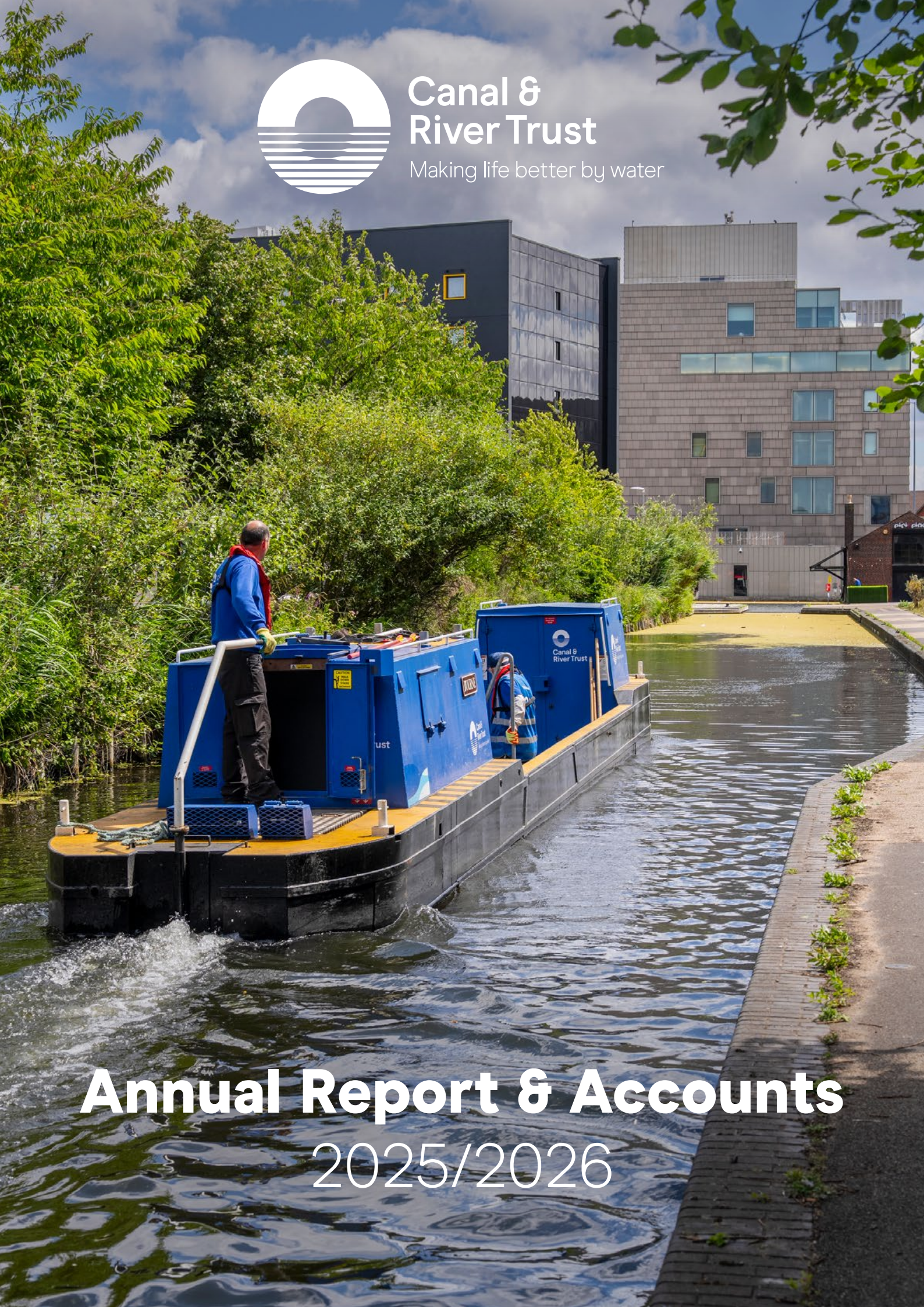

Annual Report & Accounts

2025/2026

Annual Report of the Trustees of Canal & River Trust 2025/2026

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Above:
Welshpool Montgomery Canal
Left:
David Orr CBE, Chair

Chair's Introduction

Our canals represent an extraordinary and enduring link to our industrial heritage. More than ever, today they play multiple roles. The canal network is significant infrastructure that is becoming ever more relevant to modern society as we realise its potential to store, manage and move water in different ways, contributing uniquely to the country's water resilience.

Challenges are evident in the age of the canals and the extreme weather events that are becoming more frequent, meaning an ongoing focus on raising funds to maintain the network.

2025 saw the UK's warmest and sunniest year on record and the driest spring since 1974, and at the time of writing 2026 has been exceptional too, and looks set to break more records. This increased evaporation and transpiration on the network which led to some canals losing as much as an inch of water on hot summer days. In some places, essential statutory reservoir works, and the terms of abstraction licences, compounded the effects of the lack of rain. Despite the very considerable challenges we were able to keep over 80% of our network fully open and operational. I would like to record my thanks once again to staff and volunteers for their hard work and dedication.

We also suffered a devastating breach on the Llangollen Canal at Whitchurch just before Christmas. Thankfully no one was hurt and only fields were flooded, but it was a terrifying ordeal for the boaters caught up in it. The scale of the damage means the project to repair the canal wall will take some time to complete.

In 2025/26 we were delighted to secure two extra major sources of funding to help us care for our canal network. In December the Welsh Government announced it will cover up to £400,000 of water supply costs for the

Monmouthshire & Brecon Canal every year for the next five years. This follows an earlier commitment from the Welsh Government of £5 million for the refurbishment of Dŵr Cymru Welsh Water's emergency pumping station at Manorafon. We would also like to take the opportunity to recognise the many thousands of individuals and organisations who have contributed through donations or as Friends during the year.

In January Defra announced £6.5 million extra financial support to help us build long-term resilience across the network and ensure it continues to operate safely. Key projects include reservoir upgrades, works on the Peak Forest and Tame Valley canals and the lift bridge connecting London Docklands to the River Thames.

We were pleased to welcome Campbell Robb as the Trust's new Chief Executive in October, bringing fresh perspectives and a wealth of experience from across the charity sector. We announced the appointment of Peter Hudson, Angela Cluff and Clare Montagu to our Board of volunteer trustees. And we welcomed Fay Jones-Poole as the new chair of the advisory board that oversees our charitable activity across Wales.

> **"The canal network is significant infrastructure that is becoming ever more relevant to modern society..."**

Left: Tring, Grand Union Canal

Above:
Albert Dock, Liverpool
Left:
Campbell Robb, Chief Executive

Chief Executive's Introduction

The role of Chief Executive of Canal & River Trust is one of the most exciting in the public and voluntary sectors, and I am delighted to be leading this unique organisation. Millions of people live and work alongside and on the water, or simply find joy in these canals; they are woven into the fabric of our daily lives.

Being trusted to help care for them, to act as a steward of this amazing living heritage and to build an exciting future, is a privilege, a challenge, and an opportunity. At the same time, events such as the breach at Whitchurch remind us of the complexity of these structures and the specialised maintenance they need.

We need to evolve our thinking on how we use the canal network to change lives for the better. We have cause to be optimistic, and we need to be ambitious. It is our duty to care for the network today, but also to ensure it plays an increasingly relevant role in society into the future.

It is clear the pressures from both financial and climate risks will continue, the drought of 2026 has been far more severe than that experienced in 2025. Not only do we need to be ever more resourceful, we also need to be proactive. We must look for opportunity and innovation in everything we do.

We have the incredible support of a passionate and dedicated workforce alongside an increasing number of committed volunteers, and we have established ourselves as a major charity with income growing from increasingly diverse sources.

Our boating communities are some of our most visible and valued stakeholders. In November 2025 we published our independent Commission's Report examining how waterways are used by boaters today. The recommendations offer a chance to better reflect modern usage, to reset our relationship with boaters and to work together so boating continues to thrive.

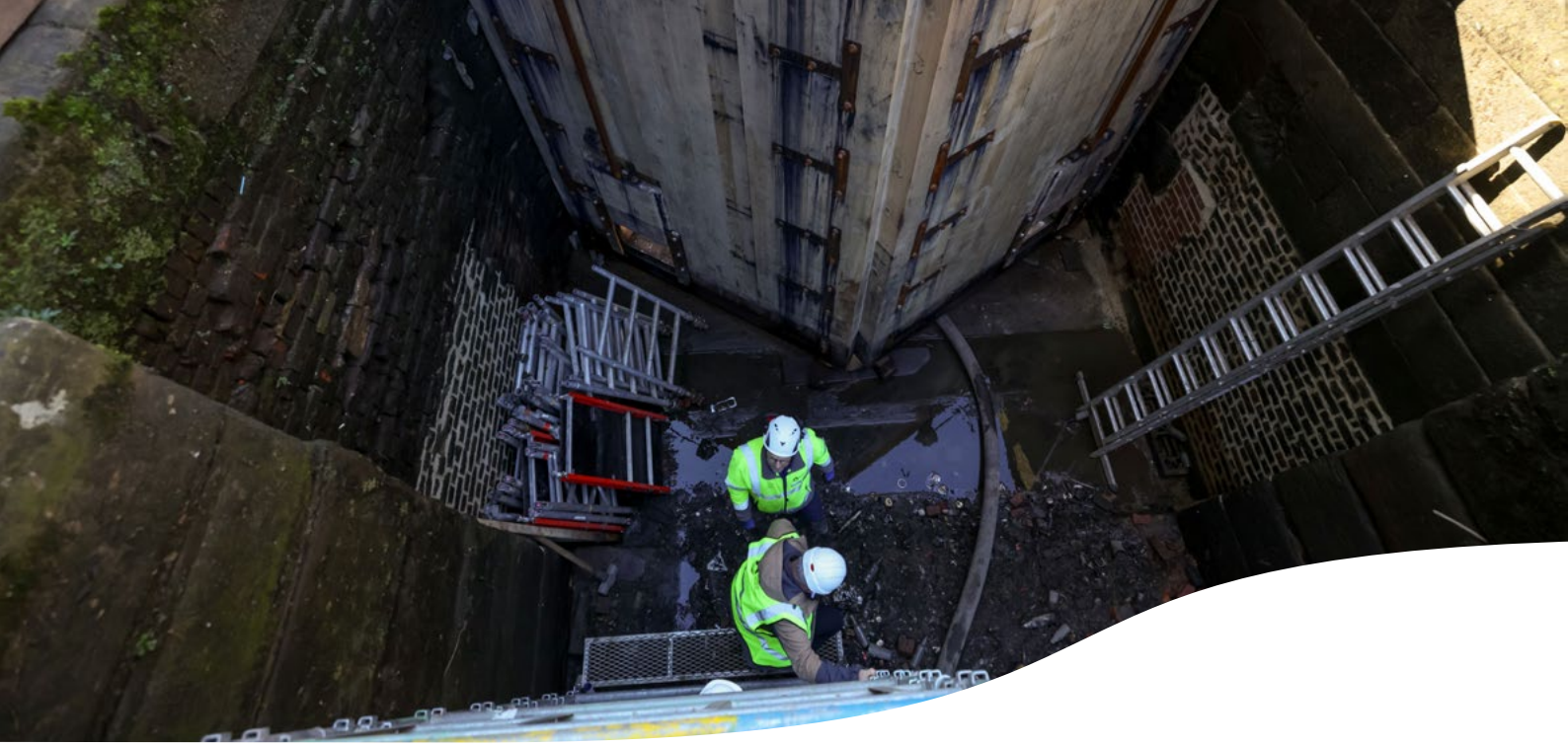
Alongside this, as part of our Better Boating transformation programme, we're continuing to increase our investment in the things that matter most to boaters, including spending more on cutting back overgrown trees, dredging and fixing leaking lock gates.

Reflecting our focus on boating and fundraising, we introduced three new key performance indicators (KPIs) in 2025/26: the number of unplanned navigation stoppages greater than 48 hours; the awareness of the Trust as a charity amongst the general public; and number of engaged email newsletter subscribers.

It is encouraging to see awareness both of the Trust and of the wider contribution of the waterways continuing to grow. I look forward to working ever more creatively with partners and communities over the coming years to secure the future of this unique network.

> **We must look for opportunity and innovation in everything we do.**

Left: Standedge Tunnel, Marsden, Huddersfield Narrow Canal



Caring for our canals

Keeping the canals, rivers, reservoirs and historic structures we care for in safe working condition, so they can continue to be used and enjoyed by millions of people, is both a privilege and a challenge. We are very grateful to our partners, funders, colleagues and volunteers for their continued support.

Managing our assets
Our key asset condition targets, covering towpaths, principal assets and flood assets, continued to be within the thresholds set by Defra. There was a modest improvement in towpath condition, but a gradual worsening of principal asset condition, with an increase in the proportion of principal assets assessed as most at risk. Many of these structures are over 200 years old and climate change is having an impact.

We were pleased to reduce the number of our critical assets at Category 1 condition to 129 (133 in 2024/25), comfortably below our target of fewer than 138, and we will continue this downwards trajectory. Critical asset structures are a sub-set of the Trust's principal assets, for example 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. Overall we spent £39.9 million caring for our waterways and we spent a further £46.0 million on our day-to-day operations and customer service.

Winter maintenance
Over the winter, when the use of our canals for navigation is reduced, our dedicated teams get to work on restoring, repairing and upgrading these historic assets. This winter we carried out 137 winter maintenance projects across 45 canals and rivers in England and Wales, repairing and inspecting locks, bridges, tunnels, embankments, sluices, culverts and canal walls. These included:

- Installing 109 new handcrafted lock gates at sites such as: Hamstead Lock on the Kennet & Avon Canal; Sykehouse Lock on the New Junction Canal; and locks 15 and 18 East on the Huddersfield Narrow Canal.

Above: Manchester, Rochdale Canal

81.28%
of our towpaths were in grade C or better condition
(warning threshold 60%)

85.80%
of our principal assets were at grade C or better condition
(warning threshold 77%)

99.49%
of our flood management assets met grade C or better condition
(warning threshold 96%)

Key: Our Key Performance Indicators (KPIs) for 2025/26 are reported in these graphics with blue backgrounds

129
Asset resilience number of critical assets at Category 1
(Target <138)

- Renewing the hydraulics and electrics at Sutton Weaver Swing Bridge on the Weaver Navigation and Manchester Road Bridge at South Dock in London's Docklands.
- Building a bridge over the Trent Basin, refurbishing Dratley's Bridge over the Ashby Canal and repairing Purton Upper Bridge on the Gloucester & Sharpness Canal.
- Carrying out a detailed inspection of the 3.25-mile long Standedge Tunnel on the Huddersfield Narrow Canal and an underwater structural inspection of Ellesmere Tunnel on the Llangollen Canal.
- Clearing and relining culverts on the Coventry and Peak Forest canals.
- Draining, inspecting and repairing multiple sections on the Monmouthshire & Brecon Canal.
- Replacing sections of the canal bed of the Spouthouse Embankment on the Tame Valley Canal.
- Repairing paddles on the Calder & Hebble, Rochdale and Nottingham & Beeston canals and a stop gate replacement on the Shropshire Union Canal.

Major infrastructure projects
Across the year we spent £55.3 million (£47.2 million in 2024/25) on major works. These included:

- Repairing a remote stretch of embankment on the Huddersfield Narrow Canal at Lock 11W between Mossley and Stalybridge, that had slipped after heavy rainfall earlier in the year, at a cost of over £1.1 million.
- Dredging a section of the Walsall Canal to remove cyanide-contaminated silt following a disastrous pollution incident in August 2024. Around 526 tonnes of silt were removed and safely disposed of, and the canal re-opened in early June 2025. We were able to reclaim most of the costs from the polluting company.
- Repairing a breach in the Shropshire Union Canal just north of Chester after a culvert carrying a stream under the canal collapsed in July 2025, at a cost of nearly £1.0m.
- Repairing the chamber wall of the Grade II listed Top Lock of the Tardebigge flight on the Worcester & Birmingham Canal near Bromsgrove, at a cost of over £1.3 million.
- Completing the refurbishment of Royal Oak Swing Bridge which carries Woodhouse End Road over the Macclesfield Canal in Oakgrove. The refurbishment included an upgrade of the electrical instrumentation, software and hydraulics, that control and drive the bridge to open and close, as well as the bridge bearing and support structure.
- Repairing a major leak in the centuries-old canal bed of the Macclesfield Canal at Bollington.
- Completing repairs to the Tidal Stop Lock Gate on the Ribble Link and the canal breach at Hollowforth Aqueduct on the Lancaster Canal.
- Repairing a lock gate, quoin stone and part of the wall at Lock 40 on the Stratford-upon-Avon Canal at Wilmcote.
- Using a crane boat to repair a gate on Lock 5 of the Watford Flight, on the Leicester Line of the Grand Union Canal, which had detached from its pinion and come out of its pot.

> **"Across the year we spent £55.3 million on major works."**

Above: Brighouse Lock, Calder & Hebble Navigation

- Completing the construction of Carreghofa Lane Bridge over the Montgomery Canal, providing sufficient headroom for boats and towpath users. Previously supported by an earth causeway across the canal, Carreghofa Lane had been severing the route of the canal since the 1960s.

Reservoirs
We undertook significant improvement works at reservoirs and works to address 'measures in the interests of safety', as directed by the independent inspector and regulated under the Reservoirs Act. As part of our major infrastructure works programme we spent around £29 million upgrading 12 of our 74 large reservoirs. This included spending close to £7 million installing over 1,400 massive 10-metre-long steel piles to strengthen over 1,350 metres of embankments at Wilstone Reservoir in Hertfordshire.

> **"...we spent around £29 million upgrading 12 of our 74 large reservoirs."**

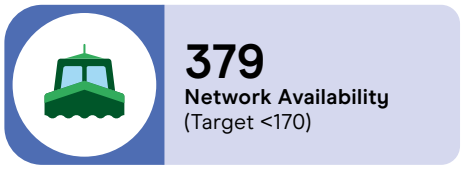
We completed the construction of the new dam overflow spillway structure at Toddbrook Reservoir, connected it to the River Goyt and began refilling the reservoir, a major milestone in this significant and hugely challenging project. The reservoir supplies 20% of the canal network, and its return to service will strengthen the resilience of the Peak Forest, Macclesfield and Trent & Mersey canals in particular during periods of drought.

Significant works were also undertaken at the following reservoirs: Slaithwaite near Huddersfield; Rishton near Blackburn; Chasewater near Lichfield; March Haigh and Swellands near Marsden; Olton near Solihull; Whitemoor near Colne; and Gailey Upper, Lower and Calf Heath near Stafford.

We reached an agreement with Severn Trent Water to channel water from Knypersley Reservoir into the Caldon Canal, in return for supplying them with the equivalent volume of water from Rudyard Lake. This increases the supply the water company can make available for homes and businesses in North Staffordshire. The partnership will bring significant investment into the canal network, as Severn Trent will fund improvements to the canal feeders from both Knypersley and Rudyard reservoirs, and upgrade the dam at Rudyard Lake.

Network Availability
We've introduced a new Key Performance Indicator (KPI) to capture all unplanned navigation stoppages exceeding 48 hours, whether within or outside the Trust's control. Following detailed analysis of eight years of stoppage data, we have refined this metric to better reflect our operational performance.

At 379 the KPI is well over double the target of fewer than 170 unplanned navigation stoppages exceeding 48 hours. This was partly attributable to extreme weather events, including droughts and storms, that are beyond our control. Importantly, the number of stoppages within our control has continued to decline over recent years, and at the end of 2025/26 stood at 139. Whilst performance is not yet where we want it to be, these KPIs are designed to help us reduce disruption over time and are serving to focus our interventions via our Better Boating Programme



We dealt with a number of major emergencies across our network including:

- 2025 saw the driest spring in England for 132 years, and the driest February to August period in England since 1976. Drought conditions, combined with reservoir drawdowns for essential works and regulatory constraints to water abstraction, dramatically impacted our network. Around 400 miles of our waterways were either closed or had navigation restrictions, with 20% of our network affected at the peak of the drought (late August and early September). We carried out fish rescues at several locations and installed stop planks to maintain water levels for those canals with critical supply concerns. Trust colleagues and volunteers worked tirelessly and carefully to deploy water to reduce the impact on navigation and wildlife.

- A massive breach occurred on an embankment on the Llangollen Canal at Whitchurch in Shropshire in the early hours of 22 December, causing significant damage and a large volume of water to drain into farmland next to the canal. Thanks to the swift response of the emergency services and first responders, no one was hurt and no properties were flooded, but the incident was deeply distressing for the boat owners affected. We have published an initial report examining the causes of the breach and work is underway to repair the embankment, which is expected to take around 12 months.

- A bywash culvert collapsed next to Lock 38 at Penkridge on the Staffordshire & Worcestershire Canal on New Year's Eve, creating a large void and leading to the closure of the canal and adjacent road. Work has been completed to unblock and repair the culvert, which required excavation down through the road, made challenging by confined working conditions and the proximity of multiple utilities and services. The canal reopened on 17 April ahead of our initial estimate of 1 May 2026.

- The 7-mile-long Leigh Branch of the Leeds & Liverpool Canal in Wigan was closed for over three months after a large water main in the canal bank burst. Our engineers worked with United Utilities to reach and repair the burst water main, restoring water supplies to around 29,000 properties in Wigan and Warrington.

- Storm Amy hit in early October bringing trees down across our network. In November, Storm Claudia barrelled across Britain and the whole of our network was affected by heavy rain and/or high winds. Many more trees came down and some navigations flooded, including Lock 5 of Bank Dole Cut on the Aire & Calder Navigation and Don Doors Aqueduct on the New Junction Canal.

> **"...we spent around £1.3 million repairing bridges..."**

Impact of climate change
Warmer and wetter weather is accelerating the spread of invasive plant species including floating pennywort and water fern on our waterways, impacting wildlife habitats and affecting navigation. Algal blooms were a significant problem this year, brought about by the sustained dry and sunny weather. The algae causes dissolved oxygen concentrations in the water to rapidly decrease, risking suffocation for fish. We carried out at least 12 fish rescues across the network, including on the Bath Flight of the Kennet & Avon Canal. Our overall spend on vegetation management increased by 38% to £11.6 million (£8.4 million in 2024/25).

As well as forcing the closure of canals for navigation, affecting boaters and the boating industry, drought conditions cause canal structures such as lock gates to crack when they dry out. For example, serious problems developed on six locks on the eastern end of the Kennet & Avon Canal, when heavy rain in the winter followed drought conditions in the summer, leading to navigation closures during the first three months of the boating season.

