                                     | -   | -                         | 2.8                           | 2.8                  |
| Realised gains on disposal of tangible fixed assets         | 0.1                                   | -   | -                         | -                             | 0.1                  |
| Unrealised losses on revaluation of investment property     | -                                     | -   | -                         | (61.8)                        | (61.8)               |
| Unrealised losses on revaluation of diversified investments | -                                     | -   | -                         | (3.0)                         | (3.0)                |
| <b>Net gains/(losses) on investments</b>                    | <b>0.1</b>                            | <b>-</b>                                  | <b>-</b>                  | <b>(62.0)</b>                 | <b>(61.9)</b>        |

## 11. Taxation

The Canal & River Trust is a registered charity and as such is entitled to certain tax exemptions. The Trust is entitled to exemptions on income and profits from investments, and surpluses on any trading activities carried out in furtherance of the Charity's primary objectives (provided these profits and surpluses are applied solely for charitable purposes). It is expected that the Trust's subsidiaries will gift all their profits to the Trust, normally resulting in no tax liability.

## 12. Tangible fixed assets

|   | Operational land and buildings |                 | Boats, vehicles, plant and equipment |              |
|---|--------------------------------|-----------------|--------------------------------------|--------------|
| Group and Canal & River Trust           | Freehold<br>£m                 | Leasehold<br>£m | £m                                   | Total<br>£m  |
| <b>Cost</b>                             |                                |                 |                                      |              |
| At 1 April 2023                         | 27.4                           | 0.3             | 63.7                                 | 91.4         |
| <b>Additions</b>                        | <b>0.5</b>                     | <b>0.1</b>      | <b>6.1</b>                           | <b>6.7</b>   |
| <b>Transfers to Investment property</b> | <b>(4.0)</b>                   | <b>-</b>        | <b>-</b>                             | <b>(4.0)</b> |
| <b>Disposals</b>                        | <b>-</b>                       | <b>-</b>        | <b>(2.1)</b>                         | <b>(2.1)</b> |
| <b>At 31 March 2024</b>                 | <b>23.9</b>                    | <b>0.4</b>      | <b>67.7</b>                          | <b>92.0</b>  |
| <b>Depreciation</b>                     |                                |                 |                                      |              |
| At 1 April 2023                         | 5.3                            | -               | 31.9                                 | 37.2         |
| <b>Charge for the year</b>              | <b>0.6</b>                     | <b>-</b>        | <b>4.2</b>                           | <b>4.8</b>   |
| <b>Transfers to Investment property</b> | <b>(1.6)</b>                   | <b>-</b>        | <b>-</b>                             | <b>(1.6)</b> |
| <b>Disposals</b>                        | <b>-</b>                       | <b>-</b>        | <b>(1.8)</b>                         | <b>(1.8)</b> |
| <b>At 31 March 2024</b>                 | <b>4.3</b>                     | <b>-</b>        | <b>34.3</b>                          | <b>38.6</b>  |
| <b>Net book value</b>                   |                                |                 |                                      |              |
| At 1 April 2023                         | 22.1                           | 0.3             | 31.8                                 | 54.3         |
| <b>At 31 March 2024</b>                 | <b>19.6</b>                    | <b>0.4</b>      | <b>33.4</b>                          | <b>53.4</b>  |

## 13. Heritage assets

Heritage assets are defined as tangible property with historical, artistic, scientific, technological, geophysical or environmental qualities which are held and maintained principally for their contribution to knowledge and culture. The assets within the Waterways Infrastructure Trust and the museum artefact collection and archives fall within this definition and are accordingly categorised as heritage assets.

Waterways heritage is for everyone and the heritage within the Trust's care is free to access and use. It provides an everyday, local connection to the past; a 'living museum without walls'.

Britain's network of inland waterways is one of the largest and most important heritage resources in the country. It is the prime responsibility of the Trust, as custodian, to ensure that the value of this precious, irreplaceable inheritance is understood, managed and protected – thereby securing the longevity of our historic waterways for the benefit and wellbeing of canal and towpath users alike and indeed, the benefit of future generations.

### Land & buildings – the canals and rivers comprised within the Waterways Infrastructure Trust

The Canal & River Trust is the guardian of around 2,000 miles of historic waterways across England and Wales.

Many of our waterways were built at the height of the industrial revolution and are home to 2,701 listed structures and 46 scheduled ancient monuments.

### 13. Heritage assets (continued)

The Trust is a trustee of The Waterways Infrastructure Trust and the settlement agreement between the parties contains a detailed working definition of the infrastructure property. In summary the infrastructure property includes all land and infrastructure which is necessary to (a) inland navigation on a waterway; or (b) public access to, and use of, a towpath. The following is a selection of the main principal assets (as defined by the Trust's Asset Management Plan) included in the infrastructure property:

| Asset description            | 31 March 2024<br>Length/number | 31 March 2023<br>Length/number |
|------------------------------|--------------------------------|--------------------------------|
| Canals                       | 1,568 miles                    | 1,568 miles                    |
| Rivers                       | 345 miles                      | 345 miles                      |
| Feeders                      | 120 miles                      | 120 miles                      |
| Towpaths                     | 1,710 miles                    | 1,710 miles                    |
| Aqueducts (1)                | 277                            | 279                            |
| Bridges – Accommodation (2)  | 1,642                          | 1,645                          |
| Bridges – Public Road (3)    | 872                            | 872                            |
| Bridges – Turnover (4)       | 454                            | 452                            |
| Culverts (5)                 | 1,941                          | 1,942                          |
| Major cuttings (6)           | 826                            | 828                            |
| Major embankments (7)        | 781                            | 781                            |
| Docks                        | 3                              | 3                              |
| Dry docks (8)                | 54                             | 55                             |
| Permitted waste sites (9)    | 16                             | 18                             |
| Locks                        | 1,579                          | 1,579                          |
| Pumping stations (10)        | 68                             | 69                             |
| Reservoirs                   | 71                             | 71                             |
| Sluices (11)                 | 533                            | 534                            |
| Stop/Safety/Flood Gates (12) | 69                             | 70                             |
| Tunnels (13)                 | 57                             | 55                             |
| Canal weirs (14)             | 665                            | 666                            |
| River weirs (15)             | 128                            | 129                            |
| Weir-ed locks                | 83                             | 83                             |
| Boat lifts (Navigation)      | 1                              | 1                              |

The following are other classifications of the infrastructure assets many of which are also recorded in the principal assets listed above:

|  |       |       |
|--|-------|-------|
| Historic battlefields                        | 6     | 6     |
| Listed buildings (16)                        | 2,701 | 2,706 |
| Scheduled ancient monuments                  | 46    | 46    |
| Sites of Special Scientific Interest (SSSIs) | 63    | 63    |

### 13. Heritage assets (continued)

The records of the assets managed by the Trust are maintained by the Infrastructure and Property team using a detailed database that captures the asset type as well as detail regarding the asset location, dimensions and condition that is used in the ongoing planned maintenance, repair and improvement program. Through the general management of the large network, when these assets are physically visited the records are updated accordingly, which can include changes in classification of existing assets, removal of assets decommissioned or the addition of assets not previously recognised. This is an ongoing exercise and changes in the reported numbers are expected year on year.

- 1) Aqueducts – two assets reclassified as Culverts.
- 2) Accommodation Bridges – being a net decrease of three assets; a decrease of five assets and an increase of two. The decrease of five assets being three assets identified as no longer in the Trust's ownership, one reclassified as a Towpath Turnover Bridge and one asset removed. The two additions arise from a reclassification from Public Road Bridges and one newly identified asset as being in the Trust's ownership.
- 3) Public Road Bridges – one asset reclassified to Accommodation Bridges, one asset reclassified from Culverts.
- 4) Towpath/Turnover Bridges – one asset reclassified from Accommodation Bridges and one asset identified in the year as meeting the definition.
- 5) Culverts – being a net decrease of one; a decrease of five assets and an increase of four. The decrease of five assets being assets identified as no longer in the Trust's ownership. The four additions being two reclassified as Culverts from Aqueducts and two newly identified asset as being in the Trust's ownership.
- 6) Major Cuttings – a decrease of two assets, with one asset removed and one asset reclassified as a Minor cutting.
- 7) Major Embankments – one asset newly identified as being in the Trust's ownership and one reclassified as a Minor Embankments.
- 8) Dry Docks – one asset removed as no longer in the Trust's ownership.
- 9) Permitted Waste Sites – a decrease of two as sites are no longer active.
- 10) Pumping Stations – one asset removed as no longer in the Trust's ownership.
- 11) Sluices – being a net decrease of one asset, a decrease of six assets and an increase of five. The decrease of six assets being not meeting the definition and the increase of five being four identified as being in the Trust's ownership and one reclassified from Weir.
- 12) Stop/Safety/Flood Gates – one asset identified as no longer in use.
- 13) Tunnels – two newly identified assets meeting the definition.
- 14) Canal weirs – being a net decrease of one asset, a decrease of three assets and an increase of two. The decrease of three assets is two no longer meeting the definition and one being reclassified as a Sluice. The increase of two assets is one meeting the definition and one new asset.
- 15) River Weirs – one asset identified as no longer in the Trust's ownership.
- 16) Listed buildings – being a net decrease of five assets, with four assets being sold/leased, two decreases being correction of data and one increase with clarification of the Trust's ownership.

#### Museum artefact collections and archives

The Trust cares for many thousands of artefacts which are designated by the Arts Council as of national significance. The collection contains over 80 historic boats – many of which are listed on the Historic Ships Register – tools, machinery, memorabilia, decorative arts, paintings and social history items. These items are held for public display at the National Waterways Museums (Ellesmere Port & Gloucester) and other Canal & River Trust attractions and locations.

The Waterways Archive consists of historic records, images, maps, plans, oral history, film and digital media and has historical, scientific and technological significance.

Both collections are maintained by the Trust to preserve the culture, knowledge and enjoyment of our inland waterways for the public benefit today and for generations to come.

