

Annual Report

Canal & River Trading CIC

For the year ended 31 March 2023



Registered number: 08069602

Canal & River Trading CIC

Company Information

Directors

SC Mills
T Deards
S Dainty
J Bywater

Registered number

08069602

Registered office

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

Independent auditor

BDO LLP
Bridgewater House
Counterslip, Bristol
BS1 6BX

Bankers

NatWest Bank PLC
PO Box 12258
1 Princes Street
London
EC2R 8BP

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Canal & River Trading CIC

Directors' Report

For the year ended 31 March 2023

The directors present their report and the financial statements for the year ended 31 March 2023.

Directors' Responsibilities Statement

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activities

Canal & River Trading CIC (Community Interest Company) was incorporated on 15 May 2012 and is a wholly owned subsidiary of the Canal & River Trust. The Company's objects are to provide benefit to the general public in the UK, in particular (but not without limitation) those who visit or use inland waterways for navigation, leisure or recreation. The principal activity of the Company is to invest in long term property developments as well as carrying out other trading activities to create profit surpluses which can then be donated to the Canal & River Trust (registered company number 07807276), a charity registered by the Charity Commission in England & Wales.

Business review

Turnover increased in the year by £187,172 to £487,078 (2022: £299,906) due to increased rental income on investment property and higher event revenues. Interest received of £697,940 (2022: £351,791) is £346,149 higher than prior year due to increased interest rates on indexation of a long term deferred consideration receivable on land contracted for disposal.

Profits on disposal of £385,880 (2022: £545,408) relates to disposal of investment property above book value. The unrealised surplus on revaluation of investment property is £109,000 (2022: £702,500) representing 6% growth excluding disposals. This is reflective of development potential on the remaining portfolio.

Directors' Report (Cont.)

Joint Venture development

The Company partner loans to our Joint Ventures decreased by £2,742,000 during the year. This was principally due to temporary lower development activity within the Joint Ventures.

Gift aid distribution

The Company paid a gift of £8.1m in the year to the Canal and River Trust funded from available distributable reserves. The gifting of available profits to the Canal and River Trust reflects the commitment of the Company to the delivery on the objective of providing public benefit to visitors and users of the inland waterways.

Directors

The directors who served during the year were:

SC Mills
T Deards
S Dainty
J Bywater

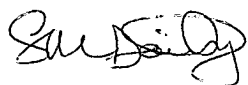
Disclosure of information to auditor

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

The Directors' Report has been prepared in accordance with the provisions applicable to companies' subject to the small companies' regime under the Companies Act 2006.

This report was approved by the board on 21 September 2023.



Steven M Dainty
Director
On behalf of the board
21 September 2023

Independent Auditor's Report to the Members of Canal & River Trading CIC

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2023 and of its profit 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 Trading CIC ("the Company") for the year ended 31 March 2023 which comprise the Statement of comprehensive income, the Balance Sheet, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 are independent of the 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 relating to going concern

In auditing the financial statements, we have concluded that the Directors' 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 Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement, the Directors 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 Directors 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 Directors are responsible for assessing the 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 Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

Non-compliance with laws and regulations

Based on:

- Our understanding of the Company and the sector in which it operates;
- Discussion with management and those charged with governance;
- Obtaining and understanding of the 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), UK tax legislation, and the Companies Act 2006.

The Company 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 the Data Protection Act 2018 and the Bribery Act 2010.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;

- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Involvement of tax specialists in the audit;
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

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

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the 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; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be journals 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, by agreeing to supporting documentation; and
- Assessing significant estimates and judgements made by management for bias, including the valuation of investment properties, investment in joint ventures and loans to joint ventures.