Damage to historic bridges
There are around 2,800 historic bridges across our canal network. This year we spent around £1.3 million repairing bridges damaged by vehicles, including Stone Chimney Bridge on the Lancaster Canal, which was hit three times, causing significant structural damage to the masonry. We're investing in CCTV cameras at repeat strike locations to capture registrations and recover more of these costs.

Dredging
We spent over £7.3 million on dredging (£6.8 million in 2024/25), removing over 75,000 tonnes of material and improving nearly 60 miles of waterway during 2025/26. Dredging is a huge and increasing challenge for the Trust, with 2,000 miles of canals and rivers to maintain. The management of dredged materials is highly regulated and we are focused on minimising the volumes disposed of to landfill. We began our two-year £4.8 million dredging project at Gloucester & Sharpness Docks to allow deeper-draughted vessels to freely navigate and moor in the heart of Gloucester.

We also dredged areas of the North Stratford Canal, the Trent & Mersey Canal at Alrewas, the River Lee Navigation at Tottenham Lock, the Sheffield & South Yorkshire Navigation in the Doncaster area, the Shropshire Union Canal near Norbury, the Lancaster Canal near Preston and the Ashby Canal near Sutton Cheney.

Towpath improvements
During 2025/26, thanks to external funding from a range of partners, we completed the upgrades to over 13 miles of towpath, at a cost of over £6 million, including:

- A two-mile stretch of towpath between Bridge 187 in Kildwick and Bridge 191A in Silsden on the Leeds & Liverpool Canal, thanks to funding from York and North Yorkshire Combined Authority's Net Zero Fund and West Yorkshire's Active Travel Fund. This project was delivered in partnership with Bradford Council, North Yorkshire Council, York and North Yorkshire Combined Authority and West Yorkshire Combined Authority. Completing this 'missing link' means 34 miles of the canal has been resurfaced between Leeds and Gargrave, the gateway to the Yorkshire Dales.

- With funding from West Yorkshire's Active Travel Fund, and our partnership with West Yorkshire Combined Authority and Kirklees Council, we improved the towpath along the Huddersfield Broad Canal from Aspley Basin in Huddersfield to Cooper Bridge, completed the five-year project to improve the Huddersfield Narrow Canal towpath between Marsden and Slaithwaite, and constructed a new access ramp at Scarwood Bridge.

- The towpath and a wheelchair-friendly canalside picnic area were upgraded on the Monmouthshire & Brecon Canal at Gilwern, thanks to Monmouthshire County Council's access improvement scheme funded by the UK Government's shared prosperity fund.

- Working in partnership with Sustrans, Radford Semele Parish Council and Friends of Radford's Green Environment, we opened a new mobility ramp on the Grand Union Canal at Bridge 35, providing improved access to the towpath for walkers, cyclists, and wheelchair users. This section of the canal is part of the National Cycle Network.

- Thanks to funding from Stoke City Council's Levelling Up partnership, we replaced the wooden bridge deck at Whieldon Road as part of a project to make three miles of the Trent & Mersey Canal's towpath more accessible. Other improvement works included resurfacing the towpath and installing new solar lighting.

91%
Towpath User Satisfaction
(Target 90%)

Reducing our carbon footprint
The Trust's emissions increased by 1% in 2025/26, largely due to an increase in business travel by car and rail, as well as increased demand for pumping water during the summer drought. We continue to look for carbon saving opportunities, including converting our in-house vehicle fleet to electric. By the end of the year we had 26 electric vehicles, and had installed 31 charging points at our depots and 17 at the homes of colleagues. Our aim is to transition all 400 of our work vehicles to electric by 2040.

Managing waste
Through our waste contracts we collected over 6,400 tonnes of waste from our waterways, of which 97% was recycled or recovered through waste to energy, and 3% went to landfill.

In response to changes in government legislation, we installed new recycling bins at key locations, allowing visitors to dispose of dry mixed recycling, glass and food waste.

> **"...we collected over 6,400 tonnes of waste from our waterways..."**

Supported by volunteers
Our volunteers play an essential role in keeping our canals and rivers open, alive and thriving, contributing to all areas of our work. The last year has been our strongest yet, with 5,999 volunteers supporting the Trust. This increase reflects the strength of our volunteer community, where teams recommend, welcome and inspire new joiners. They are supported by a diverse and flexible programme, with opportunities to build skills. For the first time volunteers collectively donated 776,242 hours (103,499 days). This remarkable growth reflects the passion and commitment of our volunteers, and the increasing importance of volunteering in helping us care for our waterways.

776,242
Active Volunteer Hours
(Target 775,000)

5,999
Active Volunteers
(Target 5,600)

Volunteer awards
Our volunteer awards, supported by the Marsh Charitable Trust, recognised volunteers on the Wolverhampton flight of 21 locks and the Kidlington Towpath Taskforce.

One of our volunteers, Kathryn Dodington, was also selected as a runner-up in the Heritage Heroes Lifetime Achievement award, organised by the Heritage Alliance. Since 2014, Kathryn has held many volunteer roles on the Grand Union Canal in Stoke Bruerne, including delivering hundreds of history walks and talks.

Community payback
Our National Probation Partnership with the Ministry of Justice continues to expand, with over 80,000 hours of community payback activity delivered during 2025/26, involving close to 8,000 people on probation and helping to improve our waterways at 40 sites. Since our community payback partnership began in 2022/23, over 260,000 hours have been delivered by people on probation.

Our people
Our colleague and volunteer accident frequency rate ended the year at 0.19 (HSE reportable accidents per 100,000 hours worked), significantly above the year end target of less than 0.10. This was largely due to an injury that kept a colleague away from normal duties for more than seven days. We have seen a general increase in both RIDDOR reportable incidents and minor injuries during the second half of 2025/26. We have a number of actions already in train to reverse this trend, including an increase in audit and assurance activity.

We continue our efforts to improve communication and engagement with our colleagues and volunteers. We narrowly missed our target of a favourability score of 8.0 out of 10 for engagement with our colleagues, but are pleased to have exceeded our target with volunteers. Both our colleague and volunteer scores remain above industry standards.

Performance against our diversity KPIs remained close to target, with 5.8% of colleagues and 9.6% of recent hires from ethnically diverse backgrounds.

Strengthening diversity in our new starter representation has led to a 20% increase in overall representation over the last three years, although a time lag remains before this is reflected in the wider workforce.

To ensure we have the skills needed to keep caring for our historic canal network, we employed 25 apprentices, with four of these roles supported by players of Postcode Lottery.

0.19
Safety of our colleagues accident frequency rate
(Target <0.10)

7.9
Colleague engagement score
(Target 8.0)

9.1
Volunteer engagement score
(Target 8.5)

5.8%
of colleagues from ethnically diverse backgrounds
(Target 6%)

9.6%
of recent hires from ethnically diverse backgrounds
(Target 10%)

Providing places for people

Canals connect people, nature and places. They are available to everyone, providing millions of people with easy access to outdoor space, for exercise and the chance to spend time in nature, which is crucial for mental and physical health and wellbeing.

Bringing people to our waterways
This year, an estimated 881 million unique visits were made to our waterways, exceeding our target of 820 million, and up over 11% on 2024/25 (791 million). This is close to our previous peak of 888 million in 2022/23, when England had one of the hottest summers on record. Around 11.1 million people visited a canal or river that we care for in a typical two-week period, exceeding our target of 10.4 million. These metrics are calculated using a nationally representative survey, with 1,700 responses collected monthly. The extended period of dry warm weather, combined with increasing awareness of canals, is likely to have contributed to these numbers.

We continue to take steps to encourage people to visit and make use of canals. During 2025/26 we hosted almost 2,857 events, with an estimated attendance of over 450,000. These included 2,297 Trust-led events, enjoyed by approximately 120,000 people.

Around 22,855 people enjoyed fishing, walking, paddleboarding, kayaking and other activities at 1,335 events held across our network as part of our Let's programme, supported by players of Postcode Lottery. Other events included:

- Over 450 young people from over 50 different clubs, angling academies and schools took part in our National Celebration of Young People and Fishing, held on the Shropshire Union Canal in Staffordshire in September 2025. This was the largest gathering of anglers in the UK that year.

Above: Walsall, Walsall Canal

881 million
No. of unique visits to our waterways over the 12 months
(Target 820 million)

11.1 million
No. of users & visitors to our waterways in typical two-week period
(Target 10.4 million)

- 240 young people representing 40 overseas communities took part in our Global Communities Celebration fishing event in October 2025, sponsored by Daiwa, also on the Shropshire Union Canal.

- We held open days at Stret Lock on the Chesterfield Canal in Worksop, Bradley lock gate workshops in the West Midlands and City Road Lock on the Regent's Canal in London, where visitors could see our construction team replace a set of lock gates via a viewing area.

- We hosted several events in May for Bradford City of Culture 2025, including the 'Bradford Progress' musical journey from Bingley Five Rise Locks to Saltaire on the Leeds & Liverpool Canal. And spectacular lantern parades marked the 225th anniversary of the Brecon Canal in December.

> **"...we hosted around 1,072 activity sessions, with 4,832 people taking part."**

Education and learning
Supported by players of Postcode Lottery, our Canal & River Explorers programme continues to connect primary school-aged children with nature and the physical and mental wellbeing benefits of outdoor learning, while building their understanding of the need to protect the natural environment.

Over 101,640 children took part in our Explorers and STEM outdoor learning programme, including 67,896 attending water safety sessions.

Reaching new audiences
Thanks to funding from Sport England, we launched a new programme 'Mandem Swim' offering Black men in Nottingham the chance to learn how to swim, build water confidence and enjoy the benefits of spending time by water.

We celebrated Black History Month in October with a canalside event at Brindleyplace in central Birmingham, featuring live music, storytelling, community art, heritage walks, bell boating and food stalls.

Working in partnership with Leicester City Council and Leicestershire and Rutland Wildlife Trust, we launched our 'Restoring The Soar' project to improve the river corridor for people and wildlife between West Bridge and Watermead Park. The project has been made possible thanks to funding from the National Lottery Heritage Fund.

Above: Foxton, Grand Union Canal Leicester Line

Promoting active lives
We're working with communities across our network to promote active lives.

In the third year of our £1.67 million Sport England 'Uniting the Movement' programme, we hosted around 1,072 sessions, with 4,832 people taking part in activities such as paddling, fishing, walking, chair yoga, cycling and outdoor education.

Our Green Social Prescribing programme supported 575 participants through a range of activities, including walking, paddling, arts and crafts, gardening and allotment sessions. Thanks to the support of our volunteers, our 'Waterways and Wellbeing' programme continued in the East Midlands and our GP led walks in the West Midlands evolved into sessions led by local social prescribing and link workers.

Supported by players of Postcode Lottery, our Community Roots programme aims to increase canal and river use in some of the most deprived areas in the UK, reducing health and social inequalities. In 2025/26 over 9,000 people took part in the programme in the Black Country, Birmingham, Bradford and Kirklees, Burnley and Blackburn, Brent, Leicester, Nottingham, Sefton, Torfaen and Tottenham Hale.

Culture on our canals
We marked Refugee Week at National Waterways Museum Gloucester with public artwork by Dana Olarescu inspired by 'The Moomins and the Great Flood'.

Thanks to support from players of Postcode Lottery we:

- Unveiled a new public sculpture of a boat by artist Phil Neal at the Welsh Harp (Brent Reservoir) in London, incorporating some of the pulley wheels and chains once used to operate the reservoir's sluices; and

- Celebrated Diwali in Leicester with a spectacular River of Lights installation on the River Soar.

Keeping people safe
The number of reported public safety incidents related to our infrastructure reduced from 55 in 2024/25 to 43 in 2025/26. We continued to promote the safe use of our waterways through a series of campaigns, including our Explorers schools programme. The proportion of visitors to our canals and rivers rating their personal security safety as excellent or good increased to 86% (84% in 2024/25).

43
reported public safety incidents related to our infrastructure
(Target <45)

Green and Blue flag awards
Just over a third of our network (over 738 miles) has been awarded Green Flag status, the 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 96,938 calls, 52,968 emails and 12,491 website live chats.

- 80.74% of customers were satisfied with how their query was dealt with.

- 99.95% of our licensing-related enquiries were resolved at the first contact.

Supporting boaters
We were pleased to see our Boater Satisfaction rating rise from 46% in 2024/25 to 55%. Although it fell short of our target of 60%, we are working hard to make a difference to boaters' experience through our Better Boating Plan. We know there's much more work to do to address the longstanding issues that boaters tell us about, such as dredging, which will take time and continued investment.

55%
Boater Satisfaction
(Target 60%)

As part of our Better Boating Plan, we announced an extra £2 million investment in the year ahead to fix leaking locks, tackle overgrowing trees and encroaching weeds, and start a phased increase in dredging. We are continuing the extra £3 million investment over three years, introduced last year to target broken paddles and fix boater facilities faster.

We announced a further investment of £4.5 million over the next five years to standardise and upgrade boaters' facilities across our network, including Elsan points, pump out facilities and water points. The income for this will come from the sale of some of the Trust's investment assets.

We published a report from the independent Commission set up to review the legal framework around boat licensing. The Commission undertook an extensive review, engaging with thousands of boaters and other stakeholders. Their Report includes 36 recommendations designed to make licensing requirements clearer and improve the management of the waterways.

Phase 1 of our response is already underway, including a review of the Trust's communications with boaters. Phase 2 (likely to last until end of 2027) covers recommendations that will involve consultation with boaters and boating organisations, including clarification of movement requirements for boats without a home mooring, a review of boat safety and insurance requirements, and licence fee discounts. Phase 3 (2028 and beyond) will look at changes that would require new legislation, including seeking additional powers to manage the waterways fairly and effectively.

During last year's drought we supported dozens of stranded vulnerable boaters. Our 2025 Lockage Report revealed the total comparable recorded lockage was around 12% lower than in 2024, which we attribute to drought-related closures in the summer.

We continued to support boaters struggling to pay their licence fees on a case-by-case basis, for example by arranging flexible payment plans and signposting to relevant services and benefits. We awarded a £10,000 grant to the Waterways Chaplaincy for 2026/27 to support the organisation's long-standing work offering pastoral support to boaters living and working on the canals.

We supported Imperial College London's Environmental Research Group to investigate sources of indoor pollution on canal and river boats. We shared the information with local authorities, waterway organisations and policy makers, as part of our aim to bring about practical solutions for London's boating community. Researchers from Keele University also surveyed liveaboard boaters about their experience of NHS Services to help plan improvements and access.

"During last year's drought we supported dozens of stranded vulnerable boaters."

Helping nature to thrive

The canals, rivers and reservoirs we care for form the nation's longest corridor of freshwater habitat, linking increasingly fragmented wildlife habitats and supporting biodiversity. Our network includes 68 Sites of Special Scientific Interest.

Canal lifelines
We published our 'Vital Connector for Nature and People' report highlighting how the canal network has become the nation's longest, most connected corridor of freshwater habitat and one of its greatest assets for wildlife and connecting people with nature.

Attracting pollinators on Nottingham & Beeston Canal
Thanks to funding from the Government's Species Survival Fund through Nottinghamshire Wildlife Trust, we installed a series of floating ecosystems on the Nottingham & Beeston Canal to attract more wildlife into the city centre. Made largely of coir rolls, the ecosystems support a variety of plants popular with pollinators.

Restoring the Montgomery Canal
Glandŵr Cymru, the Canal & River Trust in Wales, has been working in partnership with Powys County Council to restore a 4.4-mile stretch of the canal between Llanymynech and Maerdy, thanks to a grant largely funded by the UK Government.

Thanks to a £250,000 grant from the Welsh Government's Nature Network Fund, we dredged a 1.5-mile-long stretch of the Montgomery Canal near Welshpool, removing silt and overgrown vegetation, including many invasive species. The work will support rare aquatic plant species, and improve water quality on the canal as well as navigation.

Above: Llangattock, Monmouthshire & Brecon Canal

> **"...the nation's longest, most connected corridor of freshwater habitat..."**

We received a £50,000 grant from the Welsh Government's Landfill Disposals Tax Communities Scheme, administered by Wales Council for Voluntary Action, to help rare plants thrive on the Montgomery Canal. Thanks to the grant, we carried out bank protection work, dredging, hedgerow planting and installed 'leaky dams' to help manage water flow and reduce erosion.

Working with Powys County Council and the Montgomery Canal Partnership, we opened a new wetland habitat at Wern in Powys. The new reserve includes a 1.5-metre-deep pond connected to the canal, providing habitat for protected water plants, including floating water plantain and potamogeton.

Unlocking Biodiversity award
Our Unlocking Biodiversity project, funded by Severn Trent, to improve water quality and wildlife habitats across 231 miles of canals in the West Midlands, received a Chartered Institute of Ecology and Environmental NGO impact award.

Pillboxes provide homes for bats
Volunteers helped adapt three World War II pillboxes on the Kennet & Avon Canal in Berkshire to provide habitats for bats, including common pipistrelle, whiskered, greater and lesser horseshoe bats. Funding for this work came from Historic England and support from players of Postcode Lottery.

"...improve water quality and wildlife habitats across 231 miles of canals..."

Above: Wilstone Reservoir, Tring

Keeping history alive

We care for almost 2,700 listed structures and 46 scheduled monuments. The canals we look after represent the finest example of industrial heritage in the world, attracting visitors from across the globe.

Thanks to generous funding from Historic England, National Lottery Heritage Fund, Inland Waterways Association, players of Postcode Lottery and UK Shared Prosperity Fund via Shropshire Council, we have been able to start, continue and complete a number of key projects including:

- Recording historic details of heritage structures along our canals with the help of volunteers.
- Restoring side ponds on the Hanwell flight on the Grand Union Canal in London.
- Launching an interactive audio trail created by local school children, telling the story of the rich heritage and wildlife of the Montgomery Canal.
- Restoring and opening the Grade II Listed pumphouse and access bridge at National Waterways Museum Ellesmere Port.
- Completing over £500,000 of urgent repairs and developing plans for our historic canal maintenance yard on the Llangollen Canal at Ellesmere to create a hub for craftspeople and a visitor centre.

Above: Foxton Locks, Grand Union Canal Leicester Line

> **“...developing plans for our historic canal maintenance yard...”**

Peter's Bridge
Thanks to a generous legacy of over £160,000 from Braunston resident Peter Andrews, we completed the restoration of the iconic bridge at the entrance to Braunston Marina on the Grand Union Canal, now renamed Peter's Bridge.

Anderton Boat Lift
In July we celebrated the 'Cathedral of the Canals' 150th anniversary with a weekend of entertainment and tours. Work is still ongoing to evaluate options for reopening the lift for boats.

Visits to our museums
We care for over 15,000 objects and over 50 national historic boats across our museums at Gloucester, Ellesmere Port and Stoke Bruerne. During 2025/26 almost 118,000 people visited our three museums, and over 117,000 experienced our visitor centres at the Anderton Boat Lift, Standedge Tunnel, Diglis Island and Trevor Basin.

> **"During 2025/26 almost 118,000 people visited our three museums..."**

Above: National Waterways Museum Ellesmere Port

Generating income and support

Supporter growth
The number of people supporting the Trust through regular donations grew from 32,086 in 2024/25 to 38,355, exceeding our target of 37,000, and providing a good foundation for future fundraising goals. We thank our Friends for their support, and we're grateful to those supporters who have made one-off donations or left gifts in their wills.

Our email newsletter subscribers rose to 240,000, exceeding our target of 230,000. The number of supporters across all our marketing channels rose to 1.78 million, up 18.6% from 1.75 million in 2024/25.

Brand awareness
Reflecting strong marketing and fundraising activity, awareness of our brand reached record levels, with total growth up by 5%, matching that achieved over the previous five years. During 2025/26 prompted public awareness of the Trust rose to 57% across the population of England and Wales (from 52% in 2024/25). Awareness of the Trust as a charity grew to 24%, up 5% on 2024/25.

Canals and rivers on screen
Filming on our canals and rivers has become an increasingly important income stream and promotional tool for the Trust. In 2025/26 we earned over £250,000 in filming fees from dozens of productions, including Apple TV's 'Slow Horses', Netflix's 'Black Doves', Channel 4's 'A Woman of Substance', U&Yesterday's 'Canal Boat Diaries' and Channel 4's 'Narrow Escapes'.

Above: Gilwern, Monmouthshire & Brecon Canal

38,355
Friends (regular supporters)
(Target 37,000)

240,000
Engaged email newsletter subscribers
(Target 230,000)

24%
Awareness of the Trust as a charity amongst the general public
(Target 21%)

57%
of prompted awareness of the Trust
(Target 52%)

Fundraising income
Our income from donations and legacies increased to £10.3 million (£6.7 million in 2024/2025), exceeding our target of £9.2 million.

Our 'Perfect Storm' winter appeal raised over £220,000 and our legacy income grew significantly following an extraordinary gift of £1.97 million, allocated to repairing several locks on the Kennet & Avon Canal, as well as projects supporting nature recovery and the protection of heritage assets.

We secured £2.1 million from the Worwin UK Foundation towards our flagship Urban Nature Connections programme, a transformative four-year initiative to connect more than 150,000 people to nature on their local canal network. Building on our successful Community Roots model, the programme will expand from 9 to 12 priority areas, focusing on communities experiencing severe deprivation and limited access to blue-green spaces. Through community involvement, environmental improvements, volunteering and apprenticeships it aims to strengthen connections with nature, increase a sense of belonging, improve physical and mental wellbeing and reduce social isolation.

> **"...a transformative four-year initiative to connect more than 150,000 people to nature..."**

Third party funding
Our combined income from third party funding rose to £13.3 million (£10.9 million in 2024/25). We benefited from a number of Government programmes, including Towns Funds, Active Travel England, Sport England and the National Lottery.

We were awarded £2.5 million by Postcode Earth Trust thanks to funds raised by Postcode Lottery players, enabling five large-scale lock gate replacements at:

- City Road Lock on the Regent's Canal in London.
- Ham Lock 87 on the Kennet & Avon Canal in Berkshire.
- Gees Lock 36 on the Grand Union Canal in Leicestershire.
- Lock 12 on the Calder & Hebble Canal in West Yorkshire.
- Lock 87 on the Rochdale Canal in Manchester.

Since 2012, players of Postcode Lottery have raised over £26 million for the Trust, supporting a wide range of heritage, environmental and community wellbeing and engagement projects.

Commercial income
Our overall commercial income was £101.2 million, up from £95.5 million in 2024/25. Our investment and property income increased to £53.4 million (£51.1 million in 2024/25).

Recognising that high-quality waterside homes and businesses help to build thriving communities, we continued to work with a range of partners to create new spaces for people to live and work. For example, at Diglis we worked with Worcester City Council to bring forward development plans for a large mixed-use development on the 37-acres of land we own at Diglis Industrial Estate.