## 14. Investment property

|  | Group          |                 |               | Canal & River Trust |                 |               |
|--|----------------|-----------------|---------------|---------------------|-----------------|---------------|
|  | Freehold<br>£m | Leasehold<br>£m | Total<br>£m   | Freehold<br>£m      | Leasehold<br>£m | Total<br>£m   |
| <b>Carrying value (fair value)</b>         |                |                 |               |                     |                 |               |
| At 1 April 2023                            | 637.0          | 74.6            | 711.6         | 493.3               | 74.3            | 567.6         |
| <b>Additions</b>                           | <b>7.8</b>     | <b>0.3</b>      | <b>8.1</b>    | <b>7.8</b>          | <b>0.3</b>      | <b>8.1</b>    |
| <b>Transfers from Operational property</b> | <b>2.4</b>     | <b>-</b>        | <b>2.4</b>    | <b>2.4</b>          | <b>-</b>        | <b>2.4</b>    |
| <b>Disposals</b>                           | <b>(8.2)</b>   | <b>(0.1)</b>    | <b>(8.3)</b>  | <b>(8.1)</b>        | <b>(0.1)</b>    | <b>(8.2)</b>  |
| <b>Revaluation</b>                         | <b>(26.4)</b>  | <b>(5.3)</b>    | <b>(31.7)</b> | <b>(28.1)</b>       | <b>(5.3)</b>    | <b>(33.4)</b> |
| <b>At 31 March 2024</b>                    | <b>612.6</b>   | <b>69.5</b>     | <b>682.1</b>  | <b>467.3</b>        | <b>69.2</b>     | <b>536.5</b>  |

The investment properties have a historical cost of £596.0m (2022/23: £596.9m) and accumulated depreciation of £147.0m (2022/23: £133.7m).

Investment properties are valued annually and included at valuation on an open market basis. Avison Young, a regulated firm of Chartered Surveyors, carried out a valuation of the top 100 properties by value as well as a quarter of all other properties (together approximately 96% by value in total) as at 31 March 2024. The remaining properties were valued by qualified surveyors employed by the Trust.

Valuations are carried out in accordance with the guidance set out in the Royal Institute of Chartered Surveyors (RICS) Global Valuation Standards effective from 31 January 2022 (the Red book) and the RICS UK national supplement effective from 14 January 2019. The properties have been valued on the basis of Fair Value as adopted by the International Accounting Standards Board (IASB) in IFRS 13 and accepted as a definition by the RICS Global Valuation Standards effective from 31 January 2022: "The price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date." The properties have been valued individually and not as a portfolio.

## 15. Diversified investment funds

### a) Movement on diversified income funds

| Group and Canal & River Trust |                               |               |                          |               |               |               |
|-------------------------------|-------------------------------|---------------|--------------------------|---------------|---------------|---------------|
|                               | Non-property income portfolio |               | Unrestricted income fund |               | Total         |               |
|                               | 2023/24<br>£m                 | 2022/23<br>£m | 2023/24<br>£m            | 2022/23<br>£m | 2023/24<br>£m | 2022/23<br>£m |
| At 1 April                    | 295.2                         | 289.9         | -                        | 25.9          | 295.2         | 315.8         |
| Withdrawals                   | (7.7)                         | (11.5)        | -                        | (10.2)        | (7.7)         | (21.7)        |
| Transfers                     | -                             | 15.7          | -                        | (15.7)        | -             | -             |
| Dividend income               | 4.6                           | 5.8           | -                        | -             | 4.6           | 5.8           |
| Investment management costs   | (1.7)                         | (1.7)         | -                        | -             | (1.7)         | (1.7)         |
| Revaluation                   | 16.2                          | (3.0)         | -                        | -             | 16.2          | (3.0)         |
| <b>At 31 March</b>            | <b>306.6</b>                  | <b>295.2</b>  | <b>-</b>                 | <b>-</b>      | <b>306.6</b>  | <b>295.2</b>  |

### b) Disclosure of asset classes within diversified income funds

| Group and Canal & River Trust |                               |                        |
|-------------------------------|-------------------------------|------------------------|
|                               | Non-property income portfolio |                        |
|                               | 31 March<br>2024<br>£m        | 31 March<br>2023<br>£m |
| Multi asset funds             | 83.4                          | 87.6                   |
| Bonds                         | 2.2                           | 2.4                    |
| Private debt                  | 65.5                          | 66.7                   |
| Credit                        | 7.9                           | 3.0                    |
| Global equities               | 19.0                          | 17.7                   |
| Private equity funds          | 113.3                         | 108.2                  |
| Absolute return               | 4.3                           | 2.9                    |
| Cash                          | 11.0                          | 6.7                    |
| <b>At 31 March</b>            | <b>306.6</b>                  | <b>295.2</b>           |

### c) Current asset investments

|                                  | Group               |                     | Canal & River Trust |                     |
|----------------------------------|---------------------|---------------------|---------------------|---------------------|
|                                  | 31 March 2024<br>£m | 31 March 2023<br>£m | 31 March 2024<br>£m | 31 March 2023<br>£m |
| Funds held on short-term deposit | 10.0                | 2.7                 | 10.0                | -                   |

Current asset investments represent funds held by the Trust which are not for the purposes of long-term investment return, but instead complement cash holdings used for ordinary operating and investing activities.

## 16. Investments

### Subsidiaries

| Canal & River Trust                             |               |               |
|---|---------------|---------------|
|   | 2023/24<br>£m | 2022/23<br>£m |
| <b>Investments in subsidiaries:</b>             |               |               |
| At 1 April                                      | 81.1          | 94.1          |
| Fair value adjustment for investment in the SLP | -             | (10.1)        |
| Impairment of investment in subsidiaries        | -             | (3.1)         |
| Disposals of investment                         | (2.0)         | -             |
| Other adjustments                               | (0.1)         | 0.2           |
| <b>At 31 March</b>                              | <b>79.0</b>   | <b>81.1</b>   |

All subsidiaries are held at amortised cost apart from Canal & River Pension Investments Limited Partnership which is held at a fair value of £24.4m (2022/23: £24.4m).

The contribution of subsidiary companies to the Trust's funds in the year to 31 March 2024 was as follows:

|  | Company<br>number | Income<br>£m | Expenditure<br>£m | Net income<br>before other<br>recognised<br>gains and<br>losses*<br>£m | Net assets/<br>(liabilities) at<br>31 March 2024<br>£m |
|--|-------------------|--------------|-------------------|--|--|
| Canal & River Trading CIC                  | 8069602           | 0.4          | (0.2)             | 0.2  | 36.6   |
| Canal & River Pension Investments LP (SLP) | SL010965**        | 6.2          | (0.1)             | 6.1  | 84.9   |
| Canal & River Pension Partner Limited      | SC426937          | -            | -                 | -  | 59.2   |
| Other minor subsidiaries                   |                   | -            | -                 | -  | (1.9)  |
|  |                   | 6.6          | (0.3)             | 6.3  | 178.8  |

## 16. Investments (continued)

The contribution of subsidiary companies to the Trust's funds in the year to 31 March 2023 was as follows:

|   | Company number | Income<br>£m | Expenditure<br>£m | Net income<br>before other<br>recognised<br>gains and<br>losses*<br>£m | Net assets/<br>(liabilities) at<br>31 March 2023<br>£m |
|---|----------------|--------------|-------------------|--|--|
| Canal & River Trading CIC                             | 8069602        | 0.5          | (0.4)             | 0.1  | 34.9   |
| Canal & River Pension Investments LP (SLP)            | SL010965**     | 6.1          | -                 | 6.1  | 84.4   |
| Canal & River Pension Partner Limited                 | SC426937       | -            | -                 | -  | 59.2   |
| Canal & River Reinsurance Designated Activity Company | 384229         | -            | -                 | -  | 2.5  |
| Other minor subsidiaries                              |                | -            | -                 | -  | (1.9)  |
|   |                | 6.6          | (0.4)             | 6.2  | 179.1  |

\* Amount shown is before qualifying charitable donations to parent.

\*\* Limited partnership registration number.

The above subsidiaries are wholly owned by the Trust and are registered and operate within the United Kingdom, with the exception of Canal & River Reinsurance Designated Activity Company which is registered in and operates in the Republic of Ireland and was disposed of during the year, giving rise to a loss on disposal of £1.2m.

### Joint ventures

|                                       | Group         |               |
|---------------------------------------|---------------|---------------|
|                                       | 2023/24<br>£m | 2022/23<br>£m |
| <b>Investments in joint ventures:</b> |               |               |
| At 1 April                            | 4.6           | 14.0          |
| Loans advanced                        | 9.8           | 6.6           |
| Loans repaid                          | (5.2)         | (9.2)         |
| Share of profits                      | 1.1           | 0.4           |
| Share of losses                       | (0.1)         | (7.0)         |
| Dividends paid                        | (0.2)         | (0.2)         |
| <b>At 31 March</b>                    | <b>10.0</b>   | <b>4.6</b>    |

## 16. Investments (continued)

The Group's share of assets and liabilities of joint ventures, which are included in the consolidated financial statements, are as follows:

|                                   | 2023/24<br>£m | 2022/23<br>£m |
|-----------------------------------|---------------|---------------|
| Fixed assets                      | 1.5           | 2.4           |
| Current assets                    | 23.1          | 15.0          |
| <b>Share of gross assets</b>      | <b>24.6</b>   | <b>17.4</b>   |
| Current liabilities               | (14.6)        | (12.8)        |
| <b>Share of gross liabilities</b> | <b>(14.6)</b> | <b>(12.8)</b> |
| <b>Share of net assets</b>        | <b>10.0</b>   | <b>4.6</b>    |

The Group's share of income from joint ventures was £20.3m (2023: £24.7m) and share of expenditure was £19.2m (2023: £31.3m). All income arises from investment in property developments.

All joint ventures are unlisted and are registered and operate in the United Kingdom. Apart from Roundhouse Birmingham (held in the Trust), all investments in joint ventures are held in Canal & River Trading CIC, a wholly owned subsidiary of the Trust and all have year ends of 31 December.

The profit and loss for the year is calculated based on financial statements prepared by the joint ventures adjusted using management accounts. The Trust's share of profit and loss for the year of each joint venture was as follows:

|  | Profit/(loss)<br>for the year<br>£m | Equity<br>interest<br>held*<br>% | Main activity                 |
|--|-------------------------------------|----------------------------------|-------------------------------|
| <b>Joint ventures</b>                      |                                     |                                  |                               |
| Waterside Places (General Partner) Limited | 1.0                                 | 50                               | Property development          |
| H2O Urban LLP                              | 0.1                                 | 50                               | Property development          |
| Paddington Basin Business Barges Ltd       | -                                   | 49                               | Office management             |
| Roundhouse Birmingham                      | (0.1)                               | 50                               | Heritage attraction operation |

\* Whilst the Trust retains a 49% shareholding in Paddington Basin Business Ltd, the voting rights and profit share is 50:50.