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

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 on the Financial Reporting Council'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 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 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 Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Heather Wheelhouse

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Heather Wheelhouse (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Bristol, UK

Date: 22 September 2023

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

Statement of comprehensive income

For the year ended 31 March 2023

		2022/23	2021/22
	Note	£	£
Turnover	2	487,078	299,906
Cost of Sales		(253,449)	(207,331)
Gross profit		233,629	92,575
Administrative expenses		(109,065)	(416,056)
Operating profit/(loss)	3	124,564	(323,481)
Net profit on sale of investment property		385,881	545,408
Interest receivable		697,940	351,791
Interest payable		(5,743)	-
Reversal of impairment of amounts owed by Joint venture undertakings		8,242	2,446,591
Unrealised surplus/(deficit) on revaluation of investment properties		109,000	702,500
Profit on ordinary activities before taxation		1,319,884	3,722,809
Tax charge on ordinary activities	4	(188,866)	(118,713)
Profit after taxation		1,131,018	3,604,096

The notes on pages 12 to 20 form part of these financial statements.

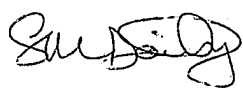
Balance Sheet

As at 31 March 2023

		31 March 2023	31 March 2022
	Note	£	£
Fixed assets			
Investment property	5	1,960,005	3,126,006
Investments in joint ventures	6	6,039	6,039
		<u>1,966,044</u>	<u>3,132,045</u>
Current assets			
Debtors: amounts falling due within one year	7	18,362,112	19,126,152
Debtors: amounts falling due after more than one year	8	15,120,085	17,324,548
Cash at bank and in hand		43,792	3,257,395
		<u>33,525,989</u>	<u>39,708,095</u>
Creditors: amounts falling due within one year	9	(216,432)	(525,309)
Net current assets		<u>33,309,557</u>	<u>39,182,786</u>
Total assets less current liabilities		<u>35,275,601</u>	<u>42,314,831</u>
Creditors: Amounts falling due after one year	10	(385,190)	-
Provision for liabilities	11	-	(492,228)
Provision for tax	12	(155,503)	(118,713)
Net assets		<u>34,734,908</u>	<u>41,703,890</u>
Capital and reserves			
Called up share capital	13	1,000,000	1,000,000
Reserves:			
Capital contribution reserve	14	32,351,910	32,351,910
Profit and loss account	14	1,382,998	8,351,980
Shareholders' funds		<u>34,734,908</u>	<u>41,703,890</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime under the Companies Act 2006.

The financial statements were approved by the board on 21 September 2023.



Steven M Dainty

Director, on behalf of the board (Co registration number 08069602)

The notes on pages 12 to 20 form part of these financial statements.

Statement of Changes in Equity

For the year ended 31 March 2023

	Share capital £	Capital contribution reserve £	Profit and loss account £	Total £
At 1 April 2022	1,000,000	32,351,910	8,351,980	41,703,890
Profit for the year	-	-	1,131,018	1,131,018
Reserves Transfer	-	-	-	-
Gift Aid donation to parent	-	-	(8,100,000)	(8,100,000)
At 31 March 2023	1,000,000	32,351,910	1,382,998	34,734,908

	Share capital £	Capital contribution reserve £	Profit and loss account £	Total £
At 1 April 2021	1,000,000	32,351,910	5,047,748	38,399,658
Profit for the year	-	-	3,604,096	3,604,096
Reserves transfer	-	-	-	-
Gift Aid donation to parent	-	-	(299,864)	(299,864)
At 31 March 2022	1,000,000	32,351,910	8,351,980	41,703,890

Further details on each reserve can be seen in note 14.

The notes on pages 12 to 20 form part of these financial statements.

Notes to the Financial Statements

For the year ended 31 March 2023

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and comply with the Financial Reporting Standard applicable to the UK and Ireland (FRS 102) (effective March 2018); and the small companies regime under the Companies Act 2006. The company takes advantage of the provisions of Part 15, section 414B for an exemption from preparation of a strategic report; and section 400 for an exemption from preparing consolidated financial statements.

1.2 Significant judgements and key sources of estimation uncertainty

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

The Company intends to adopt tax planning to ensure that investment properties, if sold, are done in a manner and order that would enable any tax asset to be utilised. Based on the properties on hand, judgement has been made as to extent the deferred tax asset would be utilised and therefore, the deferred tax asset has only been recognised to the extent that it is probable it would be applied to offset the deferred tax liability (or other qualifying future taxable profits) in line with FRS102 para.29.7.