Our income from utilities and water development increased to £47.8 million (£44.4 million in 2024/25).

In January 2026 we launched another round of consultation on our Grand Union Canal Transfer scheme, in partnership with Affinity Water and Severn Trent to bring water from the Midlands to the South East of England. As well as providing an income for the Trust, the project will make more water available for navigation, and the infrastructure will be upgraded to be more resilient.

Income from boating
Our income from boat licences, business boating agreements and moorings rose by £3.5 million to £58.7 million (£55.2 million in 2024/25). Revenue from boat licence fees currently makes up 13.8% (excluding moorings income) of our annual income and is an essential contribution towards the ongoing maintenance and repair of the canals and rivers in our care.

We announced a 4.85% increase in boat licence fees for private boaters and businesses from 1 April 2026, and continued to introduce a phased increase in surcharges for wide beam boats and boats without a home mooring.

Our March 2026 National Boat Count showed the number of boats requiring a licence reduced by 2.1% to 32,376 boats. The number of boats without home moorings increased by 3.6% to 8,825. Licence evasion stands at 11.8%, up 0.06% from 2025.

With the ongoing cost of living crisis, we have strengthened our welfare support and helped boaters in need to access financial assistance such as Universal Credit. The effectiveness of this approach may have supported the first significant slowing of the increasing post-pandemic licence evasion trend.

Our licensing and regional teams have continued to work with partner agencies to address regional priorities related to unlicensed boats. Following reports of antisocial behaviour and illegal activity, in January 2026, using our powers under Section 8 of the British Waterways Act 1983, we worked with the Metropolitan Police to remove unlicensed boats and a floating encampment on the River Lee Navigation near Bow Locks.

Despite our best efforts to resolve matters, in 2025/26 we were forced to remove 98 unlicensed boats, many of them abandoned.

> **“Revenue from boat licence fees currently makes up 13.8% of our annual income.”**

Left: Alvechurch, Worcester & Birmingham Canal

Our performance and priorities

	2025/26 Target	2025/26 Actual	2026/27 Target
Visitor Volume			
Number of users & visitors to our waterways in typical two-week period[1]	10.4m	11.1m	10.5m
Number of unique visits to our waterways over the twelve months	820m	881m	850m
Satisfaction Rating			
Towpath User Satisfaction	90%	91%	90%
Boater Satisfaction	60%	55%	64%
Public Safety			
Number of reported incidents due to infrastructure	<45	43	<40
Safety of our Colleagues			
Combined employee, volunteer/contractor RIDDOR accident frequency rating[2]	<0.10	0.19	<0.10
Asset Resilience			
Number of critical assets (Category 1)[3]	<138	129	<139
Network Availability			
Number of reservoirs outside the ALARP category (risk as low as reasonably practicable)[4]			10
Number of unplanned navigation stoppages greater than 48hrs[5]	<170	379	95%
Brand Awareness (All & 1km)			
Brand Recognition (within 5km of network)[6]			65%
Awareness of the Trust as a charity	21%	24%	
Prompted awareness of the Trust as a charity amongst the general public	52%	57%	
Supporter Growth			
Number of engaged email newsletter subscribers	230,000	240,000	
Number of Active Friends & other regular individual donors	37,000	38,355	44,345
Diversity			
% of colleagues from ethnically diverse backgrounds	6.0%	5.8%	6.2%
% of recent hires from ethnically diverse backgrounds	10.0%	9.6%	
Colleague Engagement			
Colleague engagement score	8.0	7.9	8.0
Volunteer engagement score	8.5	9.1	8.5
Active Volunteers			
Number of volunteer hours	775,000	776,242	
Number of active volunteers	5,600	5,999	
Grow our charitable income			
Donations and legacies income	£9.2m	£10.3m	£11.8m

NB Where 2026/27 Targets are missing, these KPI's are no longer included.

1 2026/27 target for visitors is lower than 2025/26 actual as it anticipates steady visitor growth over time.
2 HSE reportable accidents per 100,000 hours worked.
3 New KPI for 2026/27.
4 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.
5 From 2026/27 a revised KPI will be introduced focussing solely on stoppages within the Trust's control.
6 New KPI for 2026/27.

In addition to these KPIs, we maintain and monitor our performance against asset condition KPIs set by Defra, which continued to track above the set thresholds in 2025/26.

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 s.172(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; and

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):

- Reviewed the 2024/25 Annual Report & Accounts;
- Reviewing the financial position of the Trust and the long-term financial plan;
- Developing the Trust's strategy and business planning;
- Impacts on the network from extreme weather events i.e. storms and dry weather;
- Undertaking the annual strategic review of risk and the overall approach to risk management;
- Receiving regular health and safety updates;
- Overseeing key work delivered under the Better Boating Plan;
- Reviewing the Fundraising Strategy;
- Approval of Trust policies; and
- Annual reports for reservoirs, safeguarding, harbour management and the Trust's National Advisory Groups.

The agenda and supporting papers for the Board of Trustees meeting can be found on the Trust's website.

The Trustees specifically considered impacts on stakeholders when making key decisions in relation to revising the business plan to be able to respond to programme delays, inflation rises, boater and wider customer experience 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, consider colleagues' and volunteers' interests when making decisions, including health & safety, safeguarding, diversity & inclusion and engagement.

Through the people director reports to the Board updates are provided on discussions with trade union and other colleague consultations.

The director of communications & external affairs updates the Board on Trust internal communications on training, business planning and wider Trust strategy. Members of the executive team record weekly online videos for all Trust colleagues.

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 Council's Annual General Meeting took place in Bath in September 2025, while the Council meeting in March 2026 was held in Worcester, with local site visits for Council and Board members taking place before each meeting.

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.

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.

Throughout the year, Trustees met in person for Board meetings and site visits across the regions where the Trust operates. They also engaged with stakeholders at a series of evening receptions held in Manchester, London and Bath.

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 have regular engagement with local authorities and community groups, 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 Restoration Policy.

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 making.

Our Key Stakeholders – Suppliers and Businesses
Trustees recognise the importance of fostering strong and constructive relationships with suppliers and other businesses across the inland waterway sector and beyond. Maintaining high standards of business conduct is essential to supporting 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 maintains oversight of these relationships and ensures that the interests of suppliers and other stakeholders are appropriately considered. The Trust operates in accordance with its Procurement Policy Statement, which sets out clear expectations regarding ethical business practices and standards of conduct.

The Trust has a Procurement Policy Statement in place which sets out the Trust's expectations on ethical business practices and standards of conduct.

During 2025/26, the Board of Trustees approved a Modern Slavery Statement alongside a Policy Statement on Preventing Corruption, Bribery, Fraud and the Facilitation of Tax Evasion. Compliance with these policies is required of all suppliers.

In addition, the Trust has established measures to ensure compliance with competition law, particularly in areas where it operates both as a network operator and a commercial participant (for example, waterside moorings).

Together, these frameworks promote transparent, fair and responsible business practices, helping to ensure that the interests of suppliers and wider stakeholders are respected and taken into account.

Our Key Stakeholders – Government and Regulators
Trustees recognise the Government's role in setting policy objectives, as well as the responsibilities of regulators in ensuring compliance with relevant legislation.

How the Board engages with them and ensures that their interests are taken into account
The Board is appraised of the Trust's key engagement activities with both government and regulators. Throughout the financial year, Trustees were kept informed of grant review discussions, including progress on agreeing key performance indicators for the new grant agreement with Defra from 2027, as well as related correspondence with Ministers and senior Defra officials.

Trustees also receive updates on legal and regulatory developments at each Board meeting through the Governance report, and these are considered as part of their decision-making.

SECR (Streamlined energy & carbon reporting)

Carbon Footprint 2025/26

Activity		Energy (kWh)	Emissions (tCO_2e)
Scope 1 Total		**9,734,622**	**2,277**
	Natural Gas (Mains)	1,525,164	279
	Transport	8,142,517	1,984
	Other Fuels	66,941	14
Scope 2 (Location-Based) Total		**15,713,341**	**2,782**
	Electricity (Location-Based)	15,704,056	2,780
	Electricity (EV Recharges)	9,285	2
Scope 3 Total		**3,354,724**	**772**
	Business Travel – Employee-owned vehicles	2,907,685	707
	Business Travel – other	447,039	65
Total		**28,802,687**	**5,831**
Intensity Ratio – Emissions (tCO_2e) per Expenditure on Activities (£million)			**24.90**

Outside of scopes		Emissions (tCO_2e)
	Transport and Other Fuels (biogenic content)	152

Carbon Footprint 2024/25

Activity		Energy (kWh)	Emissions (tCO_2e)
Scope 1 Total		**10,012,931**	**2,293**
	Natural Gas (Mains)	1,702,821	311
	Transport	8,271,396	1,974
	Other Fuels	38,714	8
Scope 2 (Location-Based) Total		**13,209,346**	**2,735**
	Electricity (Location-Based)	13,209,346	2,735
Scope 3 Total		**3,155,457**	**730**
	Business Travel – Employee-owned vehicles	2,803,659	677
	Business Travel – other	351,798	53
Total		**26,377,734**	**5,758**
Intensity Ratio – Emissions (tCO_2e) per Expenditure on Activities (£million)			**31.16**

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 invoice reporting data. For electricity from our sub-let property portfolio, data has been provided from our management company and has been reported from the total energy consumption for the whole estate minus any sublet recharges.

Transport mileage data was obtained from expense claims submitted by our staff for their vehicles and fleet information. EV recharges have been obtained from our account management usage report as total kWhs per user. CO_2e emissions were calculated using the appropriate emission factors from the UK Government GHG conversion information.

Carbon Footprint comparison 2024/25 to 2025/26

Activity		Difference (tCO_2e)	Difference (%)
Scope 1 Total		**(16)**	**(1)**
	Natural Gas (Mains)	(32)	(10)
	Transport	10	1
	Other Fuels	6	75
Scope 2 (Location-Based) Total		**47**	**2**
	Electricity (Location-Based)	47	2
Scope 3 Total		**42**	**6**
	Business Travel – Employee-owned vehicles	30	4
	Business Travel – other	12	23
Total		**73**	**1**

Carbon Footprint Comparison
The Trust's net emissions increased by approximately 73 tonnes tCO_2e or 1% from 2024/25. The increase is largely due to slight increases in business travel across company vehicles and employee-owned vehicles, combined with an increase in the emissions factors for diesel and petrol. Rail usage increased in the reporting period, as did the Trust's purchases of bottled gas. There was a net increase in Scope 2 emissions through electricity consumption due to an increased demand for pumping during the summer drought and an improvement in our quantification of emissions from our leased assets.

Energy Efficiency Measures
We continue to explore and implement a number of energy savings and carbon reduction initiatives as outlined below.

Pumping Efficiency Programme
Three pump sites have been upgraded in 2025/26. These include the installation of more efficient pumps at Acton Drains, Buckby Upper and Blockhouse. Over the last year the Trust has also installed new pumping control panels at our Leighton Buzzard, Radford and Bradley pumping stations to increase efficiency. The Trust has embarked on a programme of upgrading its remote monitoring and reservoir sites for water level control and installing additional monitoring equipment across the network.

Estate Rationalisation Programme
The Trust's estate rationalisation and improvement programme continued over 2025/26 with three depot refurbishments which saw the installation of LED lighting as standard. This included new builds at Sweetenham Street and Heck, where older inefficient buildings have been replaced with more efficient purpose built facilities. The Trust is in the process of decommissioning a series of under utilised shower units at its customer service facilities, which will reduce future energy demand.

Road Fleet Transition
The review of our commercial road fleet completed in 2024/25 and the Trust started its internal combustion engine (ICE) replacement programme. In 2025/26 we swapped 25 ICE vans for equivalent electric vehicles and installed 39 vehicle charging points at 17 Trust locations to provide future charging capacity as our EV fleet builds.

Carbon Reduction Plan
Our carbon plan continues to develop with a further review of our Scope 1, 2 and 3 emissions undertaken in this reporting year. Throughout the upcoming year work will take place to further understand our decarbonisation options and explore and schedule carbon saving opportunities within a constrained funding landscape.

Finance Review

Introduction

This Finance Review outlines the financial performance of the Trust in the year ended 31 March 2026.

The Trust has seen an increase in income in the year to £255.3m (2024/25: £232.6m).

- Donations and legacies income has increased 54% year on year, while income from third party funded projects has increased 22% year on year. This remains an area of focus for future growth.
- The Trust received one-off additional Defra grant funding of £6.5m during the year (2024/25: £nil).
- The Trust's main Defra grant funding has remained fixed at £52.6m and represents under 21% (2024/25: 23%) of total income.
- Investment income has increased due to additional dividends received on non-property investments. This is offset slightly by a decrease in investment property income due to the sale of investment properties to reinvest in non-property investments.
- Utilities and water development income has increased by £3.4m due to inflationary increases applied during the year.
- Boating income has increased in line with above inflationary increases applied at the start of the year.

In order to generate this income, the Trust has incurred expenditure on raising funds of £51.3m (2024/25: £48.0m). This represents an increase of 7% year on year to generate a 10% increase in income. Over 81% of these costs were incurred to generate our commercial income streams, with £9.5m (2024/25: £6.7m) incurred to generate our donations and legacies income.

Charitable expenditure of £234.2m (2024/25: £184.8m), was £25.2m higher than the prior year after adjustments for the impact of non-cash provision movements. It is pleasing to see that over the long term we have significantly increased our charitable expenditure, although inevitably more of that expenditure is required to deal with reactive rather than planned activities, including costs relating to the impact on our network of climate change.

The full year result (net expenditure before gains/(losses) on investments) was £30.5m (2024/25: £0.8m), and after adding the gains on investments and pension actuarial gains, funds were £12.7m higher than the prior 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.

Overview of financial performance

	2025/26 £m	2024/25 £m
Income	**255.3**	232.6
Expenditure on raising donations and legacies	**(9.5)**	(6.7)
Expenditure on raising other funds*	**(41.8)**	(41.3)
Net income applied to charitable activities	**204.0**	184.6
Charitable expenditure	**(234.2)**	(184.8)
Share of expenditure from Joint Ventures	**(0.3)**	(0.6)
Net expenditure before gains on investments	**(30.5)**	(0.8)
Gains on investments	**16.3**	24.1
Net (expenditure)/income	**(14.2)**	23.3
Pension actuarial gains/(losses)	**26.9**	(0.6)
Movement in funds	**12.7**	22.7

* Expenditure on raising other funds includes costs of generating income from the investment and property portfolios of £21.8m, from boating and mooring customers of £15.5m and utilities and water customers of £4.5m

Income
£255.3m
↑ £22.7m
2025: £232.6m

See Fig 1.

Expenditure on raising funds
(£51.3m)
↑ (£3.3m)
2025: (£48.0m)

See Fig 2.

Contribution to charitable expenditure
£204.0m
↑ £19.4m
2025: £184.6m

Charitable expenditure
(£234.2m)
↑ (£49.4m)
2025: (£184.8m)

See Fig 3.

Gains on investment and pension valuations
£43.2m
↑ £19.7m
2025: £23.5m

Movement in funds
£12.7m
↓ (£10.0m)
2025: £22.7m

Income

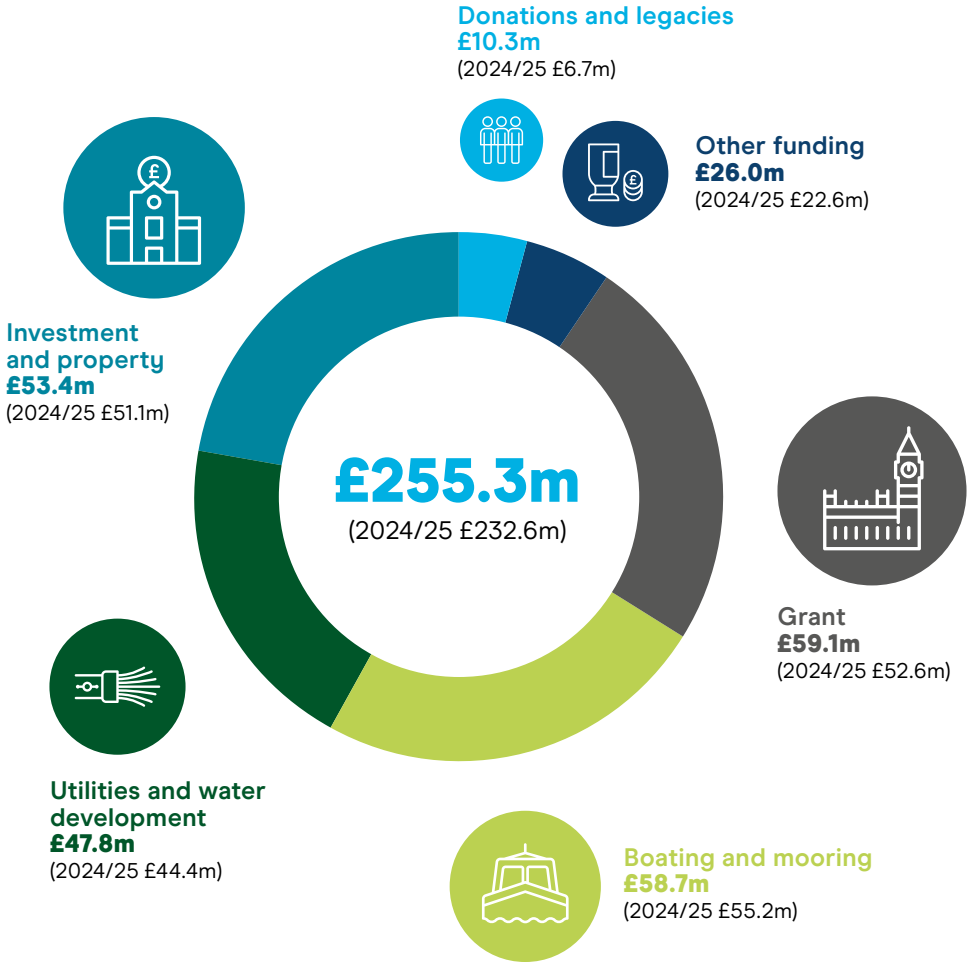


Fig 1. Income £255.3m (2025: £232.6m)

Income has increased across all areas compared to the previous year. Key increases include the additional grant funding received from Defra and increases in **Donations and legacies** as well as funded project works within **Other funding** above.

Investment and property income increased in the year as a result of additional dividend income on the non-property investment portfolio. This was partly offset by a reduction in investment property income as the Trust continued to rebalance its investment portfolio more towards non-property assets. Non-property assets are expected to deliver a higher total return over the long term. During the year, £13.4m (2024/25: £14.1m) of cash was withdrawn from the portfolio, with £8.0m (2024/25: £5.0m) being dividend income and the balance of £5.4m (2024/25: £9.1m) being net capital gains on investments.

The Defra **Grant** income has increased as a result of a one-off additional grant award of £6.5m during the year. The main Defra grant has remained fixed at £52.6m since 2021/22 and will remain at that level until its expiry in 2027. Had the grant risen in line with inflation, the Trust would have received over £40m more up to and including the current year. There have also been increases in **Boating and mooring** and **Utilities and water development** income resulting from inflationary and additional increases applied in the year.

Expenditure on raising funds

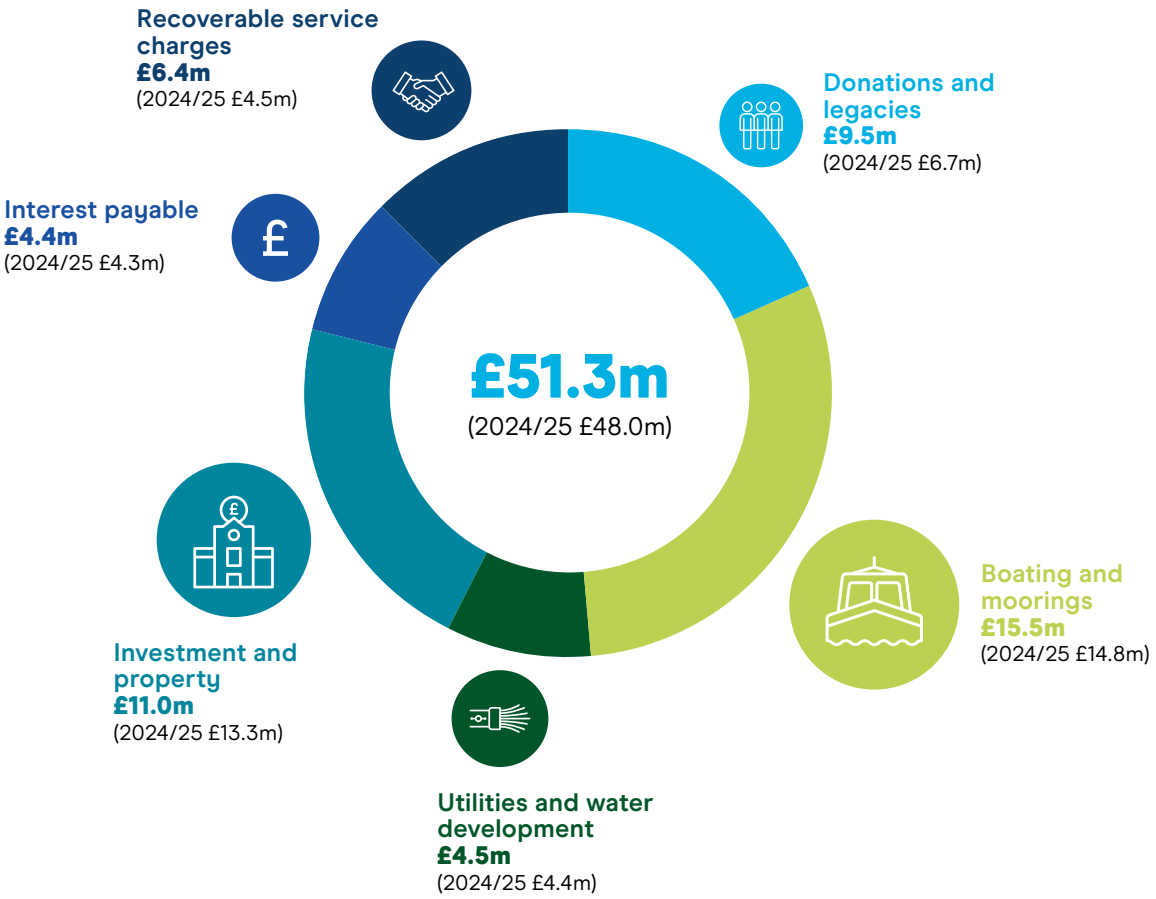


Fig 2. Expenditure on raising funds £51.3m (2025: £48.0m)

The total costs of raising funds have increased by £3.3m (7%) as the Trust looks to develop other income sources for the long term. This investment has generated an increase in income of £22.7m (10%).