## 17. Debtors

### Amounts falling due within one year

|  | Group               |                     | Canal & River Trust |                     |
|--|---------------------|---------------------|---------------------|---------------------|
|  | 31 March 2024<br>£m | 31 March 2023<br>£m | 31 March 2024<br>£m | 31 March 2023<br>£m |
| Trade debtors                            | 33.9                | 36.2                | 33.8                | 34.4                |
| Prepayments and accrued income           | 23.4                | 26.5                | 24.6                | 27.6                |
| Other debtors                            | 6.0                 | 6.0                 | 6.2                 | 6.0                 |
| <b>Total debtors due within one year</b> | <b>63.3</b>         | <b>68.7</b>         | <b>64.6</b>         | <b>68.0</b>         |

### Amounts falling due after more than one year

|   | Group               |                     | Canal & River Trust |                     |
|---|---------------------|---------------------|---------------------|---------------------|
|   | 31 March 2024<br>£m | 31 March 2023<br>£m | 31 March 2024<br>£m | 31 March 2023<br>£m |
| Prepayments and accrued income                    | 2.7                 | 2.7                 | 2.7                 | 2.7                 |
| Other debtors                                     | 10.9                | 9.9                 | 5.2                 | 4.5                 |
| <b>Total debtors due after more than one year</b> | <b>13.6</b>         | <b>12.6</b>         | <b>7.9</b>          | <b>7.2</b>          |

## 18. Creditors

### Amounts falling due within one year

|  | Group               |                     | Canal & River Trust |                     |
|--|---------------------|---------------------|---------------------|---------------------|
|  | 31 March 2024<br>£m | 31 March 2023<br>£m | 31 March 2024<br>£m | 31 March 2023<br>£m |
| Trade creditors                            | 13.9                | 9.6                 | 13.9                | 9.6                 |
| Accruals                                   | 17.3                | 23.6                | 14.8                | 21.0                |
| Deferred income (note 19)                  | 47.6                | 46.5                | 46.2                | 45.1                |
| Other amounts owed to Group undertakings   | -                   | -                   | 13.6                | 17.9                |
| Taxation and Other Social Security         | 3.2                 | 2.9                 | 2.9                 | 2.9                 |
| Other creditors                            | 4.6                 | 6.5                 | 4.5                 | 6.4                 |
| <b>Total creditors due within one year</b> | <b>86.6</b>         | <b>89.1</b>         | <b>95.9</b>         | <b>102.9</b>        |

### Amounts falling due after more than one year

|   | Group               |                     | Canal & River Trust |                     |
|---|---------------------|---------------------|---------------------|---------------------|
|   | 31 March 2024<br>£m | 31 March 2023<br>£m | 31 March 2024<br>£m | 31 March 2023<br>£m |
| Loan notes  | 150.0               | 150.0               | 150.0               | 150.0               |
| Deferred income (note 19)                           | 2.0                 | 2.6                 | 2.0                 | 2.6                 |
| Other creditors                                     | 0.6                 | 0.7                 | 0.7                 | 0.9                 |
| <b>Total creditors due after more than one year</b> | <b>152.6</b>        | <b>153.3</b>        | <b>152.7</b>        | <b>153.5</b>        |

£150.0m (2023: £150.0m) of creditors fall due after more than five years.

The Trust holds a £150.0m private placement of loan notes to aid its broader investment strategy. The notes are repayable in three £50.0m tranches in 2043, 2048 and 2053 with respective fixed interest rates of 2.85%, 2.83% and 3.01%.

The private placement loan notes are considered to be non-basic as they include an embedded derivative under the scope of IAS 39. The embedded derivative is designated as a financial instrument at fair value through profit and loss (FVTPL) rather than being valued at historic cost less impairment.

## 19. Deferred income

| Group                                 |                       |                |                |                        |
|---------------------------------------|-----------------------|----------------|----------------|------------------------|
|                                       | At 1 April 2023<br>£m | Released<br>£m | Deferred<br>£m | At 31 March 2024<br>£m |
| Rental income in advance              | 22.2                  | (22.2)         | 22.9           | 22.9                   |
| Boat licences and moorings in advance | 21.1                  | (21.1)         | 22.3           | 22.3                   |
| Other deferred income                 | 5.8                   | (4.3)          | 2.9            | 4.4                    |
| <b>Total current and long term</b>    | <b>49.1</b>           | <b>(47.6)</b>  | <b>48.1</b>    | <b>49.6</b>            |

| Group                                 |                       |                |                |                        |
|---------------------------------------|-----------------------|----------------|----------------|------------------------|
|                                       | At 1 April 2022<br>£m | Released<br>£m | Deferred<br>£m | At 31 March 2023<br>£m |
| Rental income in advance              | 21.2                  | (20.4)         | 21.4           | 22.2                   |
| Boat licences and moorings in advance | 19.6                  | (18.5)         | 20.0           | 21.1                   |
| Other deferred income                 | 5.7                   | (4.6)          | 4.7            | 5.8                    |
| <b>Total current and long term</b>    | <b>46.5</b>           | <b>(43.5)</b>  | <b>46.1</b>    | <b>49.1</b>            |

| Canal & River Trust                   |                       |                |                |                        |
|---------------------------------------|-----------------------|----------------|----------------|------------------------|
|                                       | At 1 April 2023<br>£m | Released<br>£m | Deferred<br>£m | At 31 March 2024<br>£m |
| Rental income in advance              | 20.8                  | (20.2)         | 20.6           | 21.2                   |
| Boat licences and moorings in advance | 21.1                  | (21.1)         | 22.3           | 22.3                   |
| Other deferred income                 | 5.7                   | (5.3)          | 4.3            | 4.7                    |
| <b>Total current and long term</b>    | <b>47.6</b>           | <b>(46.6)</b>  | <b>47.2</b>    | <b>48.2</b>            |

| Canal & River Trust                   |                       |                |                |                        |
|---------------------------------------|-----------------------|----------------|----------------|------------------------|
|                                       | At 1 April 2022<br>£m | Released<br>£m | Deferred<br>£m | At 31 March 2023<br>£m |
| Rental income in advance              | 19.8                  | (19.0)         | 20.0           | 20.8                   |
| Boat licences and moorings in advance | 19.6                  | (18.5)         | 20.0           | 21.1                   |
| Other deferred income                 | 5.7                   | (4.6)          | 4.6            | 5.7                    |
| <b>Total current and long term</b>    | <b>45.1</b>           | <b>(42.1)</b>  | <b>44.6</b>    | <b>47.6</b>            |

## 20. Provisions

| Group               |                          |                   |            |               |                |                           |
|---------------------|--------------------------|-------------------|------------|---------------|----------------|---------------------------|
|                     | At 1 April<br>2023<br>£m | Transferred<br>£m | Paid<br>£m | Charged<br>£m | Released<br>£m | At 31 March<br>2024<br>£m |
| Reservoir provision | 30.7                     | -                 | (20.1)     | 35.8          | (1.1)          | 45.3                      |
| Other provisions    | 4.9                      | -                 | (1.0)      | 2.0           | (1.9)          | 4.0                       |
|                     | 35.6                     | -                 | (21.1)     | 37.8          | (3.0)          | 49.3                      |

| Group               |                          |                   |            |               |                |                           |
|---------------------|--------------------------|-------------------|------------|---------------|----------------|---------------------------|
|                     | At 1 April<br>2022<br>£m | Transferred<br>£m | Paid<br>£m | Charged<br>£m | Released<br>£m | At 31 March<br>2023<br>£m |
| Reservoir provision | 29.5                     | (1.7)             | (17.9)     | 21.2          | (0.4)          | 30.7                      |
| Other provisions    | 5.8                      | 1.7               | (1.7)      | 2.4           | (3.3)          | 4.9                       |
|                     | 35.3                     | -                 | (19.6)     | 23.6          | (3.7)          | 35.6                      |

| Canal & River Trust |                          |                   |            |               |                |                           |
|---------------------|--------------------------|-------------------|------------|---------------|----------------|---------------------------|
|                     | At 1 April<br>2023<br>£m | Transferred<br>£m | Paid<br>£m | Charged<br>£m | Released<br>£m | At 31 March<br>2024<br>£m |
| Reservoir provision | 30.7                     | -                 | (20.1)     | 35.8          | (1.1)          | 45.3                      |
| Other provisions    | 4.7                      | -                 | (0.8)      | 2.0           | (1.9)          | 4.0                       |
|                     | 35.4                     | -                 | (20.9)     | 37.8          | (3.0)          | 49.3                      |

| Canal & River Trust |                          |                   |            |               |                |                           |
|---------------------|--------------------------|-------------------|------------|---------------|----------------|---------------------------|
|                     | At 1 April<br>2022<br>£m | Transferred<br>£m | Paid<br>£m | Charged<br>£m | Released<br>£m | At 31 March<br>2023<br>£m |
| Reservoir provision | 29.0                     | (1.2)             | (17.9)     | 21.2          | (0.4)          | 30.7                      |
| Other provisions    | 5.6                      | 1.2               | (1.7)      | 2.9           | (3.3)          | 4.7                       |
|                     | 34.6                     | -                 | (19.6)     | 24.1          | (3.7)          | 35.4                      |

## 20. Provisions (continued)

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### Reservoir provision

The reservoir provision is the estimated cost of remedial or rectification works required to the Trust's infrastructure assets. The amount provided represents the estimated cost of future works that the Trust is legally or constructively obliged to perform as a result of conditions present at the balance sheet date.

The reservoir provision comprises the following elements:

- 1) £17.9m repair cost to the Toddbrook Reservoir (2023: £14.0m)

During 2019/20 an incident at Toddbrook Reservoir required immediate emergency rectification, following which a full review was carried out to assess the requirements to complete full restoration works and the estimated costs. The Trust has a constructive obligation to carry out the repair work as it has publicised its intention to do so including sharing plans of the completed project. The repair work started in 2020/21 and remains ongoing. The estimated future costs of works yet to be completed has been assessed and reflected in the provision as at 31 March 2024.

Activity during the year utilised £8.2m of the brought forward provision and there has been £12.1m of new requirements provided for during the year. The repair costs provided for are planned to be delivered in the 2024/25 year.