1.3 Going concern

The company has an annual planning process including financial projections. At the year end the company had net assets of £34,734,908 (2022 £41,703,890), amounts owed by group undertakings of £18,214,815 (2022 £18,683,617) and cash at bank and in hand of £43,792 (2022 £3,257,395). In assessing the company's ability to operate as a going concern, the Directors have reviewed the planned cashflows of the company. The current cash flow forecast demonstrates that the company can operate well within its existing funding arrangements.

The company has commitments to support several Joint Venture Partnerships which are predominantly engaged in residential development. The primary risk to the company is therefore a substantial fall in the value of and demand for residential land and housing. The main consequence of this risk could include further funds needing to be advanced to partnerships in order to repay priority lenders as well as delay the repayment of partner loans and losses on eventual sale of stocks. However, all Joint Venture Partnership borrowing is on a strictly non-recourse basis to the partners which means that the company is not obliged to settle the debts of the ventures although it may choose to do so.

At the date of approval of these financial statements, the Directors have prepared cash flow forecasts to 31 March 2026 and performed an assessment which considers a period of at least 12 months from this date of approval. The current cash flow forecast demonstrates that the company can operate within its existing funding arrangements. Whilst there is significant headroom in the cash forecast for any changes to the outflows of cash to joint ventures, the company also has an available loan agreement with the Canal and River Trust which enables the company to borrow £10m on demand if required. The directors are therefore satisfied that the company accounts are prepared on a going concern basis.

Canal & River Trading CIC

1. Accounting policies (continued)

1.4 Cash flow

The Company, being a subsidiary undertaking where 90% or more of the voting rights are contained within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS102, section 7.

1.5 Turnover

Income is included in the Statement of comprehensive income when the Company is legally entitled to the income and the amounts can be quantified with reasonable accuracy. If these conditions are not met, then the income is deferred.

Investment income includes rental income from investment property leased out under an operating lease and is recognised in the statement of comprehensive income on a straight line basis over the term of the lease. Lease incentives granted are recognised as a reduction of rental income. The cost of the incentive is allocated over the lease term or a shorter period ending on a date from which it is expected the prevailing market rental will be payable. Incentives are provided to customers in various forms such as rent free periods or funding towards property fit out costs and are usually offered on signing a new contract. Where such incentives are provided the fair value of the incentive is deferred and recognised in line with this accounting policy.

Revenue in respect of the disposal of investment properties is generally recognised when title passes on completion of a sale or when substantially all the risks & rewards of ownership pass to the lessee under a finance lease.

1.6 Investments in joint ventures

Investments in joint ventures are held as fixed assets and are shown at cost less provision for impairment.

1.7 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 on investment" in the SoFA.

The company accounts for disposals of investment properties upon completion of sale or when the sale is unconditional.

Canal & River Trading CIC

1. Accounting policies (continued)

1.8. Reserves

The capital contribution reserve arises from the contribution of net assets from the parent, Canal & River Trust, via a statutory transfer, *The British Waterways Board (Transfer of Functions) Order 2012* which took place on 2 July 2012 and is described in the Directors' Report on page 5. This reserve is redeemed by the passing of cash or other assets back to the shareholder, i.e. the parent, Canal & River Trust.

In accordance with the Company's articles of association, Canal & River Trust are the asset-locked body specified as a potential recipient of the Company's assets. Gifts made to Canal & River Trust are made firstly from any profits of the period, secondly from any retained profits, thirdly from realised capital gains within the realised capital reserve and fourthly from the capital contribution reserve. The reserve balances are adjusted to reflect this ordering.

1.9 Financial Instruments

The Company is not deemed to have any non-basic financial instruments as defined by FRS 102, section 12.

1.10 Gift Aid

Gift Aid is paid or payable to the parent undertaking, Canal & River Trust, which is a UK charity, the charitable purpose of which is to care for England and Wales' 200 year old waterways. As a charitable entity, Canal & River Trust is exempt from corporate taxation of income and gains to the extent these are applied to its charitable objectives. Canal & River Trading CIC has adopted a policy of paying all its taxable profits to the charity under gift aid. These gift aid payments are recognised as distributions through equity rather than as an expense through the statement of comprehensive income in Canal & River Trading CIC.

1.11 Taxation

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date. Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated. The Company's deferred tax assets are only recognised to the extent that it is probable that it will be recovered against deferred tax liabilities or other qualifying future taxable profits. The net deferred tax position is disclosed within Provisions for Tax. The total available deferred tax asset at 31 March 2023 is £1,214.0k and £2.6k has been recognised. Without offset, the deferred tax liability as at 31 March 2023 is £158.2k.

Canal & River Trading CIC

2. Turnover

	2022/23	2021/22
	£	£
Investment income	324,350	205,436
Standedge wedding income	162,728	94,470
	487,078	299,906

3. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

	2022/23	2021/22
	£	£
Auditors' remuneration	10,000	6,000

During the year, no director received any emoluments (2021/22: £Nil).

There were no staff employed during the year (2021/22: None)

4. Taxation

	2022/23	2021/22
	£	£
Current tax:		
UK corporation tax credit on profit for the period	-	-
Prior year: Tax relief obtained on gift aid payment	-	-
-adjustments to tax charge in respect of prior periods	152,076	-
	152,076	-
Deferred tax:		
Origination and reversal of timing differences	36,790	118,713
Total deferred tax	36,790	118,713
Tax on profit	188,866	118,713

Canal & River Trading CIC

4. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the period is less than the standard rate of corporation tax in the UK of 19%. The differences are explained below:

	2022/23	2021/22
	£	£
Profit on ordinary activities before tax	1,319,884	3,722,809
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021/22: 19%)	250,778	707,334
Effects of:		
Fixed asset differences	(7,702)	(115,411)
Expenses not deductible for tax purposes	-	11,783
Income not taxable for tax purposes	(53,228)	(133,475)
Income not included in profit on ordinary activities	-	972,436
Chargeable gains/(losses)	28,309	-
Adjustments to tax in respect of previous periods	152,076	-
Remeasurement of deferred tax for changes in tax rates	(282,538)	-
Movement in deferred tax not recognised	1,214,035	-
Profits/(losses) of partnerships	(1,112,864)	-
Movement in deferred tax	-	118,713
Donation to parent made under gift aid scheme in equity	-	(1,442,667)
Total current tax charge for the year	188,866	118,713

5. Investment property

	Freehold investment property	Long term leasehold investment property	Total
	£	£	£
Valuation			
At 1 April 2022	1,590,000	1,536,006	3,126,006
Additions at cost	-	-	-
Disposals	(70,000)	(1,205,001)	(1,275,001)
Surplus/(deficit) on revaluation	115,000	(6,000)	109,000
At 31 March 2023	1,635,000	325,005	1,960,005

Canal & River Trading CIC

5. Investment property (continued)

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 100% of the properties by value as at 31 March 2023.

Valuations are carried out in accordance with the guidance set out in the Royal Institute of Chartered Surveyors 'Professional Standards January 2014' incorporating the International Valuation Standards 2013, amended. Within these valuations, assumptions are made based on comparable yield values, taking account of where property is let, the current and reversionary rental income along with the lease terms; and where properties are vacant holding costs, market rents and lease incentives.

6. Investments in joint ventures

Investment
in joint
ventures
£

Cost

At 1 April 2022 and 31 March 2023

6,039

The following information relates to those joint venture undertakings of the Company at the year-end whose results or financial position, in the opinion of the Directors, principally affect the figures of the Company. All joint ventures of the Company are unlisted and are registered and operate in the United Kingdom.

Name	Accounting period	Holding	Principal activity
Waterside Places Limited Partnership	31/12/2022	50%	Property development
H2O Urban (No.2) LLP	31/12/2022	49%	Property development
Paddington Basin Business Barges Limited	31/12/2022	49%	Office management

Whilst Canal and River Trading CIC retains a 49% shareholding or initial partnership capital in some joint ventures, the voting rights and profit share is 50:50.

Canal & River Trading CIC

7. Debtors: amounts falling due within one year

	31 March 2023	31 March 2022
	£	£
Trade debtors	394	46,002
Amounts owed by group undertakings	18,214,815	18,683,617
Other debtors	146,903	396,533
	<u>18,362,112</u>	<u>19,126,152</u>

8. Debtors: amounts falling due after more than one year

	31 March 2023	31 March 2022
	£	£
Other Debtors > 1 year	5,362,722	4,825,427
Amounts owed by joint venture undertakings in which the Company has a participating interest	9,757,363	12,499,121
	<u>15,120,085</u>	<u>17,324,548</u>

Amounts owed by joint venture undertakings in which the Company has a participating interest are partner loans which are unsecured, have no fixed repayment term and carry no coupon.

9. Creditors: amounts falling due within one year

	31 March 2023	31 March 2022
	£	£
Trade creditors	3,118	430,326
Amounts due to group undertakings	1,960	54,299
Corporation Tax	152,076	-
Other creditors	59,278	40,684
	<u>216,432</u>	<u>525,309</u>

10. Creditors: amounts falling due after one year

	31 March 2023	31 March 2022
	£	£
Other creditors	385,190	-
	<u>385,190</u>	<u>-</u>

Canal & River Trading CIC

11. Provision for liabilities

	Demolition costs £	Total £
At 1 April 2022	492,228	492,228
Charged	-	-
Paid	(492,228)	(492,228)
At 31 March 2023	-	-

12. Provision for tax

	Deferred taxation £
At 1 April 2022	118,713
Origination and reversal of timing differences:	
Deferred tax charged in the period	36,790
At 31 March 2023	155,503

13. Called up share capital

	31 March 2023 £	31 March 2022 £
Authorised, allotted, called up and fully paid		
1,000,000 Ordinary Shares of £1 each	1,000,000	1,000,000

Canal & River Trading CIC

14. Reserves

The capital contribution reserve arises from the contribution of net assets from the parent, Canal & River Trust, via a statutory transfer, *The British Waterways Board (Transfer of Functions) Order 2012* which took place on 2 July 2012 and is described in the Directors' Report on page 5. This reserve is redeemed by the passing of cash or other assets back to the shareholder, i.e. the parent, Canal & River Trust.

In accordance with the Company's articles of association, Canal & River Trust are the asset-locked body specified as a potential recipient of the Company's assets. Gifts made to Canal & River Trust are made firstly from any profits of the period, secondly from any retained profits, thirdly from realised capital gains within the realised capital reserve and fourthly from the capital contribution reserve. The reserve balances are adjusted to reflect this ordering.

Funds related to the unrealised element of the reversal of impairment of amounts owed by Joint Ventures recognised in the Capital contribution reserve in previous years have been transferred to the Profit and loss reserve in the year. Both the Capital contribution reserve and the Profit and loss reserve are distributable reserves. The transfer is made to provide clearer reporting.

15. Capital commitments

At 31 March 2023, the Company had no capital commitments (31 March 2022: £Nil).

16. Operating lease agreements where the Group is lessor

The total of future minimum rentals receivable under non-cancellable rental agreement are as follows:

	31 March 2023	31 March 2022
	£	£
Within one year	19,500	6,216
Within two to five years	6,464	-
In more than five years	-	-
	<hr/>	<hr/>
	25,964	6,216

17. Controlling party

The Company is a wholly owned subsidiary undertaking of Canal & River Trust, by virtue of its shareholding, which is the controlling party incorporated in the United Kingdom.

The Company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 400 of the Companies Act 2006.

The largest and smallest group of undertakings for which the group accounts have been drawn up is headed by Canal & River Trust.

Copies of the consolidated financial statements for Canal & River Trust are available from National Waterways Museum Ellesmere Port, South Pier Road, Ellesmere Port, Cheshire, England, CH65 4FW.

P0/18512147/E15

CIC 34

Community Interest Company Report

For official use
(Please leave blank)

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*Please
complete in
typescript, or
in bold black
capitals.*

**Company Name in
full**

Canal and River Trading CIC

Company Number

08069602

Year Ending

31/03/2023

(The date format is required in full)

Please ensure the company name is consistent with the company name entered on the accounts.

This template illustrates what the Regulator of Community Interest Companies considers to be best practice for completing a simplified community interest company report. All such reports must be delivered in accordance with section 34 of the Companies (Audit, Investigations and Community Enterprise) Act 2004 and contain the information required by Part 7 of the Community Interest Company Regulations 2005. For further guidance see chapter 8 of the Regulator's guidance notes and the alternate example provided for a more complex company with more detailed notes.

(N.B. A Filing Fee of £15 is payable on this document. Please enclose a cheque or postal order payable to Companies House)

PART 1 - GENERAL DESCRIPTION OF THE COMPANY'S ACTIVITIES AND IMPACT

In the space provided below, please insert a general account of the company's activities in the financial year to which the report relates, including a description of how they have benefited the community.

Canal & River Trading CIC was incorporated on 15 May 2012 and is a wholly owned subsidiary of the Canal & River Trust (registered company number 07807276 and charity number 1146792). The Company's objectives are to provide benefit to the general public in the UK, in particular (but not without limitation) those who visit or use the inland waterways for navigation, leisure or recreation. The principal activity of the Company is to invest in long-term property developments as well as carrying out other trading activities to create profit surpluses which can then be donated to the Canal & River Trust.

During the year ended 31 March 2023, the company was able to gift £8.1 million to Canal & River Trust to help further its charitable aims. Further details can be found in the financial statements for of the Company for this period.

(If applicable, please just state "A social audit report covering these points is attached").

(Please continue on separate continuation sheet if necessary.)

PART 2 – CONSULTATION WITH STAKEHOLDERS – Please indicate who the company's stakeholders are; how the stakeholders have been consulted and what action, if any, has the company taken in response to feedback from its consultations? If there has been no consultation, this should be made clear.

There have been extensive consultations with the company's stakeholders, the Trustees of the parent, Canal & River Trust.

(If applicable, please just state "A social audit report covering these points is attached").

PART 3 – DIRECTORS' REMUNERATION – if you have provided full details in your accounts you need not reproduce it here. Please clearly identify the information within the accounts and confirm that, "There were no other transactions or arrangements in connection with the remuneration of directors, or compensation for director's loss of office, which require to be disclosed" (See example with full notes). If no remuneration was received you must state that "no remuneration was received" below.

No remuneration was received.

PART 4 – TRANSFERS OF ASSETS OTHER THAN FOR FULL CONSIDERATION – Please insert full details of any transfers of assets other than for full consideration e.g. Donations to outside bodies. If this does not apply you must state that "no transfer of assets other than for full consideration has been made" below.

No transfer of assets other than for full consideration has been made.

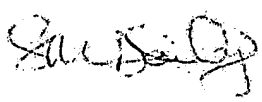
(Please continue on separate continuation sheet if necessary.)

PART 5 – SIGNATORY (Please note this must be a live signature)

(DD/MM/YY)

The original report must be signed by a director or secretary of the company

Signed



Date

14/11/2023

Please note that it is a legal requirement for the date format to be provided in full throughout the CIC34 report.

Applications will be rejected if this information is incorrect.

Office held (delete as appropriate) Director

You do not have to give any contact information in the box opposite but if you do, it will help the Registrar of Companies to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record.

Steve Dainty	
Canal & River Trust	
National Waterways Museum, Ellesmere Port, South Pier Road, Ellesmere Port, Cheshire, CH65 4FW	
Tel	
DX Number	DX Exchange

When you have completed and signed the form, please attach it to the accounts and send both forms by post to the Registrar of Companies at:

For companies registered in England and Wales: Companies House, Crown Way, Cardiff, CF14 3UZ
DX 33050 Cardiff

For companies registered in Scotland: Companies House, 4th Floor, Edinburgh Quay 2, 139
Fountainbridge, Edinburgh, EH3 9FF DX 235 Edinburgh or LP – 4 Edinburgh 2

For companies registered in Northern Ireland: Companies House, 2nd Floor, The Linenhall, 32-38
Linenhall Street, Belfast, BT2 8BG

(N.B. Please enclose a cheque for £15 payable to Companies House)