



DUCHY *of* CORNWALL

On a mission to
become a world-leading
impact organisation

Integrated Impact Report 2026



DUCHY *of* CORNWALL

Integrated Impact Report 2026

For the year ended 31st March 2026

Introduction and contents

Welcome

This Annual Integrated Impact Report highlights the Duchy of Cornwall's activities during the year ending 31st March 2026.

It sets out the Duchy's new strategy and how it is using and refining its assets to support healthy communities, restore nature-rich landscapes, progress towards net zero, and deliver sustainable financial returns, helping to ensure long-term resilience.

This report reflects the Duchy's commitment to openness, transparency and accountability, providing disclosure that extends beyond established standards and guidelines. Founded under the Great Charter of 1337, the Duchy is governed by its historic Charters and Management Acts.

The Duke of Cornwall does not have access to the Duchy's capital value and pays the top rate of income and capital gains tax on all his personal income, including receipts from the Duchy.

Performance and impact

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Foreword by The Duke of Cornwall



This report marks a significant moment in the Duchy's history as we set out a renewed purpose: to become a world-leading impact organisation, using our land, assets and ability to bring people together to deliver meaningful, lasting benefit for people, places and the natural world.

The Duchy was established in 1337 with a long-term perspective at its heart. Today, that perspective is more important than ever.

Our new strategy is rooted in a simple but ambitious purpose: to deliver resilient, vibrant and prosperous communities and ecosystems – now and into the future. It brings a sharper focus to our work and sets clear priorities across four interconnected outcomes: fostering healthy communities, restoring nature at scale, advancing towards a net zero future, and securing sustainable financial returns that allow us to continue to drive positive social and environmental change.

Central to this ambition is the Duchy's growing social impact, which has been demonstrated clearly over the past year. Across our communities, we have worked in partnership to address some of the most pressing challenges facing society today. This includes supporting innovative housing solutions to tackle homelessness, such as the delivery of high quality, supported homes in partnership with charities, providing stability and pathways to independence for those most in need. We have continued to invest in affordable and energy efficient housing within our developments, ensuring that communities remain inclusive and accessible. Alongside this, our work in local economies – from supporting small businesses to creating new employment opportunities – helps to foster resilience and long term prosperity.

Equally important are our initiatives to support mental health and wellbeing, particularly within the farming community.

These examples illustrate how the Duchy is seeking not only to manage land, but to improve lives.

Across the Duchy, I have seen first-hand the dedication and ingenuity of those who bring this mission to life – our tenants, partners and colleagues. From regenerative farming practices that improve soil health and biodiversity, to partnerships restoring vital landscapes such as peatlands on Dartmoor, there is a shared commitment to practical action and collaboration. These efforts demonstrate what can be achieved when we work together with purpose and with patience.

At the same time, the Duchy must continue to be financially resilient, ensuring that its assets are managed prudently and sustainably. This long term outlook enables us to invest with confidence in the future – in our communities, in nature, and in the people who are at the heart of our work.

What gives me the greatest optimism is the strength of the Duchy's people and the communities we serve. Time and again, I have encountered a deep sense of care – for one another and for the land – and a willingness to embrace change in pursuit of something better. It is this spirit which underpins our ambition and will carry us forward.

While we recognise that there is much more to do, this report sets out a clear direction and demonstrates the progress already being made.

Prince William
The Duke of Cornwall

Working in partnership to deliver meaningful impact



Healthy communities
Addressing homelessness together

[Read more on page 16](#)



Nature rich
Restoring nature through partnership

[Read more on page 20](#)



Net zero
Farming towards net zero

[Read more on page 24](#)



Investing in our people

[Read more on page 28](#)

➤ To find out more, visit: duchyofcornwall.org

At a glance

About the Duchy

Across the Duchy, our assets are actively managed to deliver long-term value for communities, nature and future generations.