Costs incurred in administering **Boating and moorings**, including customer service and licensing, increased following continued investment in this area. The relatively high expenditure on generating **Donations and legacies** reflects our investment in fundraising resources to generate above-inflation increases in future years. This includes face to face fundraising as well as marketing costs.

Investment and property costs are lower than the prior year due to the rebalancing of the Trust's investment portfolio more towards non property assets.

Charitable expenditure

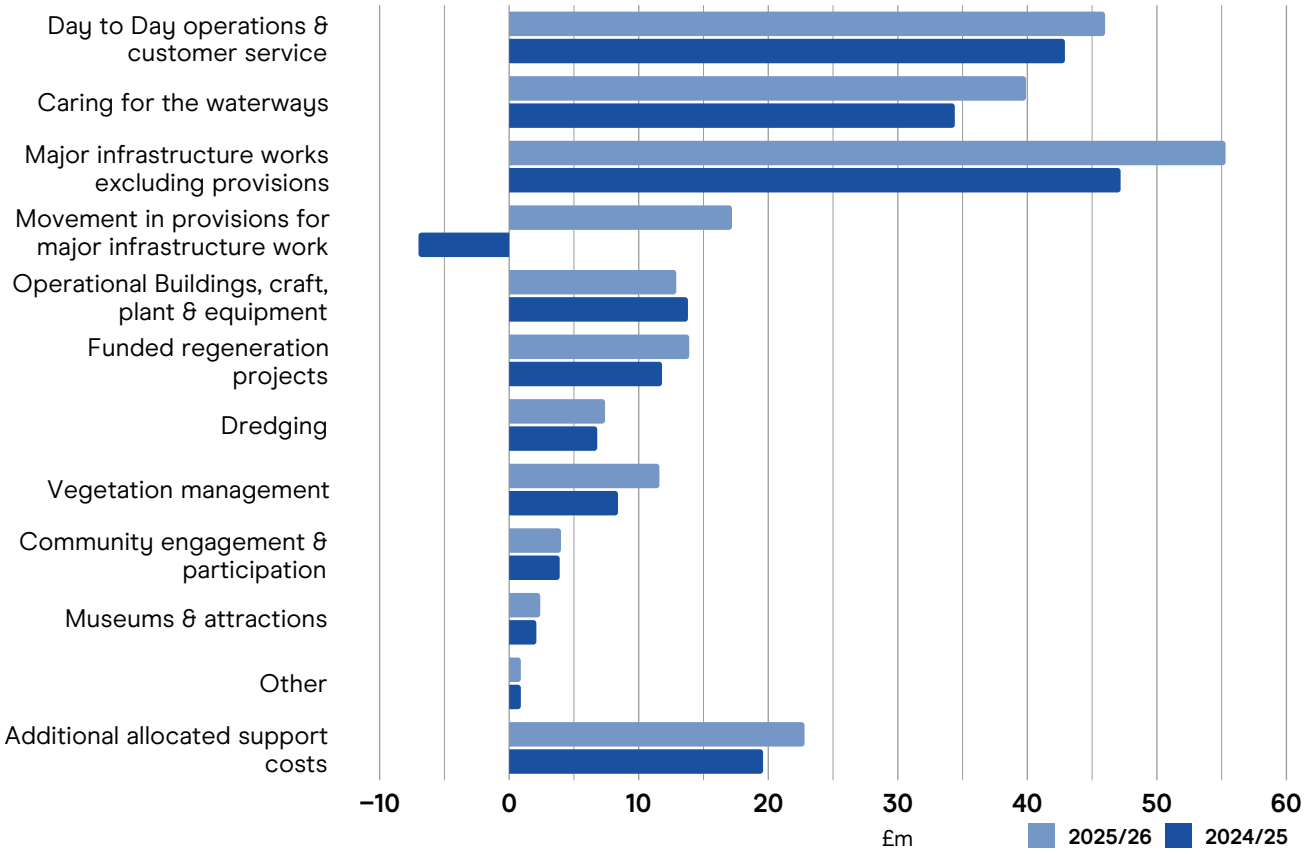


Fig 3. Charitable expenditure £234.2m (2025: £184.8m)

Excluding the impact of movements in major infrastructure provisions (a net increase of £17.2m in the current year and a net decrease of £7.0m in the prior year) Charitable expenditure overall increased by £25.2m.

Spend has increased on **Caring for the waterways, Vegetation management, Day to day operations & customer service**, and **Dredging** as the Trust implemented its Better Boating Plan.

There has been an increase in expenditure on **Funded regeneration projects** which is consistent with the increase in income from funded works.

The increase in **Additional allocated support costs** reflects multi-year IT project costs of £1.9m, and a £1.7m increase following the centralisation of costs relating to the Trust's fleet. These fleet costs were £1.8m in the prior year but were directly allocated Charitable expenditure, with most of the cost having been allocated to **Operational Buildings, craft, plant & equipment.**

Investments

Total investments
£1,022.1m
(£2.9m)
2025: £1,025.0m

Diversified Investment Fund
£397.3m
£30.4m
2025: £366.9m

Property including Joint Ventures
£624.8m
(£33.3m)
2025: £658.1m

Property investments reduced by £34.0m through net acquisition and disposal activity as the Trust follows a strategy of disposal of property and re-investment in non-property assets. This was compounded by revaluation losses in the year of £10.4m. **Joint Venture investments** increased by £0.7m following the advance of a loan less share of losses and dividends paid.

	Actual		Benchmark*		Variance	
	Annual return	5 year annualised	**Annual return**	5 year annualised	**Annual return**	5 year annualised
Total return	**4.0%**	3.6%	**5.4%**	2.9%	**-1.4%**	0.7%

* MSCI UK all commercial property quarterly benchmark.

The Trust's property investment portfolio produced a total return of 4.0% for 2025/26, 1.4% worse than the benchmark. The total return includes capital losses of 1.2% comprising 0.6% realised gains from disposals and 1.8% revaluation losses. This is lower than the benchmark of 0.6% capital returns. Income returns were 5.3% which compares favourably with the benchmark of 4.8%. Notwithstanding the current year underperformance, the portfolio has exceeded the five-year annualised benchmark, delivering returns of 3.6%, outperforming by 0.7%. The underperformance is primarily driven by the Office sector and Rest of UK Industrial. Offices declined by 13.3%, while Rest of UK Industrial was broadly flat at minus 0.2%. Overall, the result reflects a combined drag from both sectors.

These investments include property which comprises a variety of property types, across a number of UK regions and are inherently an illiquid asset.

The Diversified Investment Fund grew by £30.4m in the year due mainly to the reinvestment of £14.7m of proceeds from the sale of investment properties, a revaluation gain of £23.1m, other net increases of £6.0m and withdrawals of £13.4m, (comprising £8.0m in dividends and £5.4m of gains). The valuation of the private equity component was based on valuations as at 31 December 2025, adjusted, if material, for known transactions and market movements to 31 March 2026.

In line with the Trust's investment policy, target and actual returns are calculated using the opening position as at April 2024 as the base year. On this basis, the fund delivered a return of 5.4% during the year, made up of 4.5% income return which was withdrawn, plus 0.9% capital return on the increase in the portfolio value. This compares to the target return of 7.8%, being CPI plus 4.5%. The Trust measures the performance of the fund against target over the long term, and it is therefore quite reasonable in volatile markets with a long term investment horizon that variances occur from year to year.

	Actual		**Benchmark***		**Variance**	
	Annual return	5 year annualised	**Annual return**	5 year annualised	**Annual return**	5 year annualised
Total return	**8.0%**	6.9%	**11.7%**	7.0%	**-3.7%**	-0.1%

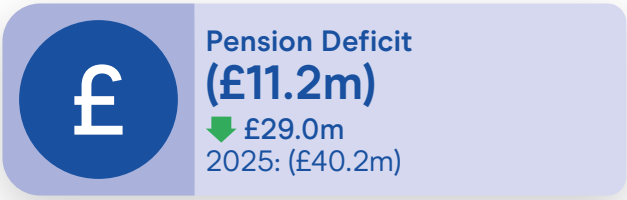
* Based on the Strategic Asset Allocation which is a composite benchmark based on a range of external benchmarks comprising fixed income, credit, absolute return, hedged equities, global equities and private equity.

The total return for the diversified investment fund was 8.0% for the year, 3.7% lower than the market benchmark for the year. This underperformance is due to a combination of two factors: the depreciation of the US Dollar against Sterling in the period (57% of the portfolio is held in US Dollar denominated assets and the US Dollar declined by 2.3% over the period); and modest performance from the portfolio's Private Equity allocation, which is focused on smaller companies whose performance is less sensitive to public market valuations. The underlying assets in the portfolio returned 9.8% for the year without the impact of currency conversion.

The fund delivered a 6.9% return per annum over the 5 year period, including the impact of foreign currency, which is close to the benchmark return of 7.0%.

The Trust's Diversified Investment funds include a variety of investment classes globally and are 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.

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 deficit of £40.2m decreased to £11.2m during the year. The liabilities haven fallen over the year, whilst the invested assets have increased in value, leading to an overall reduction in the deficit. The main factors leading to a reduction in the liabilities were updating the underlying membership data to reflect the Fund's recent triennial valuation and an increase in corporate bond yields reducing the present value of Fund liabilities. There were also positive asset returns 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. Under an amended agreement dated 31 March 2025, WPF will remain invested in this partnership until 31 March 2037 at which point WPF's investment will be redeemed. More details of this arrangement can be found in note 25 of the financial statements on page 112.

A full actuarial valuation is undertaken once every three years and was last undertaken as at 31 March 2025. As at that date the market value of the Scheme's assets (excluding members' additional voluntary contributions) amounted to £389m and the value placed upon the benefits that had accrued to members was £394m. The Scheme was therefore £5m in deficit and 99% 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 2025.

Summary Consolidated Balance Sheet

	Unrestricted general fund £m	Unrestricted designated funds £m	Restricted funds £m	Total 31 March 2026 £m	Total 31 March 2025 £m	Variance £m
Tangible fixed assets	**36.6**	**19.5**	**-**	**56.1**	53.5	2.6
Investments	**-**	**1,022.1**	**-**	**1,022.1**	1,025.0	(2.9)
Current assets	**89.1**	**-**	**4.5**	**93.6**	94.0	(0.4)
Current liabilities	**(59.7)**	**(16.3)**	**-**	**(76.0)**	(80.3)	4.3
Long-term liabilities	**(3.3)**	**(150.4)**	**-**	**(153.7)**	(154.0)	0.3
Provisions	**(62.6)**	**-**	**-**	**(62.6)**	(42.3)	(20.3)
Pension liability	**-**	**(11.2)**	**-**	**(11.2)**	(40.3)	29.1
Total net assets	**0.1**	**863.7**	**4.5**	**868.3**	855.6	12.7

Tangible fixed assets have increased compared to the prior year due to additions of boats, vehicles, plant and equipment, partly offset by the depreciation charge and disposals of assets.

Investments decreased by £2.9m. More detail is contained within the **Investments** section above.

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. Current assets also include cash of £23.6m (2024/25: £20.7m) and £3.1m (2024/25: £nil) of other debtors due after more than one year relating to provisions for future works which the Trust has a legal obligation to complete, but which are being funded by third parties.

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 £53.3m new provisions being recognised in the year, including the recognition of new provisions relating to abstraction licence and Eel Regulations requirements, two canal breaches which occurred during the year for which the Trust has a constructive obligation to complete future works, and new requirements and cost estimates in relation to future works required to the Trust's reservoirs. This is partly offset by the utilisation of £29.4m of previously recognised provisions, predominantly where work has been carried out on reservoirs. £3.6m of provisions were released in the year in part as a result of the delivery of works being achieved at a lower cost than originally estimated, and in part resulting from public liability insurance claims being settled for less than previously provided.

Financial Risks

The principal financial risks that the Trust faces derive from the Diversified Investment Fund (equity securities, debt instruments, other private investments, and money market funds).

These risks are inflation risk, market risk, credit risk, and liquidity risk. These risks are set out below, along with measures taken to manage them.

Inflation risk: the risk that the cost of achieving the Trust's charitable goals rises faster than the value of the Trust's investments, undermining the ability to support our charitable activities. The Trust manages this risk through a diversified portfolio of long-term investments that should earn returns expected to keep up with, or exceed, the rate of inflation in the wider economy in the long term. The return objectives for the Investment Assets is a total return of CPI +4.5% per annum with the aim that the value of the Investment Assets accumulates by at least UK CPI per annum.

Market risk: the risk refers to the possibility that investment prices may decline or become more volatile. The Trust manages this risk through a diversified asset allocation strategy, appropriate investment selection, and ongoing monitoring of market conditions and performance. For equities, the Trust holds diversified portfolios across both passive and active managers, with the latter chosen to reflect differing investment styles. As a long-term investor, the Trust accepts volatility in long-term

asset classes, particularly equities. The Trust does not currently employ foreign exchange hedging, as the portfolio is designed to support strategic objectives over extended horizons. Short-term exchange rate fluctuations are not expected to materially affect long-term returns, or the ability of the Trust to spend from the portfolio, though they can impact the portfolio's valuation in Sterling over the short term. Foreign currency exposure is predominantly concentrated in US Dollar, which is the natural underlying exposure for most Private Markets investments across Private Equity and Private Debt. In addition, the portfolio has access to use tools such as hedged share classes of investment funds and investment with natural Sterling exposure to mitigate foreign currency risk where appropriate.

Credit risk: the risk that a counterparty fails to meet its obligations. The Trust mitigates this risk by diversifying the portfolio across credit strategies, duration of loans and issuers. Within bond and money market funds, credit quality, duration and market conditions are closely monitored with managers. Excess cash is placed in Money Market funds to limit counterparty exposure to financial institutions. Credit exposure includes US sovereign bonds alongside a broad mix of liquid credit and private debt investments. Beyond sovereign bond holdings, exposures are highly diversified. The Trust's liquid and private credit portfolio spans over 1,000 individual positions across asset-backed lending, corporate lending, and specialist strategies, diversified by vintage (i.e. when the loan was issued), market capitalisation of the debtor (upper, middle, and lower) as well as the sector in which they operate. No single credit position accounts for more than 0.5% of the overall portfolio.

Liquidity risk: the risk arises when assets cannot be sold at fair value due to market dislocation, when obligations cannot be met due to lack of available cash, or from inadequate cash management. The Trust mitigates this risk through diversified asset allocation, use of multiple managers, regular dialogue with managers to assess risks, holding excess cash in Money Market funds and detailed cash flow forecasting. Most of the portfolio is invested in illiquid assets, which provide intermittent liquidity and recycling of capital. The Trust does not expect to need to liquidate this exposure at short notice. The portfolio also has obligations to meet capital calls from commitments to private markets managers, mainly Private Equity, which are managed through careful forward planning and forecasting, and funded from liquid assets within the investment portfolio. Additionally, the portfolio undergoes regular stress testing under conservative assumptions to assess resilience in adverse market conditions and ensure all obligations, including funding capital calls and meeting regular spending requirements, can be met.

In addition to the other financial risks, the Trust's entire cost base is subject to inflationary pressures. However, a significant portion of income, specifically £52.6 million per annum received under the Defra grant is fixed in nominal terms. As a result, the real value of this funding erodes with rising inflation. For every 1% point per annum increase in inflation, the Trust's spending power is reduced by £0.5 million per annum.

Total reserves

The total reserves of the Trust have increased from £855.6m at 31 March 2025 to £868.3m at 31 March 2026. This is due to a net expenditure of £30.5m for the year being supplemented by realised and unrealised gains on investments of £16.3m and the unrealised gain on revaluation of the defined benefit pension scheme of £26.9m.

	2025/26 £m	2024/25 £m
Unrestricted general fund	**0.1**	0.1
Unrestricted designated funds	**863.7**	852.5
Total unrestricted funds	**863.8**	852.6
Restricted income funds	**4.5**	3.0
Total reserves	**868.3**	855.6

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 until July 2023 when the restrictions applied to it were lifted following revisions made to the Defra Grant agreement. Upon removal of the restrictions 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.

In March 2024 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 Protected Asset 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.

Reserves policy

The Trust's reserves policy has the 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) 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 2026 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

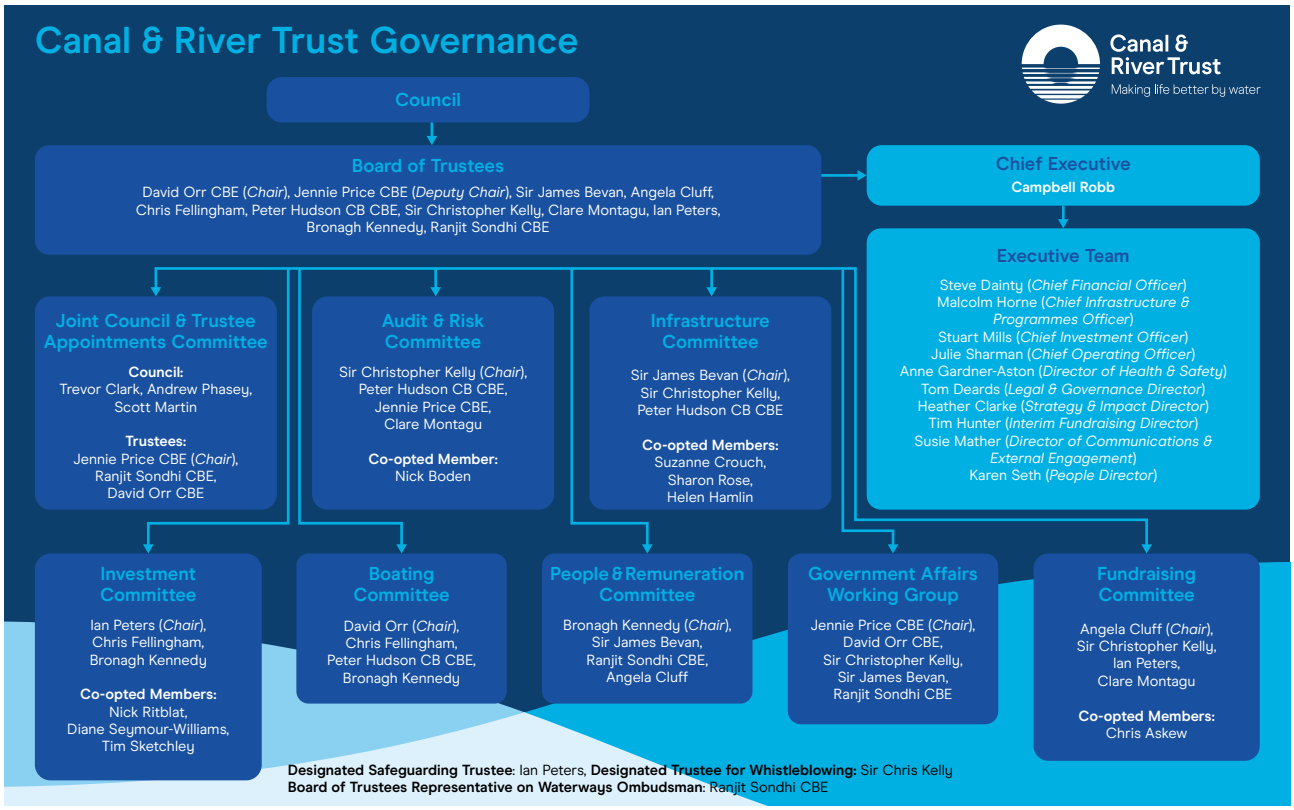
In 2025/26, the Trust had two active subsidiary companies, Canal & River Trading CIC and the Boat Safety Scheme Limited. The Canal & River Trading CIC is a community interest company that conducts trading and investment activities. The main activities are in property development and investing in joint 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. The Boat Safety Scheme Limited was incorporated in 2024 and has taken over the management of the Boat Safety Scheme in administering the training and accreditation of boat safety examiners as well as the review and recommendation of boat safety standards to participating navigation authorities.

Both companies are entered into an intra-group agreement that reflects the arm's length relationship with the Trust and ensures that resources, services and intellectual property provided to both subsidiary companies by the Trust are properly charged for in line with Charity Commission guidance. A summary showing the Trust's subsidiaries and their results appears in the note on page 97 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 7 to 24.

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 reports compliance to the Charity Governance Code though to the Audit & Risk Committee.

The Trust's governance arrangements as at 31 March 2026 are detailed below:



The Council

Role
The Council consists of a mixture of elected and independently nominated individuals and 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. On 31 March 2026, the Council had 34 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 appointed either through election, co-option or nomination by specified organisations.

A full list of Council biographies can be found on the Trust's website.

Three 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, Tracey Clarke, is elected as a User Representative Observer to the Waterways Ombudsman Committee. This is a non-voting post, appointed annually.

Key Activities
The Council ordinarily meets twice a year and met in September 2025 in Bath (which was the Trust's Annual General Meeting) and in Worcester in March 2026.

The Trust values the experience and input of Council members and keeps them informed through regular Executive Team reports on Trust activities.

The Council undertook the following key activities at its September 2025 meeting:

- Approved the appointment of Angela Cluff, Clare Montagu and Peter Hudson CB CBE, as new Trustees for a first term of up to three years.
- Approved the re-appointment of David Orr CBE, Ian Peters and Bronagh Kennedy for a second term as Trustees of up to three years.
- Received an update on the appointment of Fay Jones-Poole in her first term as Chair of Bwrdd Glandŵr Cymru (*Welsh Board*).
- Approved the addition of the Society of Local Council Clerks (SLCC) as a nominating body to Council.
- Received the draft Annual Report and Accounts, ahead of publication for the Year Ended 31 March 2025.
- Received an organisational update from the Chief Executive; an overview of priority operational and maintenance activity including progress against the reservoir programme; an update on recent political engagement activities; and an overview of Trust's activities on fundraising, volunteering and brand campaigns.
- Received a presentation on the Trust's response to drought and prolonged dry weather, along with its broader water resource management activities.
- Received a boating update presentation which covered boater satisfaction and key activities being delivered as part of the Better Boating Plan (BBP), and an overview of the scope and timeline for the Boat Licensing Review Commission.
- Received a presentation from Council member, Rosie Strickland, on the formation of a new group on the River Lea called the *Lea Boaters Organise*.

At the March 2026 meeting, Council:

- Recognised and gave tribute to Council members who had sadly died in 2025/26; Brian Williams an elected 'Friends' member; Cllr Keith Stevens a nominated member for the National Association of Local Councils and Patrick Moss a nominated member of the Railway Canal Historical Society.
- Received the Report of the Joint Council & Trustees Appointments Committee, detailing the commencement of the recruitment process to replace a Trustee coming to the end of their term in September 2026 and the appointment of Alison Puente as the Yorkshire Northeast Regional Advisory Board Chair.
- Welcomed to the Council, Cllr Paula Widdowson from the Local Government Association, James Stuart from the Royal Yachting Association and Adam Keppel-Green from the Society of Local Council of Clerks.
- Received an activity update from the Chief Executive.
- Received a presentation on infrastructure maintenance, which included an update regarding the canal breach at Whitchurch that occurred in December 2025.
- Received a presentation on the Trust's response to the Boat License Review Commission.
- Took part in facilitated discussions around developing the Trust's next 10-year strategy.

The Board of Trustees

Role of the Board of Trustees
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 six committees, to which it has delegated specific decisions through its Scheme of Delegation and Terms of Reference:

- Audit & Risk Committee
- Investment Committee
- People & Remuneration Committee
- Infrastructure Committee
- Fundraising Committee
- Boating Committee (since January 2025)

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

The Board has 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 for Committees or individuals by the Trust's Articles of Association, Trust Rules, and the 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 2025 the following Trustees came to the end of their term in office; Dame Jenny Abramsky, Janet Hogben and Tim Reeve CBE. At the AGM in September 2025, Angela Cluff, Clare Montagu and Peter Hudson CB CBE were appointed as Trustees. Biographies for all current Trustees can be found on the Trust's website.

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, Ranjit Sondhi CBE, 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 is the Trust's nominated Safeguarding Trustee and is a member of the Trust's Safeguarding Steering Group, with Sir Chris Kelly the designated Trustee for Whistleblowing.

The Trust has appointed a Company Secretary, to whom 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 line with the Charity Governance Code, the Trust aims to undertake an external Board effectiveness review at least every three years, supplemented by annual internal reviews.

The Chair led an internal Board appraisal in late 2025, with the outcomes reported to the Board in March 2026. This led to several actions, including the Board commissioning a comprehensive, externally led governance review for 2026/27, alongside work to review the Trust's organisational strategy.

Where Trustees could not attend meetings, they received the relevant papers and were invited to submit questions/comments to the Chair in advance of the meeting. Members of the Executive Team were also available to provide further information or discuss any points as required.

Board Induction and Training
The Trust provides appropriate resources to support Trustees' professional development.

New Trustees appointed during the year undertook a tailored induction programme. In addition, all Trustees benefit from deep-dive sessions, typically held following each Board meeting, which cover a range of themes throughout the financial year. In 2025/26, deep dive discussions covered the transition to net zero, statutory and core legal obligations, and volunteering. Sessions have also featured contributions from external speakers, such as the Chief Executive of the Association of Leading Visitor Attractions (ALVA).

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. In accordance with our Articles of Association and Section 234 of the Companies Act 2006, we take out indemnity cover for our Trustees and Directors.

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 the relevant Committee.

Key Decisions in the Year
Trust Board meetings during the financial year considered a wide range of matters.
Key issues addressed by the Board during the year include (*not exhaustive*):

- Annual Report & Accounts 2024–2025
- B25 Business Plan
- Boater satisfaction and Better Boating Plan
- Long term financial plan
- Reservoirs Annual Report
- Fundraising Strategy and culture
- Impacts of drought and prolonged dry weather

- Strategic review of risk and risk management
- Climate Change Adaptation Report
- Overview of statutory obligations
- Annual reports on reservoirs, health and safety, safeguarding, harbour management and the Trust's National Advisory Groups

The agenda and supporting papers for the Board of Trustees meeting can be found on the Trust's website.

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 deeply about our waterways and the people who look after and use them. We believe that a diverse and inclusive organisation strengthens our ability to deliver for the communities we serve, bringing different perspectives, experiences and ideas into how we work.

We want everyone who works or volunteers with us to feel they belong, can be themselves, and are able to contribute fully, without pressure to conform.

Our approach
Our approach continues to evolve from awareness and engagement towards a stronger focus on outcomes, accountability and measurable change. Our Stronger Together strategy guides our work, focusing on building inclusion in practical, evidence-based ways in everyday practice.

Colleague-led activity continues to build awareness, with greater emphasis on ensuring this leads to sustained organisational change.

Where the Public Sector Equality Duty applies, we complete Equality Impact Assessments and have continued to strengthen how these inform decisions.

Over the past year, we have:
- Strengthened how we use insight to understand colleague and volunteer experience;
- Embedded more inclusive recruitment practices, focused on skills, potential and contribution;
- Built manager capability to apply inclusive practices consistently, including reasonable adjustments;
- Supported our Inclusion Circles to ensure the voice and insight of our colleagues informs policy and decision-making;
- Increased the use of data and insight to identify differences in experience and outcomes;
- Continued to improve recruitment and people processes to reduce bias and widen access; and
- Strengthened support for managers to take confident, inclusive decisions.

Workforce inclusion
We monitor diversity and inclusion across our workforce and leadership, using trends in experience to target action. While progress has been made, it is not yet consistent across all groups. We are strengthening our use of data to better target action and measure impact.

Barriers and actions
We recognise that barriers can be structural and cultural. Key challenges include:

- Inconsistent application of inclusive practices
- Gaps in data and insight
- Differences in experience across roles and locations

In response, we are:

- Embedding clearer expectations for inclusive practice
- Improving data quality and transparency
- Focusing action where differences in outcomes are greatest

We continue to support disabled colleagues through a structured reasonable adjustment process and remain committed to improving recruitment, retention and progression.

Looking ahead
In the coming year, we will refresh our inclusion and diversity strategy and strengthen the link between data, accountability and action.

Our focus remains on building inclusion into everyday decision-making and delivering measurable improvements in colleague and volunteer experience.

Gender Pay Reporting
The Trust is committed to achieving gender equality across all aspects of employment and monitors its gender pay gap on an annual basis.

We publish our gender pay gap using a snapshot date of 5 April each year, in line with statutory requirements. As a result, reported figures are based on data that is up to 12 months in arrears at the point of publication. The latest figures are published on the Trust's website.

Our reporting forms part of our wider approach to improving transparency, understanding differences in outcomes, and identifying where targeted action is needed.

Our Population
As at March 2026, 31.8% of all Trust employees were female. 56.3% of women in the Trust are employed in professional roles or above, and 28.6% of our senior management population is female.

We continue to monitor workforce composition alongside broader measures of inclusion and colleague experience, to build a more complete picture of representation and progression across the organisation. This helps us understand not just representation, but how fairly opportunity is experienced across the organisation.

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 Lead, which is responsible for the effective

management of safeguarding cases; regularly reviewing and updating the Safeguarding Standard 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.

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 98%. The Trust has a Whistleblowing Standard (available to all colleagues on the Trust's intranet site), 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.

The Executive Team
The Chief Executive reports directly to the Trust Board and has 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 the Trust's website.

Joint Council and Trustee 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 depending 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 2025/26, the membership of the Committee comprised of:

Dame Jenny Abramsky, Trustee *(Chair until September 2025)*

Jennie Price CBE, Trustee (*Chair from January 2026*)

David Orr CBE, Trustee Chair

Ranjit Sondhi CBE, Trustee

Andrew Phasey, Council Member

Scott Martin, Council Member

Trevor Clark, Council Member

Key activities
The Committee meets as and when required. During the 2025/26 financial year, the Committee met four times.

- In April 2025, the Committee agreed shortlisted candidates for the three vacancies for Trustees.
- In June 2025, the Committee agreed the final shortlist of candidates, following interviews, to be put forward to the Council at the September 2025 AGM for ratification as part of the Trustee recruitment process.
- In January 2026, undertook recruitment for the new Yorkshire & Northeast Regional Advisory Board Chair.
- In February 2026, met to agree the timeline for the 2026/27 recruitment process for a new trustee.
- In March 2026, the Committee formally approved the appointment of the Yorkshire & Northeast Regional Advisory Board Chair.

Succession Planning, Recruitment & Diversity
Council membership is comprised of elected and co-opted members, 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 2025/26 financial year there were three 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 by the Joint Appointments Committee and endorsed by the Council at September 2025 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 a gender-balanced Board of 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 control, and risk management framework.

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

Sir Chris Kelly, Trustee (*Chair*)

Clare Montagu, Trustee (*from September 2025*)

Jennie Price CBE, Trustee

Peter Hudson, CB CBE, Trustee (*from September 2025*)

Dame Jenny Abramsky, Trustee (*until September 2025*)

Robert Milburn, Co-opted Member (*until September 2025*)

Nick Boden, Co-opted Member

The Committee met five times during the financial year.

Key Activities
At each meeting the Committee receives and discusses a number of standing items such as the risk reporting and internal audit progress reports. The Committee undertook the following key activities within the year (*not exhaustive*):

- Reviewed (and recommended for Board approval) the draft 2024/25 annual report and accounts and reviewed the external auditor's completion report.
- Received risk management updates, including reviewing the corporate risk register and preparing for the annual strategic risk discussion at Trust Board.
- Received an annual fraud audit risk review.
- 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 following internal audits, e.g. volunteering, expenses, training and critical asset contingency planning.

During the year the Committee received updates on internal audit recommendations and undertook deep-dive sessions which included the risks and mitigations associated with our abstraction activities and an update on public safety.

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.
- Approved the draft internal audit plan.

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

- Approved the external audit strategy.
- Reviewed external auditor's 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 £20,000 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 risk register which contains all known risks.

Risk is measured as 'likelihood × impact'. Each risk is scored both before and after current mitigating actions are taken into account.

Likelihood and impact are scored on a 5-point scale, where 1 is the lowest and 5 is the highest.

Impact can be financial, reputational, service delivery, or loss of life/personal injury, or a combination of all four. Each of the four types of impact is scored separately. The highest one of the four impact scores is then multiplied by the likelihood to give the overall risk score.

The Trust Board has overall responsibility for the Trust's risk management and internal control framework but has delegated specific areas of oversight to the Audit & Risk Committee (ARC).

The most significant risks from the overall register form part of the Corporate Risk Register, which is monitored by the Executive and by the ARC. The Executive Team are collectively responsible for determining which risks should appear on the Corporate Risk Register, taking into account the contents of directorate risk registers. Risks are grouped under overarching strategic risk themes, allowing them to be viewed more holistically.

The ARC regularly undertakes a review of risks and the internal control 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 ARC approves an annual programme of internal audit reviews.

The Trust's Corporate Risk Register is reviewed by the Board during its annual review of risk; this is used to review the sufficiency of controls and mitigation around each key risk, to drive the allocation of Trust focus and resources, and to set the high-level tolerance for risk.

The Trust has a framework of policies and standards which contain measures to manage risk and has developed a board assurance framework in relation to the risks on its Corporate Risk Register.

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 minimise 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. The Trust will define its tolerance in each area of work by applying a tolerance score to each strategic risk theme. In some cases, specific risks may have a bespoke tolerance score applied to them.

Executive collectively reviews and agrees on a tolerance score to be applied to each strategic risk theme at least once per year. The Board of Trustees reviews and approves the tolerance scores annually.

Strategic Risk Themes
As at 31 March 2026, the Trust's strategic risk themes (which draw together – and are informed by – the risks captured on its risk registers) were as follows:

Strategic risk theme	Descriptor	Actions taken to manage risks (non-exhaustive examples)
Asset failure	One of our reservoirs, critical assets, or special structures fails in such a way as to result in significant consequences for public safety or damage to property	• Asset Management System in accordance with ISO 55001, including asset inspection procedures, planned preventative maintenance, asset strategies, & investigations programme • Critical Asset Programme, contingency plans, and emergency response teams
Climate change	We do not, or are unable to, adapt to the impact of climate change on our functions, services and assets (including engineering, heritage, environmental and water)	• Asset Management System in accordance with ISO 55001, including asset inspection procedures, planned preventative maintenance, asset strategies, & investigations programme • Grand Union Canal transfer & similar schemes raising profile of Trust as a trusted partner for delivering water resource options • Emergency & Urgent Arising Procedure with Budget and Programme Change Process. Climate Change Adaptation Reporting (driving Asset resilience requirements) • Application of drought planning • Weekly monitoring and proactive water management processes
Malicious acts incl. cyber security	Our functions, assets or services are compromised through physical or technological hostile acts	• National Cyber Security Centre Cyber Essentials Accredited • Outsourcing of key IT systems and security monitoring to accredited third parties • Segregation of duties via delegations of authority and financial systems • Programme of regular safeguarding, information governance, and IT security training for relevant colleagues • Systems of vetting checks and reference checks for colleagues working with vulnerable groups
Water supply & environmental regulation	Legal and environmental obligations result in insufficient water or high costs of compliance	• Proactive engagement with Environment Agency & Natural Resources Wales in relation to abstraction licence renewals and variations • Operational guidance documents giving instructions to regional teams • Engagement with relevant Government department policy teams regarding future environmental regulation and policy • Policy and Legislation Review Group

Strategic risk theme	Descriptor	Actions taken to manage risks (non-exhaustive examples)
Health & safety	We do not keep visitors, customers, our people and contractors using the network as safe as reasonably practicable	• Visitor Risk Assessment programme and reporting of completion of resultant notifications • Recording and review of all incidents • Asset Management System, including asset inspection procedures, planned preventative maintenance, asset strategies, & investigations programme • Lead role on Boat Safety Scheme • Participation on National Water Safety Forum • Boater Handbook • Working with water safety partnerships • Suite of H&S standards in place • Mandatory H&S training appropriate to role
Capability, capacity & culture	We do not have the right skills, technology, processes, or culture to achieve our objectives	• Annual pay negotiations • Employee Value Proposition • Inclusion and Diversity Strategy with three-year action plan • Talent Development Committee • Succession planning
Cost management & liabilities	We cannot sustainably manage our long-term costs or liabilities	• Annual budgeting process with quarterly forecasting and monthly reviews • Bi-weekly liquidity forecasting • Ongoing long-term planning process to consider options to reduce costs whilst delivering target asset risk and charitable objectives • CFO attendance at quarterly oversight meetings with pension trustees and investment advisors and actuary • Third party liability insurance • Cost Intelligence Team and costing processes
Service, reputation & influence	Customers or visitors are dissatisfied, and we are unable to leverage the support we need to be successful and sustainable	• Constitution of Commission on the future of boat licensing, and stakeholder engagement • Investment in brand-building marketing activity at a national and regional level • Automation of some processes to enable customer self-service
Income	We do not generate sufficient income for long-term financial sustainability	• Fundraising Strategy in place • Group Investment Policy sets out framework including effective diversification of asset classes and within asset classes • Governance framework monitoring performance, including Investment Committee & Executive group • External investment advisors for financial and property classes providing expert advice • Engagement with Defra to secure signed Grant Agreement • Regular monitoring of finance-related performance measures with warning thresholds in place

Enhancements to risk management arrangements
During 2025/26 work has taken place to enhance the Trust's risk management arrangements. This has included:

- The identification of target scores for the risks on the Trust's Corporate Risk Register;
- The development of a risk appetite scale, which sets out five possible risk appetite ratings with corresponding definitions;
- Work to identify the Trust's risk appetite in relation to each strategic risk theme;
- Work to set a risk tolerance score for each strategic risk theme;
- Development and roll out of an online training module for relevant colleagues.

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, including investments in subsidiaries and joint ventures, as well as oversight of its own property and utilities activities.

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

Ian Peter, Trustee (*Chair*)

Sir Chris Kelly, Trustee (*until July 2025*)

Chris Fellingham, Trustee

Bronagh Kennedy, Trustee (*from October 2025*)

Nick Ritblat, Co-opted Member

Tim Sketchley, Co-opted Member

Diane Seymour-Williams, Co-opted Member

The Committee met four times during the financial year.

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).

During the year, the Committee undertook the following key activities (*not exhaustive*):

- Received non-property investment updates
- Annual property valuation
- Review of office property strategy
- Building Safety Act liabilities update
- Property interim valuation
- Ad-hoc meetings were held during the year to consider strategic commercial opportunities

During the year deep-dive sessions were held on Trust commercial activity in estates, business boating, and utilities.

The Group Investment Policy includes a long-term objective of maintaining the real value of the Designated Investment Fund, defined as achieving fund growth of at least CPI. The Policy has a total return approach which provides flexibility to support stable, increasing charitable expenditure, whether funded from the withdrawal of capital growth or income and provided the fund grows by at least CPI over the long term.

The Policy incorporates consideration of environmental, social and governance (ESG) factors in the management of the fund and its underlying investments. This is applied pragmatically to ensure that such considerations do not materially constrain the overall financial return of the fund.

People & Remuneration Committee

Role
The People & Remuneration Committee oversees the remuneration policies for the Trust, with a 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 People & Remuneration Committee is constituted solely of Trustees. During 2025/26 the following served on the Committee during the year:

Janet Hogben, Trustee (*Chair until September 2025*)

Bronagh Kennedy, Trustee (*Chair from September 2025*)

Sir James Bevan, Trustee (*from September 2025*)

Angela Cluff, Trustee (*from September 2025*)

Ranjit Sondhi CBE, Trustee (*from September 2025*)

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
- Executive salary review
- Senior Managers' pay review
- Board Apprenticeships
- Volunteer Engagement Survey insights
- Update on Employment Rights Bill
- New People system updates

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 about 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 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.
- Examination and commentary upon the Trust's Asset Strategy and Asset Management Plan.

Membership
The Infrastructure Committee is constituted of independent Trustees (plus three co-opted members). During 2025/2026 the following members served on the Infrastructure Committee:

Sir James Bevan, Trustee (*Chair*)

Peter Hudson CB CBE, Trustee (*from September 2025*)

Janet Hogben, Trustee (*until September 2025*)

Sir Chris Kelly, Trustee

Suzanne Crouch, Co-opted Member

Sharon Rose, Co-opted Member (*since March 2026*)

Helen Hamlin, Co-opted Member (*since March 2026*)

The Committee met four times during the year which included attending site visits at Wilstone and Toddbrook reservoirs and Perry Barr Top Lock.

Key Activities
The Committee undertook the following key activities:

- Reviewing changes to reservoir 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.
- Review of business plan for infrastructure investment.
- The Trust response to the Llangollen Canal breach at Whitchurch.

Fundraising Committee

Role
The role of the Committee is to:

- To assist in developing the Trust's vision and strategy for fundraising.
- To help communicate the Trust's vision for fundraising.
- To review and act as a critical friend for the fundraising strategy and plans, bringing external insight, ideas and positive challenge.
- To act as lead advocates for the Trust and fundraising specifically – both internally and externally, with donors, in potential fundraising networks and with those who influence funding decisions.
- To offer support, advice and guidance to the development of a fundraising culture within the Trust.
- To contribute specialist or donor-specific advice and contact where appropriate.

Membership
Dame Jenny Abramsky, Trustee, (*Chair until September 2025*)

Angela Cluff, Trustee (*Chair from September 2025 and previously Co-opted Member until September 2025*)

Sir Christopher Kelly, Trustee

Ian Peters, Trustee

Chris Askew, Co-opted Member

Clare Montagu, Trustee (*from September 2025*)

The Committee met four times during the year.

Key Activities
- Fundraising Compliance
- The Fundraising Plan and associated key performance indicators
- Fundraising Strategy income projections
- Regular updates on individual giving and legacy and philanthropy and partnerships
- Corporate sponsorship

Fundraising
The 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.

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 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 across all our fundraising activities. In 2025/26, we received just seven complaints – an exceptionally low number, particularly given that our primary recruitment channel is face-to-face fundraising. None of these complaints were serious, and none were escalated to the Fundraising Regulator.

While this figure is slightly higher than in previous years, this may reflect the implementation of more robust processes for tracking and monitoring complaints. This data is invaluable in helping us identify opportunities for improvement and ensuring any issues are addressed promptly and effectively.

The Trust's Ethical Fundraising Policy Statement sets out how we comply with the Fundraising Regulator's 'Code of Fundraising Practice' and sets out Trust commitments on fundraising with people in vulnerable circumstances as well as transparency and dealing with complaints. We respect our donors' right to make their own decisions and take seriously our responsibility to promote and protect the safety and welfare of vulnerable people. This includes the provision of extensive training to those fundraising on the Trust's behalf on protecting vulnerable people and other members of the public from: unreasonable intrusions on their privacy, unreasonably persistent approaches and placing undue pressure upon people. Fundraising also complies with the Trust's Safeguarding Policy Statement which sets out the wider Trust approach.

Boating Committee

During the year, the Board of Trustees established a Boating Committee. The Committee met three times during the reported year.

Role
The role of the Committee is to:

- To assist in developing the Trust's strategy and policies for boating on Trust waters.
- To keep under review the Trust's boat licensing activity, including responding to licencing trends and challenges
- To consider proposals for any reforms of the Trust's statutory boat licensing and enforcement powers, together with consultation ahead of any reforms.
- To oversee the discharge and performance of the Trust's navigation functions.
- To assist in the elaboration of communications and stakeholder management of boating customers and other interested groups.

Membership
David Orr CBE, (*Chair*)

Chris Fellingham, Trustee

Janet Hogben, Trustee (*until September 2025*)

Bronagh Kennedy, Trustee

Peter Hudson CB CBE, Trustee

Key Activities

- Updates from the Trust's response to the Boat License Review Commission
- Better Boating Plan updates
- Boater Satisfaction Survey updates

Boat Licence Review Commission

In September 2024, the Board agreed on the need to review the Trust's boat licence framework and approved the establishment of an independently led Boat Licence Review Commission. The Commission was overseen by the Board's Boating Committee, which received regular updates throughout the review process.

The Commission reported its findings in autumn 2025, making 36 recommendations. These were broadly supported by the Board of Trustees and subsequently published. The recommendations are intended to improve the clarity and fairness of the licensing framework and to support more effective management of the waterways, reflecting changing patterns of use and the needs of different boating communities.

The Trust has committed to implementing the recommendations through a phased approach. Initial actions are already under way, including improvements to communications with boaters, enhanced support provision and operational measures such as addressing abandoned vessels. Further phases will involve consultation with the sector on matters such as movement requirements, safety and licensing arrangements, with longer-term changes potentially requiring legislative reform.

This programme forms part of a broader plan to improve the boating experience, alongside increased investment in the maintenance and operation of the network.

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 website.

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.

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.

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.
- Observe the methods and principles in the applicable Charities SORP.
- 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.
- 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.

Financial statements are published on the charitable company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Going Concern

The financial statements have been prepared on a going concern basis and there is no material uncertainty in respect of the going concern basis of preparation.

The Trust has a broad range of secure income streams that provide a reliable source of income to fund the Trust's charitable activities. The Government announced the results of its grant review in July 2023, which determines the amount and duration of grant funding to the Trust beyond 2027. The review proposed a 10-year grant settlement starting with the current grant of £52.6m and applying an annual 5% reduction or "taper" each year from 2027 to 2037. A £10m portion of the Defra grant income is subject to performance conditions.

Having reviewed financial projections, and associated cash flow forecasts from management as detailed in note 1.2, the Trustees have concluded that the Trust has sufficient resources to continue funding its charitable activities for at least the next 12 months. Additionally, the Trust undertakes an annual budgeting process for the forthcoming 3-year period. The most recent budget was approved by the Board in March 2026 and demonstrates that the Trust expects to be financially sustainable until at least 31 March 2028. Beyond this and in extremis, the Trust can utilise its Designated Investment Fund.

This report, including the Director's report and the strategic report, was approved by the Board of Trustees on 17 September 2026 and signed on their behalf by:

David Orr CBE
Chair

Independent auditor's report to the 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 2026 and of the Group's incoming resources and application of resources, and the Parent Charitable Company's incoming resources and application of resources, and the Group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 2026 which comprise the following:

Group	Parent Charitable Company
Consolidated statement of financial activities	Balance sheet
Consolidated balance sheet	Notes 1 to 27 to the Charitable Company financial statements
Consolidated statement of cash flows	
Notes 1 to 27 to the consolidated financial statements	
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.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group and the Parent Charitable Company's ability to continue as a going concern.

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 & Accounts, 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 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, the Trustees' report or the Directors 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.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the Charitable Company and management.

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;
- Discussions with management and those charged with governance, including the Audit & Risk Committee and legal counsel; 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 and UK tax legislation.

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), the Bribery Act 2010 and the Reservoirs Act 1975.

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 internal audit reports and 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, internal audit 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 meeting 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 recognition 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;
- Reviewing the performance related remuneration paid to management and staff to assess incentives to manipulate results.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including component engagement teams and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit. For component engagement teams, we also reviewed the result of their work performed in this regard.

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:
Fiona Condron
BC8C15A11E97446...

Fiona Condron (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
London, UK

Date: 18 September 2026

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

Financial Statements for the year ended 31 March 2026

Consolidated statement of financial activities (incorporating the income and expenditure account) for the year ended 31 March 2026

		2025/26				2024/25
		Unrestricted funds		Restricted funds		
	note	General fund £m	Designated funds £m	Income funds £m	Funds Total £m	Total £m
Income and endowments from:						
Donations and legacies		-	-	10.3	10.3	6.7
Charitable activities	3	70.9	-	13.3	84.2	74.3
Trading activities	4	107.4	-	-	107.4	100.5
Investments	5	1.2	52.2	-	53.4	50.6
Share of net income from joint ventures	16	-	-	-	-	0.5
Total Income		**179.5**	**52.2**	**23.6**	**255.3**	**232.6**
Expenditure on:						
Raising donations and legacies	6	(9.2)	-	(0.3)	(9.5)	(6.7)
Raising other funds	6	(19.8)	(21.8)	(0.2)	(41.8)	(41.3)
Charitable activities	7	(209.9)	(2.7)	(21.6)	(234.2)	(184.8)
Share of net expenditure from joint ventures	16	-	(0.3)	-	(0.3)	(0.6)
Total expenditure		**(238.9)**	**(24.8)**	**(22.1)**	**(285.8)**	**(233.4)**
Net (expenditure)/ income before gains on investments		(59.4)	27.4	1.5	(30.5)	(0.8)
Net gains on investments	10	-	16.3	-	16.3	24.1
Net (expenditure)/income		**(59.4)**	**43.7**	**1.5**	**(14.2)**	**23.3**
Transfers between funds	22	59.4	(59.4)	-	-	-
Other recognised losses						
Actuarial gains/(losses) on defined benefit schemes	25	-	26.9	-	26.9	(0.6)
Net movement in funds		**-**	**11.2**	**1.5**	**12.7**	**22.7**
Reconciliation of funds:						
Total funds brought forward		0.1	852.5	3.0	855.6	832.9
Total funds carried forward		**0.1**	**863.7**	**4.5**	**868.3**	**855.6**

The above amounts represent all gains and losses recognised during the year. All 2025/26 and 2024/25 activities relate to continuing activities.

The accompanying notes on pages 73 to 116 form part of these financial statements.

Balance Sheets as at 31 March 2026

		Group		Canal & River Trust	
	note	**31 March 2026**	31 March 2025	**31 March 2026**	31 March 2025
Fixed assets					
Tangible assets	12	**56.1**	53.5	**56.1**	53.5
Heritage assets	13	**-**	-	**-**	-
Investments:					
Property	14	**615.0**	649.0	**471.9**	505.3
Diversified investment funds	15	**397.3**	366.9	**397.3**	366.9
Subsidiaries	16	**-**	-	**96.2**	96.6
Joint ventures	16	**9.8**	9.1	**-**	-
		1,078.2	1,078.5	**1,021.5**	1,022.3
Current assets					
Stock		**1.0**	1.8	**1.0**	1.6
Debtors: Amounts falling due within one year	17	**54.1**	60.0	**56.2**	62.5
Debtors: Amounts falling due after more than one year	17	**14.9**	11.5	**8.6**	5.5
Cash at bank and in hand		**23.6**	20.7	**17.7**	5.4
		93.6	94.0	**83.5**	75.0
Current liabilities					
Creditors: Amounts falling due within one year	18	**(76.0)**	(80.3)	**(90.9)**	(85.0)
Net current assets/(liabilities)		**17.6**	13.7	**(7.4)**	(10.0)
Total assets less current liabilities		**1,095.8**	1,092.2	**1,014.1**	1,012.3
Creditors: Amounts falling due after one year	18	**(153.7)**	(154.0)	**(153.8)**	(154.1)
Provisions for liabilities	20	**(62.6)**	(42.3)	**(62.6)**	(42.3)
Net assets excluding pension fund asset/(liability)		**879.5**	895.9	**797.7**	815.9
Pension fund (liability)/asset	25	**(11.2)**	(40.3)	**24.8**	4.0
Net assets including pension fund asset/(liability)		**868.3**	855.6	**822.5**	819.9
Funds					
Unrestricted funds					
General fund	22	**0.1**	0.1	**0.1**	0.1
Designated funds	22	**863.7**	852.5	**817.9**	816.8
		863.8	852.6	**818.0**	816.9
Restricted funds					
Income funds	22	**4.5**	3.0	**4.5**	3.0
Total Funds		**868.3**	855.6	**822.5**	819.9

The net income after other recognised gains and losses for the year of Canal & River Trust was £2.6m (2025: net income of £32.3m).

Approved and authorised for issue by the Board of Trustees on 17 September 2026 and signed on their behalf by:

David Orr CBE
Chair

17 September 2026
Company number 07807276
The accompanying notes on pages 73 to page 116 form part of these financial statements.

Consolidated statement of cash flows
for the year ended 31 March 2026

	2025/26		2024/25	
	£m	**£m**	£m	£m
Cash flows from operating activities				
Net cash used in operating activities		**(42.3)**		(41.3)
Cash flows from investing activities				
Rental proceeds from property and utilities investments	**30.6**		34.8	
Purchase of tangible fixed assets	**(8.0)**		(5.2)	
Purchase of investment property	**(7.1)**		(5.3)	
Proceeds from sale of tangible fixed assets	**0.9**		0.6	
Proceeds from sale of investment property	**34.3**		50.6	
Withdrawals from diversified investment funds	**13.4**		14.1	
Additions to diversified investment funds	**(14.7)**		(59.5)	
Loans to joint ventures	**(1.6)**		(7.7)	
Repayments from joint ventures	**-**		8.5	
Dividends from joint ventures	**0.6**		-	
Interest received	**1.2**		1.5	
Net cash provided by investing activities		**49.6**		32.4
Cash flows from financing activities				
Interest paid	**(4.4)**		(4.3)	
Net cash flows from financing activities		**(4.4)**		(4.3)
Change in cash and cash equivalents in the year		**2.9**		(13.2)
Cash and cash equivalents at 1 April		**20.7**		33.9
Cash and cash equivalents at 31 March		**23.6**		20.7

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

	2025/26		2024/25	
	£m	**£m**	£m	£m
Net (expenditure)/income		**(14.2)**		23.3
Adjustments for:				
Realised gains on disposals of investment assets	**(3.5)**		(7.1)	
Net unrealised gains on revaluation of investment assets	**(12.8)**		(16.6)	
Investment management costs on Diversified Investment Fund	**2.0**		1.7	
Interest payable	**4.4**		4.3	
Interest receivable	**(1.2)**		(1.5)	
Rents from property and utilities investments	**(36.8)**		(39.3)	
Share of net expenditure from joint ventures	**0.3**		0.1	
Depreciation	**4.9**		4.8	
Diversified funds investment return: dividend income	**(8.0)**		(5.0)	
Gain on sale of tangible fixed assets	**(0.4)**		(0.4)	
Difference between payments to defined benefit scheme and amount charged to expenditure	**(2.1)**		(3.3)	
		(53.2)		(62.3)
Decrease/(Increase) in stock		**0.8**		(0.3)
Decrease in debtors		**1.7**		5.2
Increase/(Decrease) in creditors		**2.3**		(0.2)
Increase/(Decrease) in provisions		**20.3**		(7.0)
Net cash used in operating activities		**(42.3)**		(41.3)

b) Analysis of changes in net debt

		2025/26		
	At 1 April 2025	**Cash flows**	**Other non-cash changes**	**At 31 March 2026**
	£m	**£m**	**£m**	**£m**
Cash and cash equivalents				
Cash	20.7	**2.9**	**-**	**23.6**
	20.7	**2.9**	**-**	**23.6**
Borrowings				
Debt due after one year	(150.2)	**-**	**(0.2)**	**(150.4)**
	(150.2)	**-**	**(0.2)**	**(150.4)**
Total net debt	(129.5)	**2.9**	**(0.2)**	**(126.8)**

		2024/25		
	At 1 April 2024	Cash flows	Other non-cash changes	At 31 March 2025
	£m	£m	£m	£m
Cash and cash equivalents				
Cash	23.9	(3.2)	-	20.7
Funds held on short-term deposit	10.0	(10.0)	-	-
	33.9	(13.2)	-	20.7
Borrowings				
Debt due after one year	(150.0)	-	(0.2)	(150.2)
	(150.0)	-	(0.2)	(150.2)
Total net debt	(116.1)	(13.2)	(0.2)	(129.5)

Notes to the accounts

1. Accounting policies

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 FRS 102 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. A separate statement of cash flows for the parent company is not presented within the Group financial statements as permitted by section 1.12 FRS 102. 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 at least 12 months from the date of 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 2026, they recognise that the Trust had £23.6m in cash and access to £62.4m in liquid funds within 60 days within the Diversified Investment Funds. 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-transferable 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.

1.3.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.

1.3.d Useful economic lives of operational tangible fixed assets

As explained further within the tangible fixed assets policy, buildings, plant, machinery, and vehicles held by the Trust are depreciated from the date brought into use 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 provision

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 that period. 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 Other provisions

In addition to the reservoir provision, the Trust also has a number of other provisions which are determined on the basis of a legal or constructive obligation because of a past event. The amounts provided for are known or can be reliably 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 that period. 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.g 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. The top 100 properties by value are valued annually as well as a quarter of all other properties. Every five years all properties are externally valued.

1. Accounting policies (continued)

1.3.h Lease classification

The Trust was the lessor in a leasehold agreement with the Royal Armouries which was a 999 year lease of land at inception and was subsequently sold in May 2025. At inception this was judged to be an operating lease and has been accounted for as such up until the date of disposal. This judgement was reached as the lease term was not for the major part of the land's economic life, the asset did not transfer to the lessee at the end of the lease, nor did 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 did not amount to substantially all of the fair value of the land.

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.

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 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 currently have income, expenditure, liabilities or accumulated funds. As previously acquired 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 Postcode Lottery (PL) is recognised as a donation on receipt.

1. Accounting policies (continued)

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 classified as restricted in line with the terms specified in the grant agreement and recognised when conditions of entitlement are met. Any cash amounts received in advance of entitlement to the income are treated as deferred income creditors in accordance with the general principles on income recognition. Contract income 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 free periods, the income has been reduced in the period(s) 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)

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. 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 shorter of useful economic life and 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: Between 5 and 10 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.

1.10.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 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

The 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 (WIT), 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 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

The 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.

The Trust incurs significant expenditure in relation to the management and preservation of the heritage assets owned by The Waterways Infrastructure Trust (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 the 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. The valuation policy has been derived in accordance with Alternative Investment Fund Managers Directive and the requirements under Generally Accepted Accounting Principles and International Private Equity and Venture Capital Valuation Guidelines. Income from the investments is recognised as 'investment income' in the unrestricted designated fund Realised and unrealised investment gains and losses are recognised within the unrestricted designated fund..

1.14 Investment in subsidiaries

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 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 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.

1.17 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 is 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)

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.

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

The Trust's Reserves policy is set out on page 41 of the Finance Review.

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)

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 funds.

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.

2. Comparative consolidated statement of financial activities

		2024/25			
		Unrestricted funds		Restricted funds	
	note	General fund £m	Designated fund £m	Income funds £m	Funds Total £m
Income and endowments from:					
Donations and legacies		-	-	6.7	6.7
Charitable activities	3	63.6	-	10.7	74.3
Other trading activities	4	100.5	-	-	100.5
Investments	5	1.6	49.0	-	50.6
Share of net income from joint ventures	16	-	0.5	-	0.5
Total Income		165.7	49.5	17.4	232.6
Expenditure on:					
Raising donations and legacies	6	(6.7)	-	-	(6.7)
Raising other funds	6	(19.0)	(22.1)	(0.2)	(41.3)
Charitable activities	7	(166.2)	(2.4)	(16.2)	(184.8)
Share of net expenditure from joint ventures	16	-	(0.6)	-	(0.6)
Total expenditure		(191.9)	(25.1)	(16.4)	(233.4)
Net (expenditure)/income before gains/(losses) on investments		(26.2)	24.4	1.0	(0.8)
Net gains on investments	10	0.4	23.7	-	24.1
Net (expenditure)/income		(25.8)	48.1	1.0	23.3
Transfers between funds	22	25.8	(25.8)	-	-
Other recognised losses					
Actuarial losses on defined benefit schemes	25	-	(0.6)	-	(0.6)
Net movement in funds		-	21.7	1.0	22.7
Reconciliation of funds:					
Total funds brought forward		0.1	830.8	2.0	832.9
Total funds carried forward		0.1	852.5	3.0	855.6

3. Income from charitable activities

	2025/26			
	Unrestricted general fund £m	**Unrestricted designated funds £m**	**Restricted funds £m**	**Funds Total £m**
Waterway infrastructure income	**10.7**	**-**	**-**	**10.7**
Third party funded projects	**-**	**-**	**13.3**	**13.3**
Museums and attractions	**1.1**	**-**	**-**	**1.1**
Defra grant funding	**59.1**	**-**	**-**	**59.1**
Total income from charitable activities	**70.9**	**-**	**13.3**	**84.2**

	2024/25			
	Unrestricted general fund £m	Unrestricted designated funds £m	Restricted funds £m	Funds Total £m
Waterway infrastructure income	9.5	-	-	9.5
Third party funded projects	0.2	-	10.7	10.9
Museums and attractions	1.3	-	-	1.3
Defra grant funding	52.6	-	-	52.6
Total income from charitable activities	63.6	-	10.7	74.3

4. Income from trading activities

	2025/26			
	Unrestricted general fund £m	**Unrestricted designated funds £m**	**Restricted funds £m**	**Funds Total £m**
Boating and moorings	**58.7**	**-**	**-**	**58.7**
Utilities and water development	**47.8**	**-**	**-**	**47.8**
Other trading income	**0.9**	**-**	**-**	**0.9**
Total income from trading activities	**107.4**	**-**	**-**	**107.4**

	2024/25			
	Unrestricted general fund £m	Unrestricted designated funds £m	Restricted funds £m	Funds Total £m
Boating and moorings	55.2	-	-	55.2
Utilities and water development	44.4	-	-	44.4
Other trading income	0.9	-	-	0.9
Total income from trading activities	100.5	-	-	100.5

5. Income from investments

	2025/26			
	Unrestricted general fund £m	**Unrestricted designated funds £m**	**Restricted funds £m**	**Funds Total £m**
Investment Property income	**-**	**39.6**	**-**	**39.6**
Dividends from diversified investment fund	**-**	**8.0**	**-**	**8.0**
Other investment income	**-**	**4.6**	**-**	**4.6**
Interest receivable	**1.2**	**-**	**-**	**1.2**
Total income from investments	**1.2**	**52.2**	**-**	**53.4**

	2024/25			
	Unrestricted general fund £m	Unrestricted designated funds £m	Restricted funds £m	Funds Total £m
Investment Property income	-	40.2	-	40.2
Dividends from diversified investment fund	-	5.0	-	5.0
Other investment income	-	3.8	-	3.8
Interest receivable	1.6	-	-	1.6
Total income from investments	1.6	49.0	-	50.6

6. Expenditure on raising funds

	2025/26			
	Unrestricted general fund £m	**Unrestricted designated funds £m**	**Restricted funds £m**	**Funds Total £m**
Donations and legacies	**9.2**	**-**	**0.3**	**9.5**
Other expenditure on raising funds				
Boating and moorings	**15.3**	**-**	**0.2**	**15.5**
Utilities and water development	**4.5**	**-**	**-**	**4.5**
Investment and property income	**-**	**11.0**	**-**	**11.0**
Interest payable	**-**	**4.4**	**-**	**4.4**
Recoverable service charges	**-**	**6.4**	**-**	**6.4**
Total other expenditure on raising funds	**19.8**	**21.8**	**0.2**	**41.8**
Total expenditure on raising funds	**29.0**	**21.8**	**0.5**	**51.3**

	2024/25			
	Unrestricted general fund £m	Unrestricted designated funds £m	Restricted funds £m	Funds Total £m
Donations and legacies	6.7	-	-	6.7
Other expenditure on raising funds				
Boating and moorings	14.6	-	0.2	14.8
Utilities and water development	4.4	-	-	4.4
Investment and property income	-	13.3	-	13.3
Interest payable	-	4.3	-	4.3
Recoverable service charges	-	4.5	-	4.5
Total other expenditure on raising funds	19.0	22.1	0.2	41.3
Total expenditure on raising funds	25.7	22.1	0.2	48.0

Included in expenditure on raising funds above is £4.4m (2024/25: £4.4m) of allocated support costs, as detailed in note 8.

7. Expenditure on charitable activities

	2025/26			
	Unrestricted general fund £m	**Unrestricted designated funds £m**	**Restricted funds £m**	**Funds Total £m**
Waterway operation, maintenance and repair	**202.3**	**0.5**	**8.3**	**211.1**
Third party funded regeneration projects	**4.3**	**-**	**13.3**	**17.6**
Museums and attractions	**3.3**	**-**	**-**	**3.3**
Net interest cost on pension liabilities	**-**	**2.2**	**-**	**2.2**
Total expenditure on charitable activities	**209.9**	**2.7**	**21.6**	**234.2**

	2024/25			
	Unrestricted general fund £m	Unrestricted designated funds £m	Restricted funds £m	Funds Total £m
Waterway operation, maintenance and repair	158.7	0.5	5.5	164.7
Third party funded regeneration projects	4.5	-	10.7	15.2
Museums and attractions	3.0	-	-	3.0
Net interest cost on pension liabilities	-	1.9	-	1.9
Total expenditure on charitable activities	166.2	2.4	16.2	184.8

Included in expenditure on charitable activities above is £28.0m (2024/25: £25.1m) of allocated support costs, as detailed in note 8.

8. Support costs

	2025/26				
	Governance £m	**Finance & IT £m**	**Human Resources £m**	**Other £m**	**Total £m**
Expenditure on raising funds	**0.2**	**2.1**	**0.3**	**1.8**	**4.4**
Expenditure on charitable activities	**0.7**	**15.4**	**4.2**	**7.7**	**28.0**
Total support costs	**0.9**	**17.5**	**4.5**	**9.5**	**32.4**

	2024/25 Restated				
	Governance £m	Finance & IT £m	Human Resources £m	Other £m	Total £m
Expenditure on raising funds	0.2	1.8	0.2	2.2	4.4
Expenditure on charitable activities	0.7	12.1	3.5	8.8	25.1
Total support costs	0.9	13.9	3.7	11.0	29.5

The prior year amounts in the table above have been restated to include an additional £4.5m of Other costs which were excluded in error in this note only and which has no impact on the figures noted in the consolidated statement of financial activities. The restatement has no effect on the net movement in funds or cash flows for the prior year.

	2025/26 £000	2024/25 £000
Fees payable to the auditors of Canal & River Trust:		
in respect of the charity audit	**337**	325
in respect of the subsidiary audits	**47**	45
Total fees payable to auditors	**384**	370

9. Employee costs

No remuneration was paid to any member of the Board of Trustees. In accordance with our Articles of Association and Section 234 of the Companies Act 2006, we take out indemnity cover for our Trustees and Directors.

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 £14,163 incurred by 14 trustees for travel, subsistence and accommodation (2024/25: £10,960 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	
	2025/26 Number	2024/25 Number
Operations	**1,490**	1,479
Investment management	**89**	82
Fundraising	**48**	38
Support functions	**161**	158
Total number of persons	**1,788**	1,757

The average number of employees is calculated using the full-time equivalent method. The actual average number of employees based on headcount is 1,863 (2024/25: 1,803).

Total employment costs were:

	Group	
	2025/26 £m	2024/25 £m
Wages and salaries	**71.2**	66.3
Car cash allowances	**3.4**	3.3
Social security costs	**9.1**	6.9
Defined benefit pension costs (see note 25)	**0.5**	0.6
Defined contribution pension costs	**6.0**	5.6
Redundancy and termination costs	**0.2**	0.3
Total employment costs	**90.4**	83.0

Redundancy and termination payments of £0.2m (2024/25: £0.3m) 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.

Role of volunteers

Our volunteers play an essential role in keeping our canals and rivers open, alive and thriving, contributing to all areas of our work. During the year there were 5,999 (2024/25: 5,473) active volunteers.

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:

	2025/26		2024/25	
	Including redundancy payments Number	**Excluding redundancy payments Number**	Including redundancy payments Number	Excluding redundancy payments Number
£60,000-£70,000	**107**	**106**	85	84
£70,001-£80,000	**31**	**31**	30	30
£80,001-£90,000	**20**	**20**	16	16
£90,001-£100,000	**11**	**11**	14	13
£100,001-£110,000	**8**	**9**	5	4
£110,001-£120,000	**7**	**6**	6	6
£120,001-£130,000	**2**	**2**	2	2
£130,001-£140,000	**2**	**2**	1	1
£160,001-£170,000	**1**	**1**	1	1
£170,001-£180,000	**1**	**1**	1	1
£180,001-£190,000	**1**	**1**	1	1
£230,001-£240,000	**-**	**-**	2	2
£250,001-£260,000	**1**	**1**	-	-
	192	**191**	164	161

Contributions from the Trust to the defined contribution pension scheme in respect of 190 of the 192 (2024/25: 162 of the 164) higher paid employees amounted to £1,276,903 (2024/25: £1,064,770).

Key management personnel

The key management personnel are the Trustees and Executive team (listed on page 117). The remuneration costs relating to key management personnel were:

	2025/26 £m	2024/25 £m
Salary (including pensions)	**1.9**	1.8
Social security costs	**0.2**	0.2
Total	**2.1**	2.0

The Chief Executive stepped down on 18 July 2025. Remuneration during the year comprised a salary of £72,138 (2024/25: £200,982), pension allowance of £5,847 (2024/25: £17,325), car allowance of £3,256 (2024/25: £9,768) and benefits in kind of £1,833 (2024/25: £3,876), totalling £83,074 (2024/25: £231,951).

The new Chief Executive started on 6 October 2025. Since then, remuneration during the year comprised a salary of £98,721 (2024/25: £nil) and car allowance of £4,891 (2024/25: £nil), totalling £103,612 (2024/25: £nil).

There was one employee whose remuneration during the year was higher than the Chief Executive. The Chief Investment Officer, who served as the interim Chief Executive from 19 July to 5 October 2025, received a salary of £189,740 (2024/25: £182,212), pension allowance of £15,882 (2024/25: £15,707), car allowance of £9,768 (2024/25: £9,768), performance related pay related to the 2024/25 year of £36,848 (2024/25: £27,028) and benefits in kind of £6,471 (2024/25: £5,053), totalling £258,709 (2024/25: £239,768).

10. Net gains/(losses) on investments

		2025/26			
	note	**Unrestricted general fund £m**	**Unrestricted designated funds £m**	**Restricted funds £m**	**Funds Total £m**
Realised gains on disposal of investment assets		**-**	**3.5**	**-**	**3.5**
Unrealised losses on revaluation of investment property	14	**-**	**(10.4)**	**-**	**(10.4)**
Unrealised gains on revaluation of diversified investments	15	**-**	**23.2**	**-**	**23.2**
Net gains on investments		**-**	**16.3**	**-**	**16.3**

		2024/25			
	note	Unrestricted general fund £m	Unrestricted designated funds £m	Restricted funds £m	Funds Total £m
Realised gains on disposal of investment assets		-	7.1	-	7.1
Realised gains on disposal of tangible fixed assets		0.4	-	-	0.4
Unrealised gains on revaluation of investment property		-	5.0	-	5.0
Unrealised gains on revaluation of diversified investments	15	-	11.6	-	11.6
Net gains on investments		0.4	23.7	-	24.1

11. Taxation

The 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 £m**	**Leasehold £m**	**£m**	**Total £m**
Cost				
At 1 April 2025	24.2	0.4	71.4	96.0
Additions	**1.3**	**-**	**6.7**	**8.0**
Transfers	**(0.9)**	**-**	**0.9**	**-**
Disposals	**(0.3)**	**-**	**(1.6)**	**(1.9)**
At 31 March 2026	**24.3**	**0.4**	**77.4**	**102.1**
Depreciation				
At 1 April 2025	4.7	-	37.8	42.5
Charge for the year	**0.5**	**-**	**4.4**	**4.9**
Disposals	**-**	**-**	**(1.4)**	**(1.4)**
At 31 March 2026	**5.2**	**-**	**40.8**	**46.0**
Net book value				
At 1 April 2025	19.5	0.4	33.6	53.5
At 31 March 2026	**19.1**	**0.4**	**36.6**	**56.1**

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 & infrastructure – the canals, rivers and reservoirs 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 2,692 listed structures and 46 scheduled 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 more significant Principal Assets (as defined by the Trust's Asset Management Plan) included in the infrastructure property:

Asset description	**31 March 2026 Length/number**	31 March 2025 Length/number
Canals	**1,568 miles**	1,568 miles
Rivers	**345 miles**	345 miles
Feeders	**120 miles**	120 miles
Towpaths	**1,714 miles**	1,714 miles
Aqueducts (1)	**274**	276
Bridges – Accommodation (2)	**1,634**	1,640
Bridges – Public Road (3)	**870**	868
Bridges – Turnover	**455**	455
Culverts (4)	**1,933**	1,934
Major cuttings (5)	**826**	829
Major embankments (6)	**784**	782
Docks	**3**	3
Dry docks	**54**	54
Permitted waste sites (7)	**13**	15
Locks	**1,575**	1,575
Pumping stations	**68**	68
Reservoirs (8)	**73**	74
Sluices (9)	**527**	530
Stop/Safety/Flood Gates	**68**	68
Tunnels	**57**	57
Canal weirs	**664**	664
River weirs	**127**	127
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:

Registered battlefields	**6**	6
Listed structures	**2,692**	2,692
Scheduled monuments	**46**	46
Sites of Special Scientific Interest (SSSIs)	**68**	68

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 Culvert.
2) Accommodation Bridges – a net decrease of six assets, being eight assets no longer in the Trust's ownership and two assets identified as meeting the definition.
3) Public Road Bridges – two assets newly identified as being in the Trust's ownership.
4) Culverts – a net decrease of one; a decrease of three assets and an increase of two. The decrease of three assets being assets no longer in the Trust's ownership. The increase in two assets being assets reclassified from Aqueduct to Culvert.
5) Major Cuttings – a decrease of three assets, two assets being assets identified as no longer being in the Trust's ownership and one asset no longer meeting the definition.
6) Major Embankments – an increase of two, being one asset newly identified as being in the Trust's ownership and one asset for which the Trust became joint undertaker.
7) Permitted Waste Sites – two sites where waste licence surrendered and no longer active.
8) Reservoirs – the decrease of one asset being no longer in the Trust's ownership.
9) Sluices – a net decrease of three assets, being two assets identified in the year as meeting the definition, a decrease of three no longer in the Trust's ownership and a decrease of two no longer meeting the definition.

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 50 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 £m	Leasehold £m	Total £m	Freehold £m	Leasehold £m	Total £m
Carrying value (fair value)						
At 1 April 2025	580.8	68.2	649.0	437.2	68.1	505.3
Additions	**7.0**	**0.1**	**7.1**	**7.0**	**0.1**	**7.1**
Disposals	**(30.7)**	**-**	**(30.7)**	**(29.9)**	**-**	**(29.9)**
Revaluation	**(7.9)**	**(2.5)**	**(10.4)**	**(8.1)**	**(2.5)**	**(10.6)**
At 31 March 2026	**549.2**	**65.8**	**615.0**	**406.2**	**65.7**	**471.9**

The investment properties have a historical cost of £535.2m (2024/25: £556.7m) and accumulated depreciation of £159.6m (2024/25: £152.1m).

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 95% by value in total) as at 31 March 2026. The remaining properties were valued by qualified surveyors employed by the Trust.

Valuations are carried out in accordance with the Royal Institute of Chartered Surveyors (RICS) Global Valuation Standards effective from 31 January 2025 (the Red Book) and the RICS UK national supplement effective from 1 May 2024, in particular UK VPGA 8: Valuation of Charity Assets. Our valuations are also in accordance with UK GAAP, FRS 102, the latest SORP for Charities and IFRS 13. 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 in the RICS Global Valuation Standards effective from 31 January 2025. “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.

Group freehold property includes £141.6m (2024/25: £141.6m) in relation to an interest in a property which is held within the Canal & River Pension Investments LP (SLP). Of this amount, £36.0m (2024/25: £44.3m) is attributable to the WPF and included within the scheme assets of the WPF in the Canal & River Trust company balance sheet. See also note 25.

15. Diversified investment funds

a) Movement on diversified investment funds

	Group and Canal & River Trust	
	Non-property investment portfolio	
	2025/26 £m	2024/25 £m
At 1 April	**366.9**	306.6
Additions	**14.7**	59.5
Withdrawals	**(13.4)**	(14.1)
Dividend income	**8.0**	5.0
Investment management costs	**(2.0)**	(1.7)
Revaluation	**23.1**	11.6
At 31 March	**397.3**	366.9

b) Disclosure of asset classes within diversified investment funds

	Group and Canal & River Trust	
	Non-property investment portfolio	
	31 March 2026 £m	31 March 2025 £m
Multi asset funds	**92.0**	95.8
Private debt	**105.3**	90.8
Global equities	**45.8**	46.2
Private equity funds	**137.6**	122.1
Absolute return	**-**	4.1
Cash	**16.6**	7.9
At 31 March	**397.3**	366.9

16. Investments

Subsidiaries

	Canal & River Trust	
	2025/26 £m	2024/25 £m
Investments in subsidiaries:		
At 1 April	**96.6**	79.0
Fair value adjustment for investment in the SLP	**(0.4)**	17.6
At 31 March	**96.2**	96.6

All subsidiaries are held at amortised cost apart from Canal & River Pension Investments Limited Partnership which is held at a fair value of £41.6m (2024/25: £42.0m).

The contribution of subsidiary companies to the Trust's funds in the year to 31 March 2026 was as follows:

	Company number	**Income £m**	**Expenditure £m**	**Net income before other recognised gains and losses* £m**	**Net assets/ (liabilities) at 31 March 2026 £m**
Canal & River Trading CIC	8069602	**0.5**	**-**	**0.5**	**36.1**
Canal & River Pension Investments LP (SLP)	SL010965**	**6.1**	**-**	**6.1**	**143.5**
Canal & River Pension Partner Limited	SC426937	**-**	**-**	**-**	**46.6**
Boat Safety Scheme Limited	15501423	**1.3**	**(1.3)**	**-**	**-**
Other subsidiaries		**-**	**-**	**-**	**(2.0)**
		7.9	**(1.3)**	**6.6**	**224.2**

16. Investments (continued)

The contribution of subsidiary companies to the Trust's funds in the year to 31 March 2025 was as follows:

	Company number	Income £m	Expenditure £m	Net income before other recognised gains and losses* £m	Net assets/ (liabilities) at 31 March 2025 £m
Canal & River Trading CIC	8069602	-	-	-	34.2
Canal & River Pension Investments LP (SLP)	SL010965**	6.3	-	6.3	143.5
Canal & River Pension Partner Limited	SC426937	-	-	-	46.6
Boat Safety Scheme Limited	15501423	0.9	(0.9)	-	-
Other subsidiaries		-	-	-	(2.0)
		7.2	(0.9)	6.3	222.3

* Amount shown is before qualifying charitable donations to the parent.
** Limited partnership registration number.

The above subsidiaries are wholly owned by the Trust and are registered and operate within the United Kingdom (UK) with the exception of Boat Safety Scheme Limited which operates in the UK and is controlled by the Trust by virtue of its power to appoint and remove directors.

Joint ventures

	Group	
Investments in joint ventures:	**2025/26 £m**	2024/25 £m
At 1 April	**9.1**	10.0
Loans advanced	**1.6**	7.7
Loans repaid	**-**	(8.5)
Share of net income	**-**	0.5
Share of net expenditure	**(0.3)**	(0.6)
Dividends paid	**(0.6)**	-
At 31 March	**9.8**	9.1

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:

	2025/26 £m	2024/25 £m
Fixed assets	**1.6**	1.1
Current assets	**14.1**	15.5
Share of gross assets	**15.7**	16.6
Current liabilities	**(5.9)**	(7.5)
Share of gross liabilities	**(5.9)**	(7.5)
Share of net assets	**9.8**	9.1

The Group's share of income from joint ventures was £2.2m (2024/25: £25.0m) and share of expenditure was £2.5m (2024/25: £25.1m). 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) for the year £m	**Equity interest held* %**	**Main activity**
Joint ventures			
Waterside Places (General Partner) Limited	-	50	Property development
H2O Urban LLP	(0.2)	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 2026 £m	31 March 2025 £m	**31 March 2026 £m**	31 March 2025 £m
Trade debtors	**25.3**	32.8	**25.2**	32.8
Prepayments and accrued income	**17.2**	19.4	**19.3**	21.8
Other debtors	**11.6**	7.8	**11.7**	7.9
Total debtors due within one year	**54.1**	60.0	**56.2**	62.5

Amounts falling due after more than one year

	Group		Canal & River Trust	
	31 March 2026 £m	31 March 2025 £m	**31 March 2026 £m**	31 March 2025 £m
Prepayments and accrued income	**2.6**	2.7	**2.6**	2.7
Other debtors	**12.3**	8.8	**6.0**	2.8
Total debtors due after more than one year	**14.9**	11.5	**8.6**	5.5

The Trust has been notified of legacies with an estimated value of £1.2m (2024/25: £2.1m) which have not been recognised as income at 31 March 2026 as sufficient information is not available which allows the legacies to be measured with reasonable accuracy.

Of the increase in other debtors due after more than one year, £3.1m relates to the grossing up of provisions balances for which the Trust has agreements with third parties to cover the costs.

18. Creditors

Amounts falling due within one year

	Group		Canal & River Trust	
	31 March 2026 £m	31 March 2025 £m	**31 March 2026 £m**	31 March 2025 £m
Trade creditors	**12.0**	13.1	**11.9**	13.0
Accruals	**16.9**	18.0	**14.9**	15.4
Deferred income (note 19)	**39.3**	44.7	**37.9**	43.4
Other amounts owed to Group undertakings	**-**	-	**18.6**	8.7
Taxation and Other Social Security	**2.2**	-	**2.0**	-
Other creditors	**5.6**	4.5	**5.6**	4.5
Total creditors due within one year	**76.0**	80.3	**90.9**	85.0

Amounts falling due after more than one year

	Group		Canal & River Trust	
	31 March 2026 £m	31 March 2025 £m	**31 March 2026 £m**	31 March 2025 £m
Loan notes	**150.4**	150.2	**150.4**	150.2
Deferred income (note 19)	**2.6**	3.2	**2.6**	3.2
Other creditors	**0.7**	0.6	**0.8**	0.7
Total creditors due after more than one year	**153.7**	154.0	**153.8**	154.1

£150.4m (2024/25: £150.2m) 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 2025 £m	**Released £m**	**Deferred £m**	**At 31 March 2026 £m**
Rental income in advance	18.2	**(18.2)**	**11.4**	**11.4**
Boat licences and moorings in advance	23.9	**(23.9)**	**24.7**	**24.7**
Other deferred income	5.8	**(3.8)**	**3.8**	**5.8**
Total current and long term	47.9	**(45.9)**	**39.9**	**41.9**

		Group		
	At 1 April 2024 £m	Released £m	Deferred £m	At 31 March 2025 £m
Rental income in advance	22.9	(22.9)	18.2	18.2
Boat licences and moorings in advance	22.3	(22.3)	23.9	23.9
Other deferred income	4.4	(1.9)	3.3	5.8
Total current and long term	49.6	(47.1)	45.4	47.9

		Canal & River Trust		
	At 1 April 2025 £m	**Released £m**	**Deferred £m**	**At 31 March 2026 £m**
Rental income in advance	16.4	**(16.4)**	**9.5**	**9.5**
Boat licences and moorings in advance	23.9	**(23.9)**	**24.7**	**24.7**
Other deferred income	6.3	**(3.8)**	**3.8**	**6.3**
Total current and long term	46.6	**(44.1)**	**38.0**	**40.5**

		Canal & River Trust		
	At 1 April 2024 £m	Released £m	Deferred £m	At 31 March 2025 £m
Rental income in advance	21.2	(21.2)	16.4	16.4
Boat licences and moorings in advance	22.3	(22.3)	23.9	23.9
Other deferred income	4.7	(1.9)	3.5	6.3
Total current and long term	48.2	(45.4)	43.8	46.6

20. Provisions

		Group and Canal & River Trust			
	At 1 April 2025 £m	**Paid £m**	**Charged £m**	**Released £m**	**At 31 March 2026 £m**
Reservoir provision	37.4	**(28.5)**	**28.3**	**(1.7)**	**35.5**
Other provisions	4.9	**(0.9)**	**25.0**	**(1.9)**	**27.1**
	42.3	**(29.4)**	**53.3**	**(3.6)**	**62.6**

		Group and Canal & River Trust			
	At 1 April 2024 £m	Paid £m	Charged £m	Released £m	At 31 March 2025 £m
Reservoir provision	45.3	(20.0)	14.1	(2.0)	37.4
Other provisions	4.0	(0.7)	3.1	(1.5)	4.9
	49.3	(20.7)	17.2	(3.5)	42.3

The reservoir provision is the estimated cost of remedial or rectification works required to the Trust's reservoirs. 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) £6.2m relating to the repair cost to the Toddbrook reservoir (2024/25: £13.0m)

   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 had a constructive obligation to carry out the repair work as it 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 2026.

   Activity during the year utilised £13.0m of the brought forward provision and an additional £6.2m has been provided for updated cost estimates which became available during the year to complete the reinstatement works around the reservoir. These works were included in the provision in prior years however new cost estimates which became available in the year have led to an increase in this provision.

2) £29.3m costs for action reported under S10 Reservoirs Act 1975 (2024/25: £24.4m)

   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 Reservoirs 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.

20. Provisions (continued)

During the year the Trust has recognised £22.1m of new provisions related to requirements outlined in new reports published up to 31 March 2026, as well as new requirements and costs identified on existing provisions. £15.5m of the previously provided cost has been utilised in line with work delivered during the year and £1.7m of the previously provided cost has been released in line with updated cost estimates.

Other provisions of £27.1m (2024/25 £4.9m) comprise the following elements

1) £14.9m of costs relating to abstraction licence and Eel Regulation requirements (2024/25: £nil)

   The Trust holds a number of water abstraction licences with future conditions to install fish and eel screens which represent a significant cost. The Trust has a legal obligation to design and install these screens at eight abstraction points. During the year, the Trust engaged in talks with the Environment Agency (EA) and Natural Resources Wales (NRW) to agree the scope and design of works required in relation to these screening requirements, following which detailed cost estimates were drawn up. Further to this, the Trust was notified of an additional requirement to install a screen under the Eels (England and Wales) Regulations 2009 at one abstraction point. The estimated future costs of works yet to be completed has been assessed and a new provision of £14.9m has been reflected in the provision as at 31 March 2026. In the prior year, the Trust was working with the Environment Agency on alternative proposals to satisfy the requirements of the Habitats Regulations. Sufficient information was not available to allow the expected future cost to be reliably estimated. In January 2026 the decision was made to proceed with the works on the licences which currently require screens to be installed rather than to continue with the challenge.

2) £8.6m of costs relating to canal breach rectification works (2024/25: £nil)

   During the year two breaches on the canal network resulted in a constructive obligation for the Trust to repair and reopen navigation. The Trust established projects to address the requirements, including an estimate of the likely costs to satisfactory completion of the works. The estimated future costs of these works has been assessed as £8.6m and reflected in the provision as at 31 March 2026.

3) £3.6m of remaining other provisions are principally for property, motor and public liability claims against the Trust (2024/25: £4.9m).

   During the year £0.9m was paid out against these claims while £1.9m of the previously held provision was released for claims which settled for less than the provided amount. A further £1.5m was provided in relation to new claims in the year.

Contingent Liabilities

There remains uncertainty as to whether additional eel screening will be required across the network through further regulatory action under the Eels (England and Wales) Regulations 2009. As at 31 March 2026, it is not possible to determine which sites may be affected, the extent of any works that may be required, or the timing of any such requirements. The requirement to install eel screening is determined by the EA and NRW who issue the abstraction licences. It is not possible to determine if any requirements will be added to abstraction licences when they are due for renewal.

Accordingly, the Trust may incur significant additional expenditure in the future; however, the existence and extent of any obligation remains uncertain and a reliable estimate of the potential financial effect cannot presently be made.

21. Financial instruments

	Group		Canal & River Trust	
	31 March 2026 £m	31 March 2025 £m	**31 March 2026 £m**	31 March 2025 £m
Interest income/(expense)				
Total interest income for financial assets at amortised cost	**1.2**	1.5	**0.5**	0.8
Total interest expense for financial liabilities at amortised cost	**(4.4)**	(4.3)	**(4.4)**	(4.3)
	(3.2)	(2.8)	**(3.9)**	(3.5)
Fair value gains/(losses)				
On financial assets measured at fair value through profit or loss	**23.2**	11.6	**22.8**	29.8
On financial liabilities measured at fair value through profit or loss	**(0.2)**	(0.2)	**(0.2)**	(0.2)
	23.0	11.4	**22.6**	29.6
Financial assets measured at fair value through profit and loss				
Investments in subsidiaries	**-**	-	**41.6**	42.0
Diversified investment funds	**397.3**	366.9	**397.3**	366.9
	397.3	366.9	**438.9**	408.9
Financial liabilities measured at fair value through profit and loss				
Loan note embedded derivative	**0.4**	0.2	**0.4**	0.2
	0.4	0.2	**0.4**	0.2

22. Movement in funds

	Group			
	Unrestricted funds		Restricted funds	
	General fund £m	Designated funds £m	Income funds £m	Total £m
At 1 April 2025	0.1	852.5	3.0	855.6
Income	**179.5**	**52.2**	**23.6**	**255.3**
Expenditure	**(238.9)**	**(24.8)**	**(22.1)**	**(285.8)**
Transfer to General fund	**63.4**	**(63.4)**	**-**	**-**
Gains on investments	**-**	**16.3**	**-**	**16.3**
SLP contribution to Pension Fund	**(4.0)**	**4.0**	**-**	**-**
Actuarial gains on defined benefit pension scheme	**-**	**26.9**	**-**	**26.9**
At 31 March 2026	**0.1**	**863.7**	**4.5**	**868.3**

	Group			
	Unrestricted funds		Restricted funds	
	General fund £m	Designated funds £m	Income funds £m	Total £m
At 1 April 2024	0.1	830.8	2.0	832.9
Income	165.7	49.5	17.4	232.6
Expenditure	(191.9)	(25.1)	(16.4)	(233.4)
Transfer to General fund	30.8	(30.8)	-	-
Gains on investments	0.4	23.7	-	24.1
SLP contribution to Pension Fund	(5.0)	5.0	-	-
Actuarial losses on defined benefit pension scheme	-	(0.6)	-	(0.6)
At 31 March 2025	0.1	852.5	3.0	855.6

Designated funds comprise the Designated investment fund which 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.

The transfer from the Designated funds to the General fund is in line with the Trust's policy of ensuring that the General Fund is managed close to zero over the long term.

22. Movement in funds (continued)

	Canal & River Trust			
	Unrestricted funds		Restricted funds	
	General fund £m	Designated funds £m	Income funds £m	Total £m
At 1 April 2025	0.1	816.8	3.0	819.9
Income	**177.5**	**46.1**	**23.6**	**247.2**
Expenditure	**(239.8)**	**(15.7)**	**(22.1)**	**(277.6)**
Qualifying charitable donation receivable, dividends and other transfers from subsidiaries	**-**	**2.2**	**-**	**2.2**
Transfer to General fund	**66.3**	**(66.3)**	**-**	**-**
Gains on investments	**-**	**14.6**	**-**	**14.6**
SLP contribution to Pension Fund	**(4.0)**	**4.0**	**-**	**-**
Actuarial losses on Defined Benefit Pension Scheme	**-**	**16.2**	**-**	**16.2**
At 31 March 2026	**0.1**	**817.9**	**4.5**	**822.5**

	Canal & River Trust			
	Unrestricted funds		Restricted funds	
	General fund £m	Designated funds £m	Income funds £m	Total £m
At 1 April 2024	3.3	782.3	2.0	787.6
Income	163.9	42.7	17.4	224.0
Expenditure	(194.6)	(14.6)	(16.4)	(225.6)
Qualifying charitable donation receivable, dividends and other transfers from subsidiaries	-	1.4	-	1.4
Transfer to General fund	32.2	(32.2)	-	-
Gains on investments	0.3	41.2	-	41.5
SLP contribution to Pension Fund	(5.0)	5.0	-	-
Actuarial losses on Defined Benefit Pension Scheme	-	(9.0)	-	(9.0)
At 31 March 2025	0.1	816.8	3.0	819.9

Designated funds comprise the Designated investment fund which 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.

The transfer from the Designated funds to the General fund is in line with the Trust's policy of ensuring that the General Fund is managed close to zero over the long term.

22. Movement in funds (continued)

Restricted income funds comprise:

	Group and Canal & River Trust			
	Balance at 1 April 2025 £m	**Income £m**	**Expenditure £m**	**Balance at 31 March 2026 £m**
Friends fund	1.4	**6.9**	**(5.8)**	**2.5**
Third party funded projects	-	**13.3**	**(13.3)**	**-**
Postcode Lottery	0.7	**2.5**	**(2.5)**	**0.7**
Other specific project funds	0.9	**0.9**	**(0.5)**	**1.3**
Total	3.0	**23.6**	**(22.1)**	**4.5**

	Group and Canal & River Trust			
	Balance at 1 April 2024 £m	Income £m	Expenditure £m	Balance at 31 March 2025 £m
Friends fund	0.5	3.8	(2.9)	1.4
Third party funded projects	-	10.7	(10.7)	-
Postcode Lottery	0.7	2.5	(2.5)	0.7
Other specific project funds	0.8	0.4	(0.3)	0.9
Total	2.0	17.4	(16.4)	3.0

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 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 2026 there were 78 (2024/25: 68) separate funds within this total.

All the above funds are held within both Canal & River Trust and the Group.

23. Analysis of net assets by fund

Net assets are analysed between funds as follows:

As at 31 March 2026	Group			
	Unrestricted funds		Restricted funds	
	General fund £m	Designated funds £m	Income funds £m	Total £m
Tangible fixed assets	**36.6**	**19.5**	**-**	**56.1**
Investments	**-**	**1,022.1**	**-**	**1,022.1**
Current assets	**89.1**	**-**	**4.5**	**93.6**
Current liabilities	**(59.7)**	**(16.3)**	**-**	**(76.0)**
Creditors – amounts falling due after more than one year	**(3.3)**	**(150.4)**	**-**	**(153.7)**
Provisions	**(62.6)**	**-**	**-**	**(62.6)**
Net pension liability	**-**	**(11.2)**	**-**	**(11.2)**
Total net assets	**0.1**	**863.7**	**4.5**	**868.3**

As at 31 March 2025	Group			
	Unrestricted funds		Restricted funds	
	General fund £m	Designated funds £m	Income funds £m	Total £m
Tangible fixed assets	33.6	19.9	-	53.5
Investments	-	1,025.0	-	1,025.0
Current assets	91.0	-	3.0	94.0
Current liabilities	(78.3)	(2.0)	-	(80.3)
Creditors – amounts falling due after more than one year	(3.8)	(150.2)	-	(154.0)
Provisions	(42.3)	-	-	(42.3)
Net pension liability	(0.1)	(40.2)	-	(40.3)
Total net assets	0.1	852.5	3.0	855.6

23. Analysis of net assets by fund (continued)

As at 31 March 2026	Canal & River Trust			
	Unrestricted funds		Restricted funds	
	General fund £m	Designated funds £m	Income funds £m	Total £m
Tangible fixed assets	36.6	19.5	-	56.1
Investments	-	965.4	-	965.4
Current assets	79.0	-	4.5	83.5
Current liabilities	(49.5)	(41.4)	-	(90.9)
Creditors – amounts falling due after more than one year	(3.4)	(150.4)	-	(153.8)
Provisions	(62.6)	-	-	(62.6)
Net pension asset	-	24.8	-	24.8
Total net assets	0.1	817.9	4.5	822.5

As at 31 March 2025	Canal & River Trust			
	Unrestricted funds		Restricted funds	
	General fund £m	Designated funds £m	Income funds £m	Total £m
Tangible fixed assets	33.6	19.9	-	53.5
Investments	-	968.8	-	968.8
Current assets	72.0	-	3.0	75.0
Current liabilities	(59.2)	(25.8)	-	(85.0)
Creditors – amounts falling due after more than one year	(3.9)	(150.2)	-	(154.1)
Provisions	(42.3)	-	-	(42.3)
Net pension (liability)/asset	(0.1)	4.1	-	4.0
Total net assets	0.1	816.8	3.0	819.9

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	
Leasehold properties	**31 March 2026 £m**	31 March 2025 £m	**31 March 2026 £m**	31 March 2025 £m
Within one year	**1.2**	1.2	**1.2**	1.2
Within two to five years	**4.6**	4.5	**4.6**	4.5
In more than five years	**101.5**	99.7	**101.5**	99.7
	107.3	105.4	**107.3**	105.4

During the year £1.7m (2024/25: £1.5m) 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	
Investment Properties	**31 March 2026 £m**	31 March 2025 £m	**31 March 2026 £m**	31 March 2025 £m
Within one year	**33.7**	35.5	**27.6**	29.5
Within two to five years	**112.5**	115.4	**88.3**	91.2
Within six to 100 years	**854.2**	918.9	**279.4**	344.2
In more than 100 years	**1,101.9**	1,701.2	**280.6**	873.8
Other				
Within one year	**21.8**	21.3	**21.8**	21.3
Within two to five years	**46.0**	45.5	**46.0**	45.5
Within six to 100 years	**491.6**	457.1	**491.6**	457.1
In more than 100 years	**369.0**	350.4	**369.0**	350.4
	3,030.7	3,645.3	**1,604.3**	2,213.0

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 £3.4m (2024/25: £3.3m).

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.

25. Pension and other post-retirement benefits

	Group		Canal & River Trust	
	31 March 2026 £m	31 March 2025 £m	**31 March 2026 £m**	31 March 2025 £m
Defined benefit pension fund (deficit)/surplus	**(11.2)**	(40.2)	**24.8**	4.1
Other post-retirement benefits	**-**	(0.1)	**-**	(0.1)
Employee benefit (liability)/asset	**(11.2)**	(40.3)	**24.8**	4.0

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 2025. As at that date the market value of the Scheme's assets (excluding members' additional voluntary contributions) amounted to £389m and the value placed upon the benefits that had accrued to members was £394m. The Scheme was therefore £5m in deficit and 99% funded on an on-going basis. The market value of the Scheme's investment in Canal & River Pension Investments LP (SLP) (see below for more details) is included within the valuation of the Scheme's assets.

At the date of the last triennial valuation the SLP agreed to provide an annual income of £3m (£4m in 2025/26) until 31 March 2037 and a lump sum on cessation, which could give rise to proceeds over and above the market value at valuation date and, accordingly, additional contributions were not deemed to be required to eliminate the deficit. The next triennial actuarial valuation will be carried out as at 31 March 2028.

On 9 July 2012, the Trust made a special contribution of £106m to the WPF pursuant to the creation of a pension funding partnership (SLP) with the Trust. The Scheme invested £106m in the SLP, a limited partnership registered in Scotland. Under an amended agreement dated 31 March 2025 the Scheme will remain invested in this partnership until 31 March 2037 at which point the Scheme's investment will be redeemed. The redemption value of the investment will be the lower of £100m 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 £4m in 2025/26 and £3m in 2026/27 and subsequent years. In the year to 31 March 2026 the Scheme received £4m of income from the SLP investment.

An accounting judgement has been taken that the Scheme's £36.0m (2024/25: £44.3m) interest in the SLP, which is a subsidiary of the Trust, does not represent a plan asset for the purposes of the Group 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 financial statements. The £36.0m (2024/25: £44.3m) is included within freehold investment property in the Group financial statements. See also note 14.

The elimination on consolidation of the Scheme's interest in the SLP from the Scheme's assets results in a deficit of £11.2m in the Group financial statements. The Scheme's interest in the SLP is, however, 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 2025 and updated to 31 March 2026 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 2026**	31 March 2025
Discount rate	**6.00%**	5.70%
Rate of increase in salaries	**3.50%**	3.40%
Rate of increase for majority of pensions in payment and deferred pensions*	**3.00%**	2.70%
Rate of CPI inflation	**3.00%**	2.70%
Tax free cash	**Members are assumed to take 25% of their pension as tax free cash**	Members are assumed to take 25% of their pension as tax free cash
Post retirement mortality assumption	**87.5% of S4PMA (males) 95.0% of S4PFA (females) CMI 2024 model, long term rate of improvement 1.25%, with core parameters other than the Age-Period and Cohort convergence periods which are increased to 20 years for ages from 80 to 100, and then tapering down to nil by age 120**	92.5% of S3PMA_H (males) 92.5% of S3PFA_H (females) CMI 2023 model, long term rate of improvement 1.25% (smoothing factor 7.0) 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 2026	31 March 2025
Male currently aged 43	**23.7**	23.0
Female currently aged 43	**26.8**	26.7
Male currently aged 63	**22.2**	21.4
Female currently aged 63	**25.3**	25.2

25. Pension and other post-retirement benefits (continued)

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% Decrease by 0.1%	Decrease by 1.1% (£3.9m) Increase 1.1% (£3.9m)
CPI rate of inflation	Increase by 0.1% Decrease by 0.1%	Increase by 0.8% (£3.0m) Decrease by 0.8% (£3.0m)
Life expectancy	Increase by one year Decrease by one year	Increase by 2.9% (£10.6m) Decrease by 2.9% (£10.6m)

Amounts recognised in the SoFA:

	Group	
	Year to 31 March 2026 £m	Year to 31 March 2025 £m
Administration expenses	**(0.5)**	(0.6)
Interest cost	**(21.4)**	(19.9)
Interest on assets	**19.2**	18.0
Amount charged within net income/ expenditure	**(2.7)**	(2.5)
Actuarial gain/(loss)	**26.9**	(0.6)
Amount credited/(charged) within net movement in funds	**24.2**	(3.1)

Amounts recognised in the balance sheet:

	Group		Canal & River Trust	
	2026 £m	2025 £m	**2026 £m**	2025 £m
Equities	**(2.0)**	(0.5)	**(2.0)**	(0.5)
Corporate bonds	**81.4**	112.7	**81.4**	112.7
Liability Driven Investment	**172.8**	152.2	**172.8**	152.2
Property funds	**27.7**	27.8	**27.7**	27.8
Diversified growth funds	**53.3**	30.5	**53.3**	30.5
Investment in property interest in SLP	**-**	-	**36.0**	44.3
Other growth assets	**11.7**	10.7	**11.7**	10.7
Cash and liquidity funds	**14.4**	11.6	**14.4**	11.6
Total fair value of assets	**359.3**	345.0	**395.3**	389.3
Present value of scheme liabilities	**(370.5)**	(385.2)	**(370.5)**	(385.2)
(Deficit)/surplus in the scheme	**(11.2)**	(40.2)	**24.8**	4.1

The actual return on the Scheme's assets during the year was a £31.1m gain (2024/25: £23.4m loss) for the Group and a £22.8m gain (2024/25: £29.6m loss) for the Trust.

FRS 102 requires all Scheme assets to be valued at fair value for accounting purposes. As at 31 March 2026, the fair value of the Scheme's investment in the SLP was £36.0m (2024/25: £44.3m).

25. Pension and other post-retirement benefits (continued)

Changes in scheme assets

	Group		Canal & River Trust	
	2025/26 £m	2024/25 £m	**2025/26 £m**	2024/25 £m
At 1 April	**345.0**	384.6	**389.3**	435.1
Interest on scheme assets	**19.2**	18.0	**21.6**	20.3
Principal employer contributions	**4.8**	5.8	**4.8**	5.8
Benefits paid and expenses	**(21.6)**	(22.0)	**(21.6)**	(22.0)
Revaluation gain/(loss)	**11.9**	(41.4)	**1.2**	(49.9)
At 31 March	**359.3**	345.0	**395.3**	389.3

Changes in scheme liabilities

	Group		Canal & River Trust	
	2025/26 £m	2024/25 £m	**2025/26 £m**	2024/25 £m
At 1 April	**(385.2)**	(427.5)	**(385.2)**	(427.5)
Interest cost	**(21.4)**	(20.0)	**(21.4)**	(20.0)
Benefits paid	**21.1**	21.4	**21.1**	21.4
Actuarial gain	**15.0**	40.9	**15.0**	40.9
At 31 March	**(370.5)**	(385.2)	**(370.5)**	(385.2)

Movement in (deficit)/surplus in the scheme during the yea

	Group		Canal & River Trust	
	2025/26 £m	2024/25 £m	**2025/26 £m**	2024/25 £m
At 1 April	**(40.2)**	(42.9)	**4.1**	7.6
Expenses recognised in SoFA	**(2.7)**	(2.5)	**(0.3)**	(0.3)
Contributions	**4.8**	5.8	**4.8**	5.8
Actuarial gain/(loss) recognised in SoFA	**26.9**	(0.6)	**16.2**	(9.0)
At 31 March	**(11.2)**	(40.2)	**24.8**	4.1

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 was an amount owing to Standard Life as at 31 March 2026 of £0.9m in relation to pension contributions.

26. Commitments

Capital expenditure for which the Trust had contracted at 31 March 2026 was £0.2m (2024/25: £1.1m) relating to tangible fixed assets and £0.8m (2024/25: £nil) relating to the commitment to purchase investment property. These commitments fall due within one year.

The Trust has entered into commitments to invest in private equity and private debt funds. At 31 March 2026 outstanding commitments amounted to £80.2m (2024/25: £99.5m).

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 requires disclosure:

Jennie Price, Trustee, stood down as the Chair of The Scout Association in March 2025. In 2024/25 the Trust raised an invoice for £25,200 to The Scout Association for services provided. As at 31 March 2025 £25,200 was unpaid.

There were no other related party transactions between the Trust and any of the trustees or executive directors which require disclosure 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.

Transactions with joint ventures	**Amount receivable during the year to 31 March 2026 £m**	Amount receivable during the year to 31 March 2025 £m	**Amount receivable/ (payable) at 31 March 2026 £m**	Amount receivable/ (payable) at 31 March 2025 £m
Property sales and investment activity with joint ventures	**1.0**	0.3	**-**	-
Other significant transactions with joint ventures	**0.1**	0.1	**-**	-
	1.1	0.4	**-**	-

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

Transactions with subsidiaries	**Amount receivable during the year to 31 March 2026 £m**	Amount receivable during the year to 31 March 2025 £m	**Amount receivable/ (payable) at 31 March 2026 £m**	Amount receivable/ (payable) at 31 March 2025 £m
Canal & River Trading CIC				
Qualifying charitable donations	**-**	-	**-**	-
Canal & River Pension Investments LP (SLP)				
Profit share payments	**2.2**	1.4	**-**	-
	2.2	1.4	**-**	-

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

Membership of the Board of Trustees and Executive Team

Board of Trustees	Title	Appointed	Term	Committee Membership
David Orr CBE	Chair	September 2022	Second	Boating Committee (*Chair*), Joint Council & Board Appointments Committee
Jennie Price CBE	Deputy Chair	September 2018	Third	Joint Council & Board Appointments Committee (*Chair*), Audit & Risk Committee
Sir Christopher Kelly (until 17 September 2026)	Trustee	September 2017	Third	Audit & Risk Committee (*Chair*), Infrastructure Committee, Fundraising Committee
Bronagh Kennedy	Trustee	September 2022	Second	Investment Committee, Boating Committee, People & Remuneration Committee (*Chair*)
Ian Peters	Trustee	September 2022	Second	Investment Committee (*Chair*), Fundraising Committee
Chris Fellingham	Trustee	September 2023	First	Investment Committee, Boating Committee
Ranjit Sondhi CBE	Trustee	September 2024	First	Joint Council & Board Appointments Committee, People & Remuneration Committee
Sir James Bevan KCMG	Trustee	September 2023	First	Infrastructure Committee (*Chair*), People & Remuneration Committee
Peter Hudson CB CBE	Trustee	September 2025	First	Audit & Risk Committee, Infrastructure Committee, Boating Committee,
Clare Montagu	Trustee	September 2025	First	Audit & Risk Committee, Fundraising Committee
Angela Cluff	Trustee	September 2025	First	Fundraising Committee (*Chair*), People & Remuneration Committee
Tim Reeve CBE (until 24 September 2025)	Trustee	September 2016	Third	
Janet Hogben (until 24 September 2025)	Trustee	September 2016	Third	Joint Council & Board Appointments Committee, People & Remuneration Committee, Infrastructure Committee, Boating Committee
Dame Jenny Abramsky (until 24 September 2025)	Deputy Chair	September 2016	Third	Joint Council & Board Appointments Committee (*Chair*), Fundraising Committee (*Chair*), Audit & Risk Committee

Executive Team	Role
Campbell Robb	Chief Executive (*from 6 October 2025*)
Stuart Mills	Chief Investment Officer (*Interim Chief Executive from 19 July – 5 October 2025*)
Richard Parry	Chief Executive (*until 18 July 2025*)
Malcolm Horne	Chief Infrastructure & Programmes Officer (*until 30 June 2026*), Chief Operations Officer (*from 1 July 2026*)
Steve Dainty	Chief Financial Officer
Julie Sharman	Chief Operating Officer (*until 30 June 2026*)
Heather Clarke	Strategy & Impact Director (*until 31 July 2026*)
Tom Deards	Legal & Governance Director (*until 31 July 2026*)
Tim Hunter	Interim Director of Fundraising (*from 1 February 2026*)
Maggie Gardner	Director of Fundraising (*until 31 January 2026*)
Anne Gardner-Aston	Director of Health & Safety *(until 30 September 2026)*
Susie Mather	Director of Communications & External Engagement (*until 30 June 2026*), Chief Policy and Communications Officer (*from 1 July 2026*)
Karen Seth	People Director (*until 30 June 2026*), Chief People Officer *(from 1 July 2026)*

As part of the Trust's Transformation Programme, the Executive Team was restructured following year end. All Executive Team members who served during the financial year are listed above.

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 significant impact on the positive work of the charity.

Thank you to the following Charitable Trusts, Grant-making bodies, landfill operators, local authorities, lotteries, individual benefactors and legators who have donated in excess of £10,000 to our work, as well as those who choose to remain anonymous:

Actif North Wales (Gogledd Cymru Actif)

Active Black Country Ltd

Anthony Clive Woodhouse

Arts Council England

Bannau Brycheiniog National Park Authority through the Local Places for Nature programme

Chester Zoo

City of Bradford Metropolitan District Council

Diana Skilbeck

Drax Foundation

East Staffordshire Borough Council

Environment Agency

Friends of Standedge

Groundwork Greater Manchester

Groundwork London via Walking & Cycling Grants London funded by Transport for London in Partnership with The London Marathon Foundation

Gwynedd County Council funded by UK Government from the UK Shared Prosperity Fund

Harborough District Council

Historic England

Janice Burton

Kirklees Council

Kusuma Trust

Lichfield District Council

London Borough of Brent

London Borough of Hackney

National Lottery Heritage Fund

Oadby & Wigston Borough Council

Old Oak Park Royal Development Corporation

Patricia Hugill

Postcode Lottery

Powys County Council funded by UK Government Levelling Up Fund

Radford Semele Parish Council

Richard Broyd Trust

Richard Periam

Rightmove Group Ltd

Rushcliffe Borough Council

Sandwell MBC

Severn Trent Water Ltd

Shropshire Council via the Department for Levelling Up, Housing & Communities

Solus Ceramics

Sport England

Stoke on Trent City Council

Stowell Farms Ltd

The Bentley Family Trust

The Earnest Cook Trust

The Greater Manchester Environment Fund

Walk Wheel Cycle Trust

Walsall Council, Community Regeneration Partnership managed by UK Government (MHCLG)

Warwick District Council

Welsh Government's Landfill Disposals Tax Communities Scheme administered by Wales Council for Voluntary Action

West Northamptonshire Council – Funded by UK Government

Westmorland and Furness Council via UK Shared Prosperity Fund and Rural England Prosperity Fund

Worwin UK Foundation

Wrexham County Borough Council

York and North Yorkshire Combined Authority

Patron

HM The King

Chair

David Orr CBE

Deputy Chair

Dame Jenny Abramsky
(until 24 September 2025)

Jennie Price CBE
(from 25 September 2025)

The Trust's Advisors

Bankers:

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

External auditors:

BDO LLP
55 Baker Street
London
W1U 7EU

Internal Auditors:

Grant Thornton UK LLP
8 Finsbury Circus
London
EC2M 7EA

Investment Managers:

Partners Capital
5 Young Street
London
W8 5EH

Canal & River Trust

National Waterways Museum Ellesmere Port
South Pier Road
Ellesmere Port
Cheshire
CH65 4FW

CanalRiverTrust
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Enjoy. Take Action. Volunteer. Donate
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Canal & River Trust is a charitable company limited by guarantee registered in England & Wales with company number 07807276 and charity number 1146792.

All information correct at the time of publication.

Front cover: Walsall, Walsall Canal

Back cover: Foxton Locks, Grand Union Canal Leicester Line