- 2) £27.4m costs for action reported under s10 Reservoirs Act 1975 (2023: £16.7m)

In its capacity as Undertaker (under the 1975 Reservoirs Act) for the reservoirs it manages, the Trust arranges independent reservoir inspections, as required by the Act, by All Reservoir Panel Engineers, who report to the Trust and the Environment agency (as the regulator for reservoirs in England) on the condition and safety of the reservoir. Following the publication of a report issued under section 10 of the Reservoir Act the Trust has a legal obligation to carry out the required works raised as Measures in the interest Of Safety (MIOS). Following receipt of the report the Trust establishes a project to address the requirements, including an estimate of the likely costs to satisfactory completion based on internally costed models or quoted delivery proposals from third parties. Where a reliable estimate is available a provision is recognised for the estimated costs for the work to be delivered in future periods.

During the year the Trust has recognised £22.5m of new provisions related to requirements outlined in new reports published up to 31 March 2024. £11.8m of the previously provided cost has been utilised in line with work delivered during the year.

### Other provisions

These are provisions which are principally for property, motor and public liability claims against the Trust.

## 21. Financial instruments

|   | Group               |                     | Canal & River Trust |                     |
|---|---------------------|---------------------|---------------------|---------------------|
|   | 31 March 2024<br>£m | 31 March 2023<br>£m | 31 March 2024<br>£m | 31 March 2023<br>£m |
| <b>Financial assets that are debt instruments measured at amortised cost:</b> |                     |                     |                     |                     |
| Investments in subsidiaries   | -                   | -                   | 54.7                | 56.7                |
| Cash  | 23.9                | 35.4                | 18.4                | 31.9                |
| Current asset investments   | 10.0                | 2.7                 | 10.0                | -                   |
| Trade debtors   | 33.9                | 36.2                | 33.8                | 34.4                |
| Other debtors   | 17.1                | 16.0                | 11.2                | 10.6                |
|   | 84.9                | 90.3                | 128.1               | 133.5               |
| <b>Financial liabilities measured at amortised cost:</b>                      |                     |                     |                     |                     |
| Trade creditors   | 13.9                | 9.6                 | 13.9                | 9.6                 |
| Accruals  | 17.3                | 23.6                | 14.8                | 21.0                |
| Other amounts owed to Group undertakings                                      | -                   | -                   | 13.6                | 17.9                |
| Other creditors   | 5.3                 | 7.3                 | 5.4                 | 7.3                 |
| Loan notes  | 150.0               | 150.0               | 150.0               | 150.0               |
|   | 186.5               | 190.4               | 197.7               | 205.8               |
| <b>Financial assets measured at fair value through profit and loss:</b>       |                     |                     |                     |                     |
| Investments in subsidiaries   | -                   | -                   | 24.4                | 24.4                |
| Investment property   | 682.1               | 711.6               | 536.2               | 567.6               |
| Diversified investment funds  | 306.6               | 295.2               | 306.6               | 295.2               |
|   | 988.7               | 1,006.7             | 867.2               | 887.2               |

## 22. Movement in funds

|  | Group                 |                           |                       |                                  | Total<br>£m |
|--|-----------------------|---------------------------|-----------------------|----------------------------------|-------------|
|  | Unrestricted funds    |                           | Restricted funds      |                                  |             |
|  | General<br>fund<br>£m | Designated<br>funds<br>£m | Income<br>funds<br>£m | Protected<br>asset<br>fund<br>£m |             |
| At 1 April 2023                                    | 3.4                   | -                         | 1.2                   | 870.6                            | 875.2       |
| Income   | 213.9                 | -                         | 21.7                  | 1.7                              | 237.3       |
| Expenditure  | (229.8)               | -                         | (20.9)                | (1.7)                            | (252.4)     |
| Transfer to General fund                           | 870.4                 | -                         | -                     | (870.4)                          | -           |
| Transfer to Designated funds                       | (863.0)               | 863.0                     | -                     | -                                | -           |
| Gains/(losses) on investments                      | 10.2                  | (24.3)                    | -                     | (0.2)                            | (14.3)      |
| SLP contribution to Pension Fund                   | (5.0)                 | 5.0                       | -                     | -                                | -           |
| Actuarial losses on defined benefit pension scheme | -                     | (12.9)                    | -                     | -                                | (12.9)      |
| At 31 March 2024                                   | 0.1                   | 830.8                     | 2.0                   | -                                | 832.9       |

|  | Restated Group     |                        |                    |                            |             |
|--|--------------------|------------------------|--------------------|----------------------------|-------------|
|  | Unrestricted funds |                        | Restricted funds   |                            |             |
|  | General fund<br>£m | Designated funds<br>£m | Income funds<br>£m | Protected asset fund<br>£m | Total<br>£m |
| At 1 April 2022  | 2.8                | 7.9                    | 1.3                | 1,030.3                    | 1,042.3     |
| Income   | 196.3              | -                      | 20.0               | 8.8                        | 225.1       |
| Expenditure  | (213.7)            | -                      | (20.1)             | (14.1)                     | (247.9)     |
| Gift aid receivable, dividends and other transfers from subsidiaries | 9.2                | -                      | -                  | (9.2)                      | -           |
| Transfer to General fund   | 5.8                | -                      | -                  | (5.8)                      | -           |
| Transfer from Designated funds                                       | 7.9                | (7.9)                  | -                  | -                          | -           |
| Gains/(losses) on investments  | 0.1                | -                      | -                  | (62.0)                     | (61.9)      |
| SLP contribution to Pension Fund                                     | (5.0)              | -                      | -                  | 5.0                        | -           |
| Actuarial losses on defined benefit pension scheme                   | -                  | -                      | -                  | (82.4)                     | (82.4)      |
| At 31 March 2023   | 3.4                | -                      | 1.2                | 870.6                      | 875.2       |

Please refer to note 28 for details of the 2022/23 restatement.

## 22. Movement in funds (continued)

| Canal & River Trust  |                    |                        |                    |                            |              |
|--|--------------------|------------------------|--------------------|----------------------------|--------------|
|  | Unrestricted funds |                        | Restricted funds   |                            |              |
|  | General fund<br>£m | Designated funds<br>£m | Income funds<br>£m | Protected asset fund<br>£m | Total<br>£m  |
| At 1 April 2023  | 11.2               | -                      | 1.2                | 827.8                      | 840.2        |
| Income   | 207.1              | -                      | 21.7               | -                          | 228.8        |
| Expenditure  | (223.4)            | -                      | (20.9)             | 0.1                        | (244.2)      |
| Gift aid receivable, dividends and other transfers from subsidiaries | 1.2                | -                      | -                  | -                          | 1.2          |
| Transfer to General fund   | 827.7              | -                      | -                  | (827.7)                    | -            |
| Transfer to Designated funds   | (826.7)            | 826.7                  | -                  | -                          | -            |
| Gains/(losses) on investments  | 11.2               | (25.6)                 | -                  | (0.2)                      | (14.6)       |
| SLP contribution to Pension Fund                                     | (5.0)              | 5.0                    | -                  | -                          | -            |
| Actuarial losses on Defined Benefit Pension Scheme                   | -                  | (23.8)                 | -                  | -                          | (23.8)       |
| <b>At 31 March 2024</b>  | <b>3.3</b>         | <b>782.3</b>           | <b>2.0</b>         | <b>-</b>                   | <b>787.6</b> |

| Restated<br>Canal & River Trust                                      |                    |                        |                    |                            |              |
|--|--------------------|------------------------|--------------------|----------------------------|--------------|
|  | Unrestricted funds |                        | Restricted funds   |                            |              |
|  | General fund<br>£m | Designated funds<br>£m | Income funds<br>£m | Protected asset fund<br>£m | Total<br>£m  |
| At 1 April 2022  | 10.5               | 7.9                    | 1.3                | 974.0                      | 993.7        |
| Income   | 196.3              | -                      | 20.0               | 1.3                        | 217.6        |
| Expenditure  | (213.7)            | -                      | (20.1)             | -                          | (233.8)      |
| Gift aid receivable, dividends and other transfers from subsidiaries | 9.2                | -                      | -                  | -                          | 9.2          |
| Transfer to General fund   | 13.7               | (13.7)                 | -                  | -                          | -            |
| Transfer to Protected asset fund                                     | (5.0)              | -                      | -                  | 5.0                        | -            |
| Gains/(losses) on investments  | 0.2                | -                      | -                  | (55.9)                     | (55.7)       |
| SLP contribution to Pension Fund                                     | -                  | 5.8                    | -                  | (5.8)                      | -            |
| Actuarial losses on defined benefit pension scheme                   | -                  | -                      | -                  | (90.8)                     | (90.8)       |
| <b>At 31 March 2023</b>  | <b>11.2</b>        | <b>-</b>               | <b>1.2</b>         | <b>827.8</b>               | <b>840.2</b> |

Please refer to note 28 for details of the 2022/23 restatement.

## 22. Movement in funds (continued)

The designated funds include the following designated reserves which have been set aside for specific purposes:

|  | Group                             |                                     |                                 |
|--|-----------------------------------|-------------------------------------|---------------------------------|
|  | Major asset<br>failure fund<br>£m | Designated<br>investment fund<br>£m | Total designated<br>funds<br>£m |
| At 1 April 2023                                    | -                                 | -                                   | -                               |
| Transfer from General fund                         | -                                 | 868.0                               | 868.0                           |
| Losses on investments                              | -                                 | (24.3)                              | (24.3)                          |
| Actuarial losses on Defined Benefit Pension Scheme | -                                 | (12.9)                              | (12.9)                          |
| <b>At 31 March 2024</b>                            | <b>-</b>                          | <b>830.8</b>                        | <b>830.8</b>                    |

|                          | Group                             |                                 |
|--------------------------|-----------------------------------|---------------------------------|
|                          | Major asset<br>failure fund<br>£m | Total designated<br>funds<br>£m |
| At 1 April 2022          | 7.9                               | 7.9                             |
| Transfer to General fund | (7.9)                             | (7.9)                           |
| <b>At 31 March 2023</b>  | <b>-</b>                          | <b>-</b>                        |

In June 2023 the Trust transferred the assets of the previously restricted 'Protected asset fund' to the General fund following changes to the Defra agreement as explained in Accounting Policy 1.19.d, and in March 2024 the Trustees designated these assets with the name of the Designated investment fund. The Designated investment fund has been established to maintain the value of the income generating assets used by the Trust to fund ongoing infrastructure expenditure and to preserve these assets for the future.

|  | Canal & River Trust               |  |                                 |
|--|-----------------------------------|--|---------------------------------|
|  | Major asset<br>failure fund<br>£m | Designated<br>investment<br>fund<br>£m | Total designated<br>funds<br>£m |
| At 1 April 2023                                    | -                                 | -                                      | -                               |
| Transfer from General fund                         | -                                 | 831.7                                  | 831.7                           |
| Losses on investments                              | -                                 | (25.6)                                 | (25.6)                          |
| Actuarial losses on Defined Benefit Pension Scheme | -                                 | (23.8)                                 | (23.8)                          |
| <b>At 31 March 2024</b>                            | <b>-</b>                          | <b>782.3</b>                           | <b>782.3</b>                    |

|                          | Canal & River Trust               |                                 |
|--------------------------|-----------------------------------|---------------------------------|
|                          | Major asset<br>failure fund<br>£m | Total designated<br>funds<br>£m |
| At 1 April 2022          | 7.9                               | 7.9                             |
| Transfer to General fund | (7.9)                             | (7.9)                           |
| <b>At 31 March 2023</b>  | <b>-</b>                          | <b>-</b>                        |

## 22. Movement in funds (continued)

Restricted income funds comprise:

| Group and Canal & River Trust |                                  |              |                   |                                   |
|-------------------------------|----------------------------------|--------------|-------------------|-----------------------------------|
|                               | Balance at<br>1 April 2023<br>£m | Income<br>£m | Expenditure<br>£m | Balance at<br>31 March 2024<br>£m |
| Friends fund                  | -                                | 3.5          | (3.0)             | 0.5                               |
| Third party funded projects   | -                                | 15.4         | (15.4)            | -                                 |
| People's Postcode Lottery     | 0.6                              | 2.6          | (2.5)             | 0.7                               |
| Other specific project funds  | 0.6                              | 0.2          | -                 | 0.8                               |
| <b>Total</b>                  | 1.2                              | 21.7         | (20.9)            | 2.0                               |

| Restated<br>Group and Canal & River Trust |                                  |              |                   |                                   |
|---|----------------------------------|--------------|-------------------|-----------------------------------|
|   | Balance at<br>1 April 2022<br>£m | Income<br>£m | Expenditure<br>£m | Balance at<br>31 March 2023<br>£m |
| Friends fund                              | -                                | 2.8          | (2.8)             | -                                 |
| Third party funded projects               | -                                | 14.4         | (14.4)            | -                                 |
| People's Postcode Lottery                 | 0.7                              | 2.5          | (2.6)             | 0.6                               |
| Other specific project funds              | 0.6                              | 0.2          | (0.2)             | 0.6                               |
| <b>Total</b>                              | 1.3                              | 19.9         | (20.0)            | 1.2                               |

Funds are restricted on the basis of activity type, activity within a defined geographical area or on a specific project basis. Funds are recorded as expended when they are transferred to meet the relevant expenditure being incurred.

All donations made to the Trust without any specific local or project specific restriction are added to the Friends fund from which expenditure is directed only to waterway maintenance, restoration or education activities.

Restricted funds with donations less than £1m are shown in one aggregate total as "Other specific project funds". At 31 March 2024 there were 64 (2023: 59) separate funds within this total.

The Friends fund is held within Canal & River Trust and the Group, whilst all other funds are held within the Group.

Please refer to note 28 for details of the 2022/23 restatement.

## 23. Analysis of net assets by fund

Net assets are analysed between funds as follows:

| As at 31 March 2024                                      | Group                 |                           | Group                 |                               | Total<br>£m  |
|--|-----------------------|---------------------------|-----------------------|-------------------------------|--------------|
|  | Unrestricted funds    |                           | Restricted funds      |                               |              |
|  | General<br>fund<br>£m | Designated<br>funds<br>£m | Income<br>funds<br>£m | Protected<br>asset fund<br>£m |              |
| Tangible fixed assets                                    | 33.4                  | 20.0                      | -                     | -                             | 53.4         |
| Investments  | -                     | 998.7                     | -                     | -                             | 998.7        |
| Current assets   | 105.2                 | 5.1                       | 2.0                   | -                             | 112.3        |
| Current liabilities                                      | (86.5)                | (0.1)                     | -                     | -                             | (86.6)       |
| Creditors – amounts falling due after more than one year | (2.6)                 | (150.0)                   | -                     | -                             | (152.6)      |
| Provisions   | (49.3)                | -                         | -                     | -                             | (49.3)       |
| Pension liability  | (0.1)                 | (42.9)                    | -                     | -                             | (43.0)       |
| <b>Total net assets</b>                                  | <b>0.1</b>            | <b>830.8</b>              | <b>2.0</b>            | <b>-</b>                      | <b>832.9</b> |

| As at 31 March 2023                                      | Group                 |                           | Group                 |                               | Total<br>£m  |
|--|-----------------------|---------------------------|-----------------------|-------------------------------|--------------|
|  | Unrestricted funds    |                           | Restricted funds      |                               |              |
|  | General<br>fund<br>£m | Designated<br>funds<br>£m | Income<br>funds<br>£m | Protected<br>asset fund<br>£m |              |
| Tangible fixed assets                                    | 31.9                  | -                         | -                     | 22.4                          | 54.3         |
| Investments  | -                     | -                         | -                     | 1,011.4                       | 1,011.4      |
| Current assets   | 96.0                  | -                         | 1.2                   | 23.9                          | 121.1        |
| Current liabilities                                      | (85.6)                | -                         | -                     | (3.5)                         | (89.1)       |
| Creditors – amounts falling due after more than one year | (3.3)                 | -                         | -                     | (150.0)                       | (153.3)      |
| Provisions   | (35.5)                | -                         | -                     | (0.1)                         | (35.6)       |
| Pension liability  | (0.1)                 | -                         | -                     | (33.5)                        | (33.6)       |
| <b>Total net assets</b>                                  | <b>3.4</b>            | <b>-</b>                  | <b>1.2</b>            | <b>870.6</b>                  | <b>875.2</b> |

## 23. Analysis of net assets by fund (continued)

| As at 31 March 2024                                      | Canal & River Trust |                        |                    |                            |              |
|--|---------------------|------------------------|--------------------|----------------------------|--------------|
|  | Unrestricted funds  |                        | Restricted funds   |                            |              |
|  | General fund<br>£m  | Designated funds<br>£m | Income funds<br>£m | Protected asset fund<br>£m | Total<br>£m  |
| Tangible fixed assets                                    | 33.4                | 20.0                   | -                  | -                          | 53.4         |
| Investments  | -                   | 922.2                  | -                  | -                          | 922.2        |
| Current assets   | 91.0                | -                      | 2.0                | -                          | 93.0         |
| Current liabilities                                      | (69.0)              | (17.5)                 | -                  | -                          | (86.5)       |
| Creditors – amounts falling due after more than one year | (2.7)               | (150.0)                | -                  | -                          | (152.7)      |
| Provisions   | (49.3)              | -                      | -                  | -                          | (49.3)       |
| Pension (liability)/asset                                | (0.1)               | 7.6                    | -                  | -                          | 7.5          |
| <b>Total net assets</b>                                  | <b>3.3</b>          | <b>782.3</b>           | <b>2.0</b>         | <b>-</b>                   | <b>787.6</b> |

| As at 31 March 2023                                      | Canal & River Trust |                        |                    |                            |              |
|--|---------------------|------------------------|--------------------|----------------------------|--------------|
|  | Unrestricted funds  |                        | Restricted funds   |                            |              |
|  | General fund<br>£m  | Designated funds<br>£m | Income funds<br>£m | Protected asset fund<br>£m | Total<br>£m  |
| Tangible fixed assets                                    | 31.9                | -                      | -                  | 22.4                       | 54.3         |
| Investments  | -                   | -                      | -                  | 943.9                      | 943.9        |
| Current assets   | 107.6               | -                      | 1.2                | -                          | 108.8        |
| Current liabilities                                      | (89.3)              | -                      | -                  | (13.6)                     | (102.9)      |
| Creditors – amounts falling due after more than one year | (3.5)               | -                      | -                  | (150.0)                    | (153.5)      |
| Provisions   | (35.4)              | -                      | -                  | -                          | (35.4)       |
| Pension (liability)/asset                                | (0.1)               | -                      | -                  | 25.1                       | 25.0         |
| <b>Total net assets</b>                                  | <b>11.2</b>         | <b>-</b>               | <b>1.2</b>         | <b>827.8</b>               | <b>840.2</b> |

## 24. Operating lease commitments

### Operating lease agreements where the Group is lessee

Future minimum rentals payable under non-cancellable operating leases are as follows:

|                             | Group               |                     | Canal & River Trust |                     |
|-----------------------------|---------------------|---------------------|---------------------|---------------------|
|                             | 31 March 2024<br>£m | 31 March 2023<br>£m | 31 March 2024<br>£m | 31 March 2023<br>£m |
| <b>Leasehold properties</b> |                     |                     |                     |                     |
| Within one year             | 1.0                 | 0.9                 | 1.0                 | 0.9                 |
| Within two to five years    | 3.6                 | 3.1                 | 3.6                 | 3.1                 |
| In more than five years     | 99.6                | 99.8                | 99.6                | 99.8                |
|                             | <b>104.2</b>        | <b>103.7</b>        | <b>104.2</b>        | <b>103.7</b>        |

During the year £1.4m (2023: £1.4m) was charged to the SoFA in respect of leasehold property rentals.

### Operating lease agreements where the Group is lessor

Future minimum rentals receivable under non-cancellable rental agreements are as follows:

|                              | Group               |                                 | Canal & River Trust |                                 |
|------------------------------|---------------------|---------------------------------|---------------------|---------------------------------|
|                              | 31 March 2024<br>£m | Restated<br>31 March 2023<br>£m | 31 March 2024<br>£m | Restated<br>31 March 2023<br>£m |
| <b>Investment Properties</b> |                     |                                 |                     |                                 |
| Within one year              | 38.8                | 37.4                            | 32.7                | 31.4                            |
| Within two to five years     | 127.7               | 126.9                           | 103.5               | 102.7                           |
| Within six to 100 years      | 937.0               | 945.4                           | 362.3               | 370.6                           |
| In more than 100 years       | 1,782.8             | 1,791.1                         | 949.3               | 951.6                           |
| <b>Other</b>                 |                     |                                 |                     |                                 |
| Within one year              | 16.9                | 16.3                            | 16.9                | 16.3                            |
| Within two to five years     | 41.5                | 43.6                            | 41.5                | 43.6                            |
| Within six to 100 years      | 421.7               | 383.8                           | 421.7               | 383.8                           |
| In more than 100 years       | 307.4               | 268.3                           | 307.4               | 268.3                           |
|                              | <b>3,673.8</b>      | <b>3,612.8</b>                  | <b>2,235.3</b>      | <b>2,168.3</b>                  |

Amounts receivable under operating leases are calculated to the next contractual break date or the full term where there is no contractual break clause.

The total contingent rent recognised as income during the year was £2.9m (2023: £4.0m).

The leasing arrangements relate to a portfolio of commercial properties for rent, all of which are located in the UK.

Excluded from the above analysis are those rental agreements held under a tenancy at will basis.

The 2022/23 figures for investment properties lessor across the commitment periods ranging from within one year to over 100 years have been restated due to a misstatement in the prior year in calculating the amounts receivable for one of the leases.

## 25. Pension and other post – retirement benefits

|  | Group               |                     | Canal & River Trust |                     |
|--|---------------------|---------------------|---------------------|---------------------|
|  | 31 March 2024<br>£m | 31 March 2023<br>£m | 31 March 2024<br>£m | 31 March 2023<br>£m |
| Defined benefit pension fund (deficit)/surplus | (42.9)              | (33.5)              | 7.6                 | 25.1                |
| Other post-retirement benefits                 | (0.1)               | (0.1)               | (0.1)               | (0.1)               |
| <b>Employee benefit (liability)/asset</b>      | <b>(43.0)</b>       | <b>(33.6)</b>       | <b>7.5</b>          | <b>25.0</b>         |

### Pension fund (deficit)/surplus – defined benefit pension

The defined benefit scheme, known as the Waterways Pension Fund (WPF or the Scheme), is a multi-employer scheme with the Trust being the principal employer. Other participating employers now include British Waterways Board (trading as Scottish Canals) and OCS Group UK Limited. The Scheme closed to future accrual on 30 September 2016 for employees of the Trust and the other participating employers at that time.

In accordance with the terms of the transfer from British Waterways, Scottish Canals is liable to make a fair share and proportionate contribution, as determined by the scheme actuary from time to time, towards any deficit that exceeds the valuation deficit as at the transfer date of 2 July 2012. Any future recovery of deficit attributable to Scottish Canals is under a contractual arrangement with the Trust.

Contributions to the Scheme are agreed between the Trust and the trustees of the WPF, after advice from the Scheme Actuary, as part of the triennial actuarial valuation of the Scheme. The last triennial valuation of the Scheme was carried out as at 31 March 2022. As at that date the market value of the Scheme's assets (excluding members' additional voluntary contributions) amounted to £658m and the value placed upon the benefits that had accrued to members was £622m. The Scheme was therefore £36m in surplus and 106% funded on an on-going basis. The market value of the Fund's investment in Canal & River Pension Investments LP (SLP) (see below for more details) is included within the valuation of the Fund's assets.

As the SLP provides an annual income of £5m until 31 March 2031 and a lump sum on cessation, which could give rise to proceeds over and above the market value at valuation date, additional contributions were not deemed to be required to eliminate the deficit at the valuation date. The next triennial actuarial valuation will be carried out as at 31 March 2025.

On 9 July 2012, the Trust made a special contribution of £106.0m to the WPF pursuant to the creation of a pension funding partnership (SLP) with the Trust. The Scheme invested £106.0m in the SLP, a limited partnership registered in Scotland. The Scheme will remain invested in this partnership until 8 July 2031 at which point the Scheme's investment will be redeemed. The redemption value of the investment will be the lower of £125.0m or the valuation deficit in the Scheme at that time, with a minimum value of £0.01m, as assessed by the Scheme Actuary on a Technical Provisions basis. The Scheme is entitled to an annual distribution income from this investment of £5.0m per annum. In the year to 31 March 2024 the Scheme received £5.0m of income from the SLP investment.

An accounting judgement has been taken that the Scheme's £50.5m (2022/23: £58.6m) interest in the SLP, which is a subsidiary of the Trust, does not represent a plan asset for the purposes of the Group consolidated financial statements because it is a non-transferable financial instrument issued by the Group and therefore, has not been taken into account in arriving at the Group pension scheme surplus/deficit presented in the Group consolidated financial statements.

The exclusion of the Scheme's interest in the SLP from the Scheme's assets results in a deficit of £42.9m in the Group financial statements. The Scheme's interest in the SLP is included in the valuation of the Scheme in Canal & River Trust's company balance sheet.

## 25. Pension and other post – retirement benefits (continued)

The assumptions required for accounting purposes, under FRS 102 differ from the assumptions used for the Scheme's technical provisions funding assumptions, and as a result, under FRS 102, the Scheme valuation for accounting purposes is different to the actuarial valuation. A SLP asset has been recognised in accordance with FRS 102 with further clarification sought from IFRIC 14 as under the Scheme trust deed and rules, the Trust has an unconditional right to its share of any surplus following the winding up of the Scheme.

The valuation of the Scheme used for FRS 102, section 28 'Retirement benefits' disclosures has been based on the most recent actuarial valuation of the WPF at 31 March 2022 and updated to 31 March 2024 by independent qualified actuaries from Lane Clark & Peacock LLP. The liabilities attributed to the Trust reflect the Trust's share of liabilities in the WPF.

The key assumptions used are as follows:

|   | 31 March 2024   | 31 March 2023   |
|---|---|---|
| Discount rate   | 4.80%   | 4.70%   |
| Rate of increase in salaries  | 3.40%   | 3.50%   |
| Rate of increase for majority of pensions in payment and deferred pensions* | 2.70%   | 2.80%   |
| Rate of CPI inflation   | 2.70%   | 2.80%   |
| Tax free cash   | Members are assumed to take 25% of their pension as tax free cash<br>92.5% of S3PMA_H (males)<br>92.5% of S3PFA_H (females) | Members are assumed to take 25% of their pension as tax free cash<br>95% of S3PMA_H (males)<br>95% of S3PFA_H (females) |
| Post retirement mortality assumption  | CMI 2022 model, long term rate of improvement 1.25% (smoothing factor 7.0)<br>Initial improvements of 0.00%                 | CMI 2021 model, long term rate of improvement 1.25% (smoothing factor 7.0)<br>Initial improvements of 0.00%             |

\* The rate of increase for the career average re-valued earnings (post 2011) benefits are capped at 2.5%.

Using the adopted mortality tables, the future life expectancy at the normal retirement age of 63 is as follows:

|                          | 31 March 2024 | 31 March 2023 |
|--------------------------|---------------|---------------|
| Male currently aged 43   | 22.9          | 23.2          |
| Female currently aged 43 | 26.6          | 26.8          |
| Male currently aged 63   | 21.4          | 21.7          |
| Female currently aged 63 | 25.0          | 25.3          |

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

| Assumption            | Change in assumption                         | Impact on scheme liabilities                           |
|-----------------------|--|--|
| Discount rate         | Increase by 0.1%<br>Decrease by 0.1%         | Decrease by 1.3% (£5.4m)<br>Increase 1.3% (£5.4m)      |
| CPI rate of inflation | Increase by 0.1%<br>Decrease by 0.1%         | Increase by 1.0% (£4.2m)<br>Decrease by 1.0% (£4.2m)   |
| Life expectancy       | Increase by one year<br>Decrease by one year | Increase by 3.2% (£13.7m)<br>Decrease by 3.2% (£13.7m) |

## 25. Pension and other post – retirement benefits (continued)

Amounts recognised in the Consolidated Statement of Financial Activities (SoFA):

|  | Group                       |                             |
|--|-----------------------------|-----------------------------|
|  | Year to 31 March 2024<br>£m | Year to 31 March 2023<br>£m |
| Administration expenses                            | (0.8)                       | (0.9)                       |
| Interest cost                                      | (20.0)                      | (15.1)                      |
| Interest on assets                                 | 18.5                        | 16.3                        |
| <b>Amount charged within net income</b>            | <b>(2.3)</b>                | <b>0.3</b>                  |
| Actuarial loss                                     | (12.9)                      | (82.4)                      |
| <b>Amount charged within net movement in funds</b> | <b>(15.2)</b>               | <b>(82.1)</b>               |

Amounts recognised in the balance sheet:

|  | Group         |               | Canal & River Trust |              |
|--|---------------|---------------|---------------------|--------------|
|  | 2024<br>£m    | 2023<br>£m    | 2024<br>£m          | 2023<br>£m   |
| Equities                               | 12.5          | 3.4           | 12.5                | 3.4          |
| Corporate bonds                        | 112.5         | 110.6         | 112.5               | 110.6        |
| LDI (Liability Driven Investment)      | 170.0         | 199.2         | 170.0               | 199.2        |
| Property funds                         | 30.5          | 33.2          | 30.5                | 33.2         |
| Diversified growth funds               | 30.0          | 25.8          | 30.0                | 25.8         |
| Investment in property interest in SLP | -             | -             | 50.5                | 58.6         |
| Other growth assets                    | 21.1          | 13.7          | 21.1                | 13.7         |
| Cash & liquidity funds                 | 8.0           | 12.1          | 8.0                 | 12.1         |
| <b>Total fair value of assets</b>      | <b>384.6</b>  | <b>398.0</b>  | <b>435.1</b>        | <b>456.6</b> |
| Present value of scheme liabilities    | (427.5)       | (431.5)       | (427.5)             | (431.5)      |
| <b>(Deficit)/surplus in the scheme</b> | <b>(42.9)</b> | <b>(33.5)</b> | <b>7.6</b>          | <b>25.1</b>  |

The actual return on the Scheme's assets during the year was a £1.7m profit (2023: £177.7m loss) for the Group and a £6.4m loss (2023: £184.3m loss) for the Trust.

FRS 102 requires all Scheme assets to be valued at fair value for accounting purposes. As at 31 March 2024, the fair value of the Scheme's investment in the SLP was £50.5m (2023: £58.6m).

## 25. Pension and other post – retirement benefits (continued)

### Changes in scheme assets

|                                  | Group         |               | Canal & River Trust |               |
|----------------------------------|---------------|---------------|---------------------|---------------|
|                                  | 2023/24<br>£m | 2022/23<br>£m | 2023/24<br>£m       | 2022/23<br>£m |
| At 1 April                       | 398.0         | 589.6         | 456.6               | 654.8         |
| Interest on scheme assets        | 18.5          | 16.3          | 21.3                | 18.1          |
| Principal employer contributions | 5.8           | 6.0           | 5.8                 | 6.0           |
| Benefits paid and expenses       | (20.9)        | (19.9)        | (20.9)              | (19.9)        |
| Revaluation loss                 | (16.8)        | (194.0)       | (27.7)              | (202.4)       |
| <b>At 31 March</b>               | <b>384.6</b>  | <b>398.0</b>  | <b>435.1</b>        | <b>456.6</b>  |

### Changes in scheme liabilities

|                    | Group          |                | Canal & River Trust |                |
|--------------------|----------------|----------------|---------------------|----------------|
|                    | 2023/24<br>£m  | 2022/23<br>£m  | 2023/24<br>£m       | 2022/23<br>£m  |
| At 1 April         | (431.5)        | (547.0)        | (431.5)             | (547.0)        |
| Interest cost      | (20.0)         | (15.1)         | (20.0)              | (15.1)         |
| Benefits paid      | 20.1           | 19.0           | 20.1                | 19.0           |
| Actuarial gain     | 3.9            | 111.6          | 3.9                 | 111.6          |
| <b>At 31 March</b> | <b>(427.5)</b> | <b>(431.5)</b> | <b>(427.5)</b>      | <b>(431.5)</b> |

### Movement in (deficit)/surplus in the scheme during the year

|                                   | Group         |               | Canal & River Trust |               |
|-----------------------------------|---------------|---------------|---------------------|---------------|
|                                   | 2023/24<br>£m | 2022/23<br>£m | 2023/24<br>£m       | 2022/23<br>£m |
| At 1 April                        | (33.5)        | 42.6          | 25.1                | 107.8         |
| Expenses recognised in SoFA       | (2.3)         | 0.3           | 0.5                 | 2.1           |
| Contributions                     | 5.8           | 6.0           | 5.8                 | 6.0           |
| Actuarial loss recognised in SoFA | (12.9)        | (82.4)        | (23.8)              | (90.8)        |
| <b>At 31 March</b>                | <b>(42.9)</b> | <b>(33.5)</b> | <b>7.6</b>          | <b>25.1</b>   |

### Defined contribution pension plan

The defined contribution plan is a pension plan under which the Trust pays fixed contributions to Standard Life. The Trust has no legal or constructive obligations to pay further contributions. The amount of employer contributions (net of salary sacrifice contributions) is disclosed in note 9 in these financial statements. There were no material amounts owing or prepaid at 31 March 2024.

## 26. Capital commitments

Capital expenditure for which the Trust had contracted at 31 March 2024 was £0.2m (2023: £0.3m) relating to tangible fixed assets and £0.3m (2023: £1.2m) relating to the commitment to purchase investment property.

These commitments fall due within one year.

## 27. Related party transactions

The Trust has considered the disclosure requirements of the SORP for charities and FRS 102, section 33 'Related Party Disclosures' and believes that the following related party transaction, which was made on an arm's length basis, requires disclosure:

Jennie Price, Trustee, is the Chair of The Scout Association. In 2023/24 the Trust raised an invoice for £25,200 (2023: £25,200) to The Scout Association for services provided. As at 31 March 2024 £25,200 was unpaid (2023: £25,200).

Ian Peters, Trustee, is the Non-Executive Chair of IMServ Limited. In 2023/24 the Trust paid £9,839 (2023: £11,732) to IMServ Limited for services provided.

Stuart Mills, Chief Investment Officer, was a director of Sustrans Ltd, until 20 January 2024. In 2023/24 the Trust received £3,966,997 (2023: £706,381) from Sustrans Ltd for services provided and paid £nil (2023: £nil) to Sustrans Ltd for services provided for the period 1 April 2023 to 20 January 2024. These receipts were principally for towpath improvements funded from the Sustrans Ltd Paths for Everyone programme.

There were no other related party transactions between the Trust and any of the trustees or executive directors during the year.

Related party transactions of the above nature are permitted under Article 4.4.3 of the Trust's Articles. The Board were aware of these transactions and agreed to their continuation. There were no amounts written off in relation to the above transactions.

No other trustees received any remuneration or other benefits from the Trust.

|   | Amount<br>receivable<br>during the year<br>to 31 March 2024<br>£m | Amount<br>receivable during<br>the year to<br>31 March 2023<br>£m | Amount<br>receivable/<br>(payable) at<br>31 March 2024<br>£m | Amount<br>receivable/<br>(payable) at<br>31 March 2023<br>£m |
|---|---|---|--|--|
| Transactions with joint ventures                              |   |   |  |  |
| Property sales and investment<br>activity with joint ventures | 1.4   | 0.1   | -  | -  |
| Other significant transactions<br>with joint ventures         | 0.1   | 0.1   | -  | -  |
|   | 1.5   | 0.2   | -  | -  |

The table above excludes capital and loan investments in joint ventures which are detailed in note 16 in these financial statements.

|   | Amount<br>receivable<br>during the year<br>to 31 March 2024<br>£m | Amount<br>receivable during<br>the year to 31<br>March 2023<br>£m | Amount<br>receivable/<br>(payable) at<br>31 March 2024<br>£m | Amount<br>receivable/<br>(payable) at<br>31 March 2023<br>£m |
|---|---|---|--|--|
| Transactions with subsidiaries                            |   |   |  |  |
| <b>Canal &amp; River Trading CIC</b>                      |   |   |  |  |
| Qualifying charitable donations                           | -   | 8.1   | -  | -  |
| <b>Canal &amp; River Pension<br/>Investments LP (SLP)</b> |   |   |  |  |
| Profit share payments                                     | 1.2   | 1.1   | -  | -  |
|   | 1.2   | 9.2   | -  | -  |

Further details on our subsidiaries can be found in note 16 to these financial statements.

## 28. Prior period restatement in respect of the classification of income and expenditure on third party funded projects

The 2022/23 figures for charitable income and expenditure have been restated due to a classification misstatement in the prior year. £14.4m of both income and expenditure relating to third party funded projects has been reclassified as restricted rather than unrestricted funds.

|                                    | 31 March 2023<br>Previously reported |                                  | 31 March 2023<br>Restated          |                                  |
|------------------------------------|--------------------------------------|----------------------------------|------------------------------------|----------------------------------|
|                                    | Unrestricted<br>general fund<br>£m   | Restricted<br>Income funds<br>£m | Unrestricted<br>general fund<br>£m | Restricted<br>Income funds<br>£m |
| <b>Income and endowments from:</b> |                                      |                                  |                                    |                                  |
| Charitable activities              | 76.5                                 | -                                | 62.1                               | 14.4                             |
| <b>Expenditure on:</b>             |                                      |                                  |                                    |                                  |
| Charitable activities              | (193.7)                              | (5.7)                            | (179.3)                            | (20.1)                           |

# Membership of the Board of Trustees, Executive Team, Council and Committees

## Board of Trustees as at April 2023 – March 2024

|                     | Title        | Appointed      | Term                 | Committee Membership   |
|---------------------|--------------|----------------|----------------------|--|
| David Orr CBE       | Chair        | September 2022 | First Term           | Joint Council & Board Appointments Committee   |
| Dame Jenny Abramsky | Deputy Chair | September 2016 | Third                | Joint Council & Board Appointments Committee ( <i>Chair</i> ), Audit & Risk Committee          |
| Nigel Annett CBE    | Trustee      | September 2016 | Third                | Infrastructure Committee ( <i>Chair</i> ), Audit & Risk Committee, Investment Committee        |
| Janet Hogben        | Trustee      | September 2016 | Third                | Joint Council & Board Appointments Committee, Remuneration Committee, Infrastructure Committee |
| Sir Chris Kelly     | Trustee      | September 2017 | Third                | Audit & Risk Committee ( <i>Chair</i> ), Infrastructure Committee                              |
| Bronagh Kennedy     | Trustee      | September 2022 | First                | Remuneration Committee, Audit & Risk Committee   |
| Ian Peters          | Trustee      | September 2022 | First                | Investment Committee ( <i>Chair</i> )  |
| Jennie Price CBE    | Trustee      | September 2018 | Second               | Audit & Risk Committee, Infrastructure Committee   |
| Tim Reeve           | Trustee      | September 2016 | Third                |  |
| Chris Fellingham    | Trustee      | September 2023 | First Term           | Investment Committee   |
| Sir James Bevan     | Trustee      | September 2023 | First Term           | Infrastructure Committee, Remuneration Committee   |
| Sarah Whitney       | Trustee      | September 2018 | Until September 2023 | Investment Committee ( <i>Chair</i> )  |
| Susan Wilkinson     | Trustee      | September 2017 | Until September 2023 | Remuneration Committee   |

## Executive Team

|                    | Role  |
|--------------------|---|
| Richard Parry      | Chief Executive                               |
| Heather Clarke     | Strategy & Impact Director                    |
| Steve Dainty       | Finance Director                              |
| Tom Deards         | Legal & Governance Director                   |
| Maggie Gardner     | Director of Fundraising                       |
| Anne Gardner-Aston | Director of Health & Safety                   |
| Malcolm Horne      | Chief Infrastructure & Programmes Officer     |
| Stuart Mills       | Chief Investment Officer                      |
| Karen Seth         | People Director                               |
| Julie Sharman      | Chief Operating Officer                       |
| Susie Mather       | Director of Communications & External Affairs |

# Council Members as at 31 March 2024

## Elected Members

|                   |  |
|-------------------|--|
| Boating Business  | Heather Duncan <i>(until January 2024)</i>       |
|                   | Carl Onens <i>(until January 2024)</i>           |
|                   | Paul Donnelly <i>(from January 2024)</i>         |
|                   | Lucy Waldron <i>(from January 2024)</i>          |
| Private Boating   | Tim Allen <i>(until January 2024)</i>            |
|                   | Phil Prettyman <i>(until January 2024)</i>       |
|                   | Helen Hutt <i>(until January 2024)</i>           |
|                   | Dave Mendes da Costa <i>(until January 2024)</i> |
|                   | Penelope Barber <i>(from January 2024)</i>       |
|                   | Fiona Burt <i>(from January 2024)</i>            |
|                   | Rosie Strickland <i>(from January 2024)</i>      |
| Volunteers        | Scott Martin <i>(from January 2024)</i>          |
|                   | Ian McCarthy <i>(until January 2024)</i>         |
|                   | David Williams <i>(until January 2024)</i>       |
|                   | Nigel Branston <i>(from January 2024)</i>        |
| Angling/Fisheries | Trevor Clark <i>(from January 2024)</i>          |
|                   | David Kent                                       |
| Friends           | Stella Ridgway <i>(until January 2024)</i>       |
|                   | Brian Williams <i>(from January 2024)</i>        |
| Employee          | John Ellis <i>(until January 2024)</i>           |
|                   | Aaron Atwal <i>(from January 2024)</i>           |

## Nominated Members

|                              |   |   |
|------------------------------|---|---|
| Co-opted                     | Duncan MacKay <i>(until January 2024)</i>       |   |
|                              | Tracey Clarke <i>(until January 2024)</i>       |   |
|                              | Louis Howell <i>(until January 2024)</i>        |   |
|                              | Danielle Obe <i>(from January 2024)</i>         | Black Swimming Association                                |
|                              | Robyn MacPherson <i>(from January 2024)</i>     | Friends   |
| Private Boating              | Ben Seal  | Paddle UK   |
|                              | Andrew Phasey                                   | Association of Waterway Cruising Clubs                    |
| Inland Waterways Association | Jonathan Edwards                                |   |
|                              | Sue O'Hara <i>(from January 2024)</i>           |   |
| Other supporters             | Mark Riches                                     | Country Land & Business Association                       |
|                              | Heather Clatworthy <i>(from January 2024)</i>   | Ramblers  |
|                              | Sophie Gordon                                   | Cycling UK  |
|                              | Dunnan Dollimore <i>(from January 2024)</i>     |   |
|                              | Tim West  | Commercial Boat Operators Association                     |
| Historic Environment         | Dr Nigel Crowe                                  | Institute of Historic Building Conversation               |
|                              | Patrick Moss                                    | Railway & Canal Historical Society                        |
| Natural Environment          | Terry Fuller <i>(until January 2024)</i>        | Chartered Institute of Water and Environmental Management |
|                              | Paul Shaffer <i>(from January 2024)</i>         |   |
|                              | Ali Morse                                       | The Wildlife Trusts                                       |
| Local Government             | Cllr Peter Thornton <i>(until January 2024)</i> | Local Government Association                              |
|                              | Cllr Paul Dennett <i>(from January 2024)</i>    |   |
|                              | Graeme McDonald                                 | Society of Local Authority Chief Executives               |
| Disability                   | Tracey Clarke <i>(from January 2024)</i>        | Accessible Waterways Association                          |
| Youth Engagement             | David Watts <i>(from January 2024)</i>          | UK Youth  |

## Regional Advisory Boards Chairs

|                       |   |
|-----------------------|---|
| East Midlands         | Anil Majitha  |
| London & Southeast    | Sir Peter Dixon   |
| Northwest             | Prof Nigel Weatherill <i>(until September 2023)</i><br>Dharma Kouvvi <i>(from September 2023)</i> |
| Southwest             | David Hagg <i>(until March 2023)</i><br>John Podmore <i>(from September 2023)</i>                 |
| West Midlands         | John Hudson OBE   |
| Yorkshire & Northeast | Helen Grantham  |
| Bwrdd Glandŵr Cymru   | Steve Thomas CBE  |

## Bwrdd Glandŵr Cymru as at 31 March 2024

|                                 |
|---------------------------------|
| Steve Thomas CBE <i>(Chair)</i> |
| Phil Hughes                     |
| Peter Ogden                     |
| Paul Thomas                     |
| Celia Jenkins                   |
| Owen Davies                     |

## Regional Advisory Board as at 31 March 2024

|                        |  |
|------------------------|--|
| East Midlands          | Anil Majithia <i>(Chair)</i>                                   |
|                        | Terry Cavender   |
|                        | Nigel Cooke  |
|                        | Ahtesham Mahmood   |
|                        | Andy Oughton   |
|                        | Kamla Pattni   |
|                        | Adrian Honeybill   |
| London & South East    | Sir Peter Dixon <i>(Chair)</i>                                 |
|                        | David Brough   |
|                        | Louis Howell   |
|                        | Matthew Hunt   |
|                        | Loraine Butler   |
| North West             | Prof Nigel Weatherill DL <i>(Chair) (until September 2023)</i> |
|                        | Dharma Kovurri <i>(Chair) (from September 2023)</i>            |
|                        | Gerry Proctor MBE  |
|                        | Rt Hon Sir Robert Atkins                                       |
|                        | Lukman Patel   |
| South West             | David Hagg <i>(Chair until March 2023)</i>                     |
|                        | John Podmore <i>(Chair from September 2023)</i>                |
|                        | David Fearn  |
|                        | Bryony Houlden   |
|                        | Mary Hutton  |
|                        | Julian Atkins  |
| West Midlands          | John Hudson OBE DL <i>(Chair)</i>                              |
|                        | John McNicholas  |
|                        | Dean Hill  |
|                        | Naseem Aktar BEM   |
|                        | Cllr Liz Clements  |
| Yorkshire & North East | Helen Grantham <i>(Chair)</i>                                  |
|                        | Adrian Curtis  |
|                        | Caroline Thorogood   |
|                        | Nick Garthwaite  |
|                        | Jon Ingham   |
|                        | Gillian Allan  |
|                        | Dr Christina Edgar   |
|                        | Zulfi Hussain  |

## Advisory Groups as at 31 March 2024

|                     |  |
|---------------------|--|
| Fisheries & Angling | Andrew Strickland ( <i>Chair</i> )       |
|                     | Paul Coulson                             |
|                     | John Ellis                               |
|                     | Paul Edwards                             |
|                     | Sue Galloway                             |
|                     | David Kent                               |
|                     | Michael Heylin                           |
|                     | Dennis Hunt                              |
|                     | David Ottewell                           |
|                     | Mark Parry                               |
|                     | Lee Woodhouse                            |
|                     | Rob Harris                               |
|                     |  |
| Navigation          | Mike Carter ( <i>Chair</i> )             |
|                     | Sue Cawson                               |
|                     | Nick Grundy                              |
|                     | John Hatton                              |
|                     | Gareth Jones                             |
|                     | Ian McCarthy                             |
|                     | Nigel Stevens                            |
|                     | Lee Wilshire                             |
|                     | Hannah Rigley                            |
| Youth Engagement    | Louis Howell ( <i>Chair</i> )            |
|                     | Lydia Wright                             |
|                     | John Downes                              |
|                     | Michelle Hemmingfield                    |
|                     | Vanessa Joseph                           |
|                     | Holly Notcutt                            |
|                     | Kristen Stephenson                       |
| Cultural Heritage   | Nigel Barker-Mills ( <i>Chair</i> )      |
|                     | Elizabeth Adams                          |
|                     | Dr Nigel Crowe                           |
|                     | Lizzie Glithero-West                     |
|                     | Dr Jennifer Hagan                        |
|                     | Rebecca Madgin                           |
|                     | Neil Redfern                             |
|                     | David Rudlin                             |
|                     | Sandar Stancliffe                        |
| Environmental       | Ed Mitchell ( <i>Chair</i> )             |
|                     | Dr Bruce Lascelles ( <i>Vice chair</i> ) |
|                     | Professor Rafid Al Khaddar               |
|                     | Caroline Essery                          |
|                     | Lindsay Frost                            |
|                     | Duncan Mackay                            |
|                     | Ash Girdler                              |
|                     | Peter Birch                              |

# Supporters of Canal & River Trust

Thank you to everyone who has donated, volunteered, or supported our work. Volunteers, youth and community groups, canal societies and clubs have joined with us to help transform our canals and rivers. These unpaid hours have made our work possible. We are very grateful to the thousands of individuals who have joined us as Friends of the Trust or who have given personal donations to support our work. We would also like to thank and acknowledge all those who gave a gift in their will or in memory of a loved one this past year. These very personal gifts are very much appreciated and have a significant impact on the positive work of the charity.

**Thank you to the following Charitable Trusts, Grant-making bodies, landfill operators, local authorities, lotteries etc (£1,000+)**

|  |  |   |
|--|--|---|
| Amazon UK  | Haribo Happiness Fund                          | Rushcliffe Borough Council                      |
| Active Black Country                               | Harris Charity                                 | Sandwell MBC                                    |
| Active Travel England                              | Helen Jean Cope Charitable Trust               | Severn Trent Water Ltd                          |
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| Bath & North East Somerset Council                 | Hinckley Borough Council                       | Staffordshire County Council                    |
| Blaby District Council                             | Hyndburn Borough Council                       | Staffordshire Police & Crime Commissioner       |
| Black Country Consortium Ltd                       | Ingestre with Tixall Parish Council            | Staffordshire Wildlife Trust                    |
| Blackburn with Darwen Borough Council              | James Beattie Charitable Trust                 | Stephenson Halliday                             |
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| Burnley Borough Council                            | Kirklees Metropolitan Council                  | Environment Agency                              |
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| Canoe Foundation                                   | Leicester City Council                         | Lionel Abel-Smith Trust                         |
| Charnwood Borough Council                          | Loughborough Town Deal                         | North of England Zoological Society             |
| Cherwell District Council                          | London Legacy Development Corporation          | The Philip and Irene Toll Gage Foundation       |
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| Cononley Parish Council                            | London Borough of Ealing                       | The Fort Foundation                             |
| Department for Communities & Local Government      | Marjorie Boddy Charitable Trust                | The Island Quarter                              |
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| East Staffordshire Borough Council                 | National Lottery Heritage Fund                 | UKH Foundation                                  |
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| Harborough District Council                        | Powys County Council                           |   |

## Patron

HM The King

## Chair

David Orr, CBE

## Deputy Chair

Dame Jenny Abramsky

## The Trust's Advisors

### Bankers:

Natwest Bank Plc  
City of London Office  
PO Box 12258  
Princes Street  
London  
EC2R 8PA

### External auditors:

BDO LLP  
Bridgewater House  
Counterslip, Bristol  
BS1 6BX

### Internal Auditors:

Grant Thornton UK LLP  
30 Finsbury Square  
London  
EC2A 1AG

### Investment Managers:

Partners Capital  
5 Young Street  
London  
W8 5EH



## Canal & River Trust

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South Pier Road  
Ellesmere Port  
Cheshire  
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All information correct at the time of publication

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