Cornwall

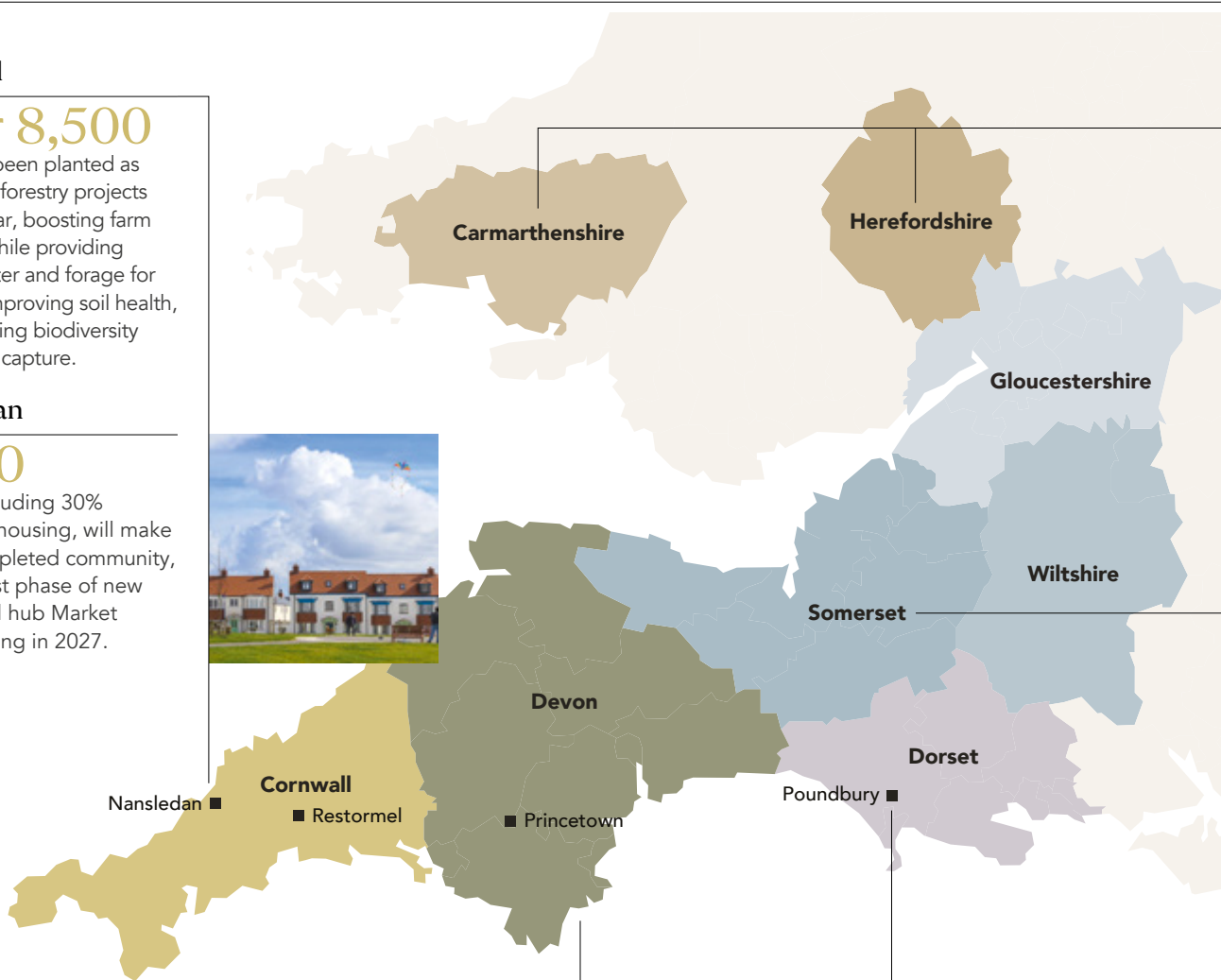
Over 8,500

trees have been planted as part of agroforestry projects this past year, boosting farm resilience while providing shade, shelter and forage for livestock, improving soil health, and enhancing biodiversity and carbon capture.

Nansledan

3,700

homes, including 30% affordable housing, will make up the completed community, with the first phase of new commercial hub Market Street arriving in 2027.

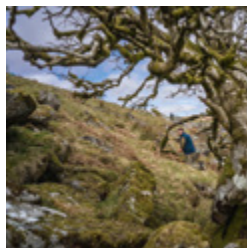


The Isles of Scilly

The Isles of Scilly

10

new sustainable houses are being created, with 20 more to come. These vital homes are designed to help address local housing for those who have lived on the Isles of Scilly for more than five years, or who currently work on the islands.



Devon and Dartmoor

800

saplings planted this year at the iconic pocket of Atlantic rainforest Wistman's Wood. The Duchy is working to double the extent of Duchy-managed Atlantic rainforest by the early 2040s.

Poundbury

2,750

homes will make up Poundbury, an internationally renowned urban extension to the Dorset county town of Dorchester.

Our new strategy is focused on achieving positive impact across four key areas



Healthy communities

We build belonging and help people and places prosper, creating affordable, energy-efficient homes.



Nature rich

An estate where nature enriches people and people enrich nature, with regenerative farming and peatland restoration.



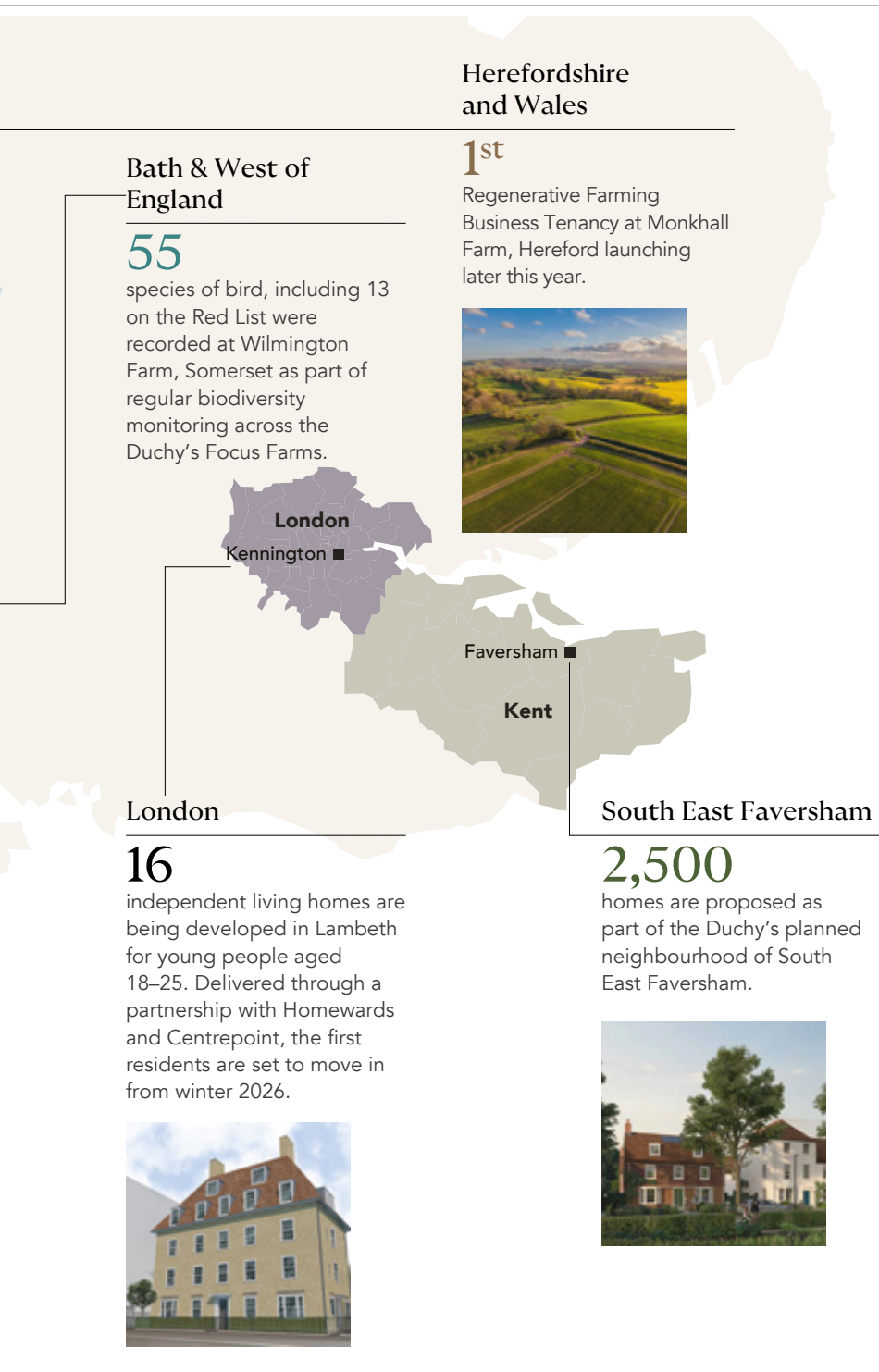
Net zero

Creating a just future by transitioning to a net zero society, celebrating our first net zero Focus Farm.



Financial returns

Protecting the real value and surplus across generations, investing in our people and processes so we're resilient for future generations.



Our scale and impact

£500m

committed over the next decade to invest in our communities

£21.6m

distributable surplus

Over

51,800

hectares in 19 counties across England and Wales

Over

1,000

homes occupied last year across our built communities in Nansledan and Poundbury, with South East Faversham moving forward following positive committee decision notice

7

Focus Farms leading the way towards our vision for a net zero and nature rich organisation

5

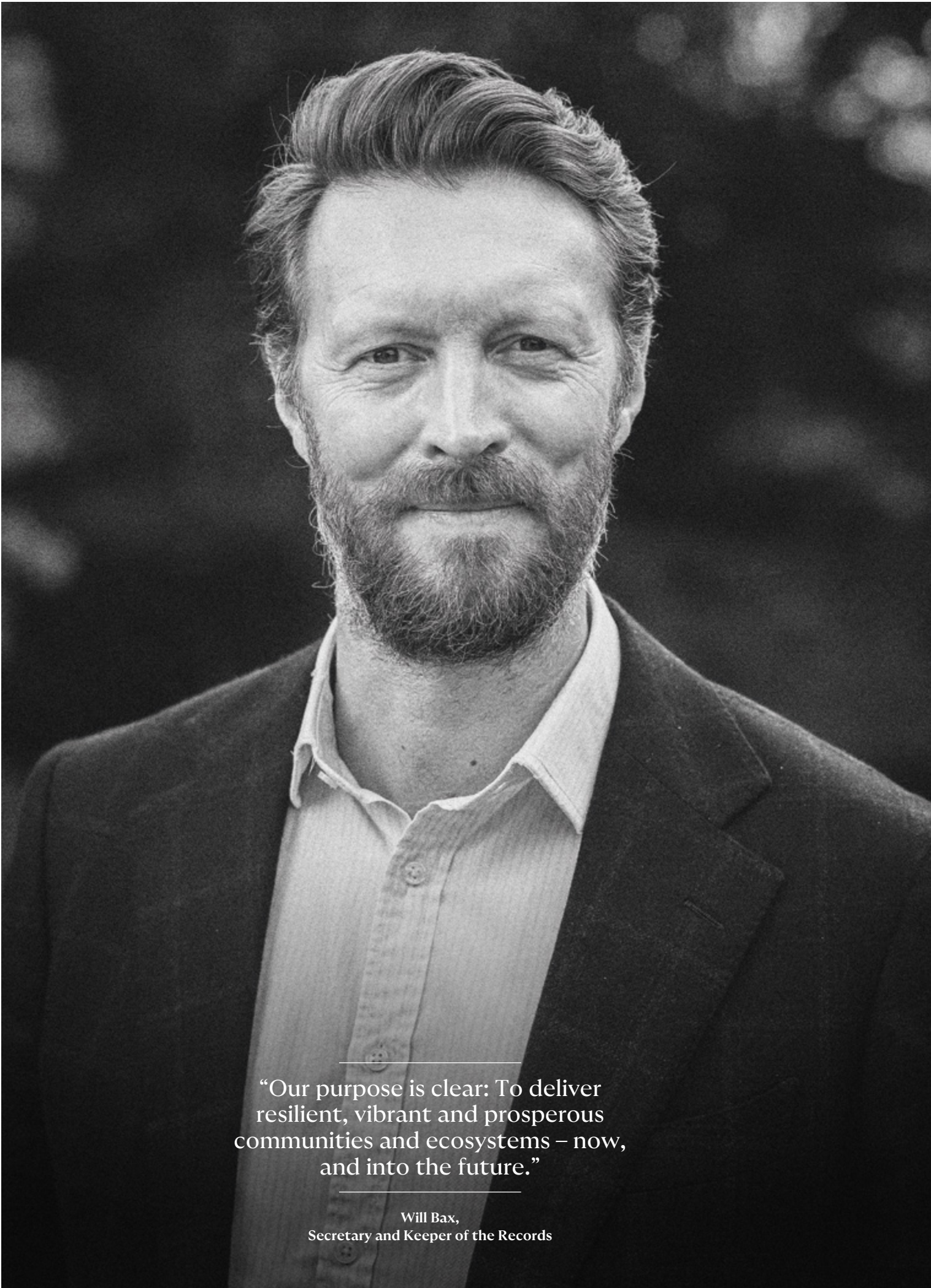
Duchy heartlands Cornwall, Dartmoor, Isles of Scilly, Bath & West and London (Kennington)

Over

200

staff across the organisation

To find out more, visit: duchyofcornwall.org



“Our purpose is clear: To deliver resilient, vibrant and prosperous communities and ecosystems – now, and into the future.”

Will Bax,
Secretary and Keeper of the Records

Letter from the Secretary

Working together for lasting impact

Following a year of significant transformation at the Duchy, **Will Bax, Secretary and Keeper of the Records**, reflects on how collaboration and a renewed strategic vision are shaping its future.

The enduring success of the Duchy is reflected in its ability to evolve. However, we are living through a period of extraordinary change and volatility, with far reaching implications for communities, individuals and organisations. Geopolitics and wider external factors are creating real uncertainty. Against this backdrop, the question that has dominated my first year at the Duchy is *what is our purpose in a modern society?*

Over the past year we have created space for reflection, a great deal of listening, engagement and discussion with partners, colleagues, tenants, customers and critics. From all these conversations a clear theme emerged; the Duchy of Cornwall can do more. We have a unique opportunity to use our resources to respond directly to the challenges faced by our communities to deliver positive change.

The year can be summarised against three key themes; a new strategy, financial resilience and taking meaningful action.

investing in local economies, progressing important environmental partnerships and making a significant investment in organisational capacity and capability.

The year can be summarised against three key themes; a new strategy, financial resilience and taking meaningful action.

Whilst the year has been dominated by a step change in strategy, we have continued to advance key projects across our rural, property and enterprise activities, including innovative housing solutions,

New Strategy

Reflecting HRH The Duke of Cornwall's ambition for the Duchy to become a world-leading social impact organisation, we have set a new strategy focused on delivering significant social and environmental benefit to the communities we serve.

Our purpose is clear: **To deliver resilient, vibrant and prosperous communities and ecosystems – now, and into the future.**

But success requires a step change in how we operate. We need to move from stewardship to leadership and use our assets, capital and influence, more deliberately, to enable positive social and environmental outcomes, alongside a sustainable financial future.

Our strategy seeks to deliver four outcomes:

1. Build **healthy communities**, including addressing the housing crisis and investing in vibrant local economies that support job creation and growth.
2. **Restore nature** at scale, working with farmers and other partners to deliver landscape-scale recovery.
3. Deliver a **net-zero** future, embracing technology to build and retrofit our properties, investing in renewable energy and tackling emissions.
4. Secure a **financially sustainable future**.

A central part of our new strategy is focus. Rather than spreading ourselves thinly, we are concentrating investment in five heartlands: Cornwall, the Isles of Scilly, Dartmoor, Bath & West, and Kennington in London. These are places where the Duchy has deep roots, a wide mix of assets, and the ability to do more in supporting real and lasting change.

Letter from the Secretary *continued*

Delivering this change requires some hard choices to release capital for reinvestment. In practice, this means rebalancing our portfolio to align with our long-term direction and reinvesting our capital where we see most need and the greatest potential for impact. These decisions are never easy, but we are compelled by the opportunities they unlock and will manage sales carefully with a desire to create opportunities for tenants to step into long-term ownership.

Financial resilience

Against a turbulent economic backdrop, our financial performance reflects the strength of the Duchy's core portfolio and the resilience it provides. Returns across our commercial, rural and residential assets have broadly tracked market conditions, while careful management has allowed us to maintain stable underlying income.

A dip in our surplus reflects a deliberate strategic choice to invest, significantly, in building the organisation's capacity and capability over the coming years to deliver a more ambitious agenda. This is a multi-year programme ensuring we have a team, culture and the tools required to execute successfully. At the heart of this programme sit our people, the Duchy team, who will be the delivery agents of impact. How we support our people to thrive will be the key to delivering a legacy of positive change. This year we have reshaped and strengthened our rural, property and development teams and will invest further in the coming year in our systems and core processes.

Turning ambition into action

Across the estate, we are already seeing clear progress against our social and environmental goals. With several key projects demonstrating momentum:

- On **Dartmoor** we are working in partnership with the Central Dartmoor Landscape Recovery Project, to launch a new 20-year Vision for landscape and nature recovery. The moor requires careful but

“Our new strategy seeks to build the vitality of our local economies and support the creation of healthy communities.”

urgent action to reverse the current trajectory where climate change, farming practices and human impact have degraded the ecosystem, including the peat bogs and their ability to hold water and carbon. This is long-term work, and the challenges will only be overcome by working in broad coalition. On page 20 in this report you will read of the work of Morag Angus and the amazing South West Peatland Partnership. Our hope is that such partnerships will help fast track change and Dartmoor can become a national blueprint for landscape and social recovery.

- Estate-wide, our **Future Farming programme** has made good progress this year. Working with farmers to improve soil health, reduce inputs and cut emissions is vital to our climate and nature missions. We are particularly proud of our seven Focus Farms who have led the way. Their story is told in *Seven Seeds*, a short film which premiered in London in October; a brilliant story of passion and partnership.
- But whilst there's inspiration and hope, the economic challenges, shifting policy and the intense nature of farming can take its toll. Recognising this we continue to invest in our **mental health programmes**. With a dedicated Family Farming Ambassador, counselling services, and our partnership with We Are Farming Minds, we are growing a strong safety net to ensure people have the support they need, when they need it.
- **Housing** is a cornerstone of our new strategy. Delivering a range of homes that respond to the full spectrum of need, including affordable homes, starter homes, family housing and addressing homelessness in our communities. Our major projects at Poundbury and Nansledan have continued to make progress, with over 1,000 more homes occupied within the last year. We were delighted to achieve a planning resolution for a new 2,500 home community in South East Faversham, 900 of which will be affordable. Elsewhere, we are delivering the first affordable housing built on the Isles of Scilly for a generation, with 10 new homes on St Mary's, which we expect to triple over the coming years, as we seek to address the housing crisis on the islands. Finally, working with St Petrocs, and funded by The Duke of Cornwall's Charitable Foundation, we have delivered an innovative new housing project to solve homelessness in Newquay, with 16 independent and supported homes completed and another 8 to come.
- We see further opportunity for impact in **Kennington**, London, where we have been busy consulting with the community on how we can respond to local challenges at our flagship project, 55 Kennington Oval. Here we intend to deliver a mix of housing, education, and community spaces to make a positive difference for local people.
- Finally, our strategy seeks to build the vitality of our local economies, helping small businesses to grow, creating jobs, and building resilient places. This year we started construction of **Market Street in Nansledan**, a new beating heart for the community including 75,000 sq.ft of retail and leisure space alongside flexible workplaces. When completed it will host over 20 new businesses, creating over 100 new jobs within the community.

In terms of governance, we have seen a number of leadership changes, with a strengthened Executive team and some key changes to the Prince’s Council to grow diversity and connect us more deeply with our heartlands. Kate Holborow DL joined the Council last year, bringing a deep knowledge of Cornwall and a background in communications, I’m delighted Kate will now chair The Duke of Cornwall’s Charitable Foundation. We say goodbye to Edward Harley CBE after a distinguished term as our Receiver General, guiding us through a period of succession. He leaves with our deepest gratitude. I am delighted that Ian Marchant has agreed to step into this role bringing a unique blend of strategic, commercial, and social acumen. I would like to personally thank all our non-executive Council members, for their passion, energy and supportive challenge.

Beyond these changes, we are also undertaking a modernisation review, led by our Attorney General, Sharif Shivji KC, looking at our ways of working and historic rights and interests. We are committed to an approach to governance which is modern, transparent and accountable so that we are fully equipped to deliver our impact mission to become a world-leading impact organisation.

So, a year of change. Whilst that brings renewed strategic clarity, it also brings inevitable turbulence as we organise around a new mission and grow a culture of purpose and impact. The great strength of the Duchy will always be its long-term perspective and opportunity to think systemically. We balance that with a real desire to take positive and urgent action on issues that require leadership to deliver lasting benefit for the communities we serve.



Will Bax,
Secretary and Keeper of the Records



Keep updated with the latest activity from the Duchy



Building a financially sustainable future

This financial year has been one of strategy development and strategic investment. **Andrew Phillips, Chief Finance Officer**, reflects on the year's financial performance and looks ahead.



As we design our response to the challenges faced by communities and nature across the estate, the net surplus distributable to HRH has fallen for the second successive year. We built our team's capacity and capability to deliver our strategy and continued to make further improvements to properties and infrastructure.

There were a number of factors behind the overall 5% growth in revenue, most notably increased income from our commercial property portfolio: during the

year we purchased an office building in one of our heartlands, Bath, Somerset, and there were some material commercial rent reviews and increased turnover rents. Residential and agricultural property income generally increased in line with inflation.

More than offsetting this growth in revenue, operating costs have increased by 15% to £22.8m. Staff costs in the revenue account have increased by £1.3m due to a significant recruitment drive as we continued to invest in our teams and our ability to deliver impact. We invested heavily in professional fees to support our strategy process and in IT to improve our efficiency and resilience. This work continues.

Income from our portfolio of financial investments fell during the year because we liquidated assets to fund the commercial property purchase mentioned above. Interest charged to the revenue account is at fixed rates and was unchanged in the year, so finance costs were static.

Given the clear distinction between our revenue account (page 62) and our capital account (page 63), the Statement of cash flows for the year (page 66) and Note 17 to the accounts (page 91) should be read carefully. The revenue account surplus (this year £21.6m) is generally matched by revenue account cash generation, with small annual movements in the Revenue reserve available for distribution to HRH. Much larger cash flows arise from capital account investing activities – the realisation of property assets and financial investments, and the redeployment of those funds.

“Our asset reallocation strategy will bring a financially sustainable future.”

Our strategy aligns and rebalances the portfolio so that our places and assets deliver the greatest possible social and environmental impact.

This means making careful, long-term decisions about where we focus our resources. During the year we raised £30.4m in capital cash from the sale of property (both investment properties and property assets held for sale). We reinvested £39.1m of capital cash: £15.8m of property purchases, £7.6m into property improvements, £13.5m investment at our development sites, and £2.2m of property, plant and equipment. The shortfall of cash raised compared to reinvestment was met by the liquidation of financial investments, which act as our pool of liquid funds while generating useful income.

As the delivery of this strategy unfolds over the coming years, these levels of cash flows from investing activities will rise materially, as will our reinvestment. To support this, in May 2026 (after the year-end) we restructured our existing short- and medium-term borrowings and extended our loan facilities by a further £30m.

Our balance sheet remains very secure. Our capital cannot be distributed: receipts from realisations of property or financial investments have to be reinvested. Balance sheet valuation is thus a function of the capital allocation decisions we make and market movements. Our assets are well diversified, by type, sector and geography. The surplus of £46.5m on the Capital account statement of comprehensive income (page 63), all of which remains in Duchy assets, was primarily driven by gains in the fair value of property assets. We continue to invest in the maintenance and improvement of our properties, and to add value through development. The property market over the last 12 months has generally seen modest increases which are reflected in our annual valuations.

Our principal risks and our approach to their management are set out on pages 32 to 44. This includes an analysis of what we feel are our most material risks around climate- and nature-related financial risks. As our strategy is driven by asset reallocation, it depends on our ability to realise capital. Property can be an illiquid asset and thus the timing of both realisations and redeployment will be uncertain. Our success is also dependent on our tenants' livelihoods, so the global and macro-economic headwinds they currently face inevitably impact our results.

We will continue to investment in team and property. This will probably mean another reduction in revenue account surplus in the year ahead. Our asset reallocation strategy will then bring a financially sustainable future: the revenue surplus will return to real-terms growth, and we will have increasing resources to deliver impact for communities and nature.



Andrew Phillips
Chief Finance Officer

Our new strategy

Our new strategy sets out how we use our assets and convening power to deliver resilient, vibrant and prosperous communities and ecosystems – now, and into the future.

Our purpose →

We are on a mission to become a world-leading impact organisation

We use our assets and convening power to deliver resilient, vibrant and prosperous communities and ecosystems – now, and into the future

What we do →

We invest capital in:

Homes

High-quality housing for all, creating thriving communities where people live their best lives

New ventures

Demonstrating business can be a force for good for people, places and planet

Commercial property

Spaces for businesses to grow, enabling jobs for the future in places where we can unlock vibrant local economies

Land

Management that regenerates ecosystems, creates places for people to enjoy, and forests and peatlands that store carbon

We work alongside communities and charities, investing time, resources, and social infrastructure to deliver lasting positive impact.



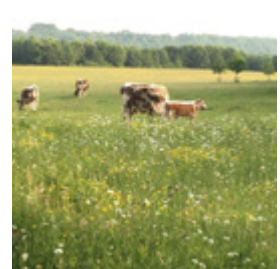
Mental health

We provide support services in our communities, tackling root causes and building hope



Homelessness

We address homelessness, going beyond the direct impact of our homes to support the most vulnerable in society



Engaging with nature

Through our nature-rich plan we aim to support recreation, education and access to green spaces

How we work →

Our strategic outcomes

Convene for action

We bring people and organisations together so we can collectively solve issues that affect our communities

Demonstrate the future

We develop and test new approaches and learn about what works

Scale solutions

We show what is achievable and promote new models that address society's greatest challenges

Invest commercially

We make thoughtful and inclusive investment decisions to deliver financial returns and benefit people and planet



Healthy communities

We build belonging and help people and places prosper

[Read more on page 16](#)



Nature rich

An estate where nature enriches people and people enrich nature

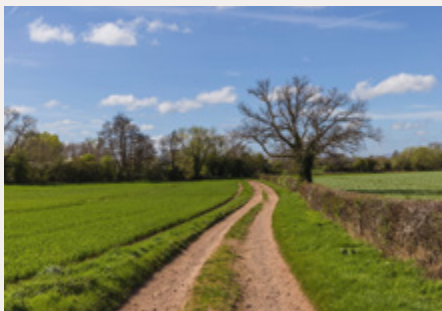
[Read more on page 20](#)



Net zero

Creating a just future by transitioning to a net zero society

[Read more on page 24](#)



Financial returns

Protecting real value and surplus across generations

[Read more on page 58](#)

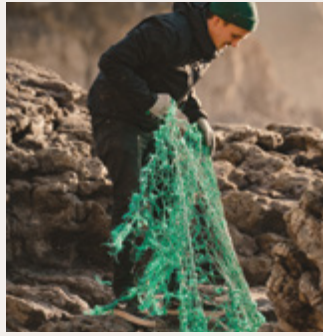
A year of impact

This has been a transformative year for the Duchy, creating lasting value for vibrant communities and thriving ecosystems while successfully balancing commercial performance with environmental and social responsibility.

25

April 2025

- At the Duchy of Cornwall Nursery, the Wildwood Holiday Club welcomed over 50 children aged 8–13 for outdoor learning, bushcraft skills and nature-based activities.
- Engaging students with climate action, the Duchy sponsored youth-led climate event The Power of 10 festival. The donation enabled five schools to attend free of charge and supported the event that brought together 200 students from 15 Cornish secondary schools.



May 2025

- Helping tackle end-of-life and abandoned fishing gear on the Isles of Scilly, the Duchy partnered with Waterhaul to salvage 1,702kg of fishing gear from the ocean.
- To support independent local businesses, the Duchy of Cornwall Nursery launched its 'Meet the Maker' pop-ups, offering a free platform for Cornish artists and makers to showcase and sell their work, with over 10 creatives hosted to date.



June 2025

- The Duchy had a strong presence at the Royal Cornwall Show, engaging farming tenants, local businesses, charities and the general public. The Duke of Cornwall hosted 10 local mental health charities to discuss their impactful work.
- To share innovative farming practices and learnings on their net zero journeys, the Duchy hosted its Focus Farmers for their annual meet up. The group discussed findings from the Farm Carbon Toolkit survey and shared their current highlights and challenges from the previous season.
- Delivering significant rent reductions for a number of charity and community leaseholders, the Duchy strengthened support for these tenants by reviewing its lettings policy.



July 2025

- Construction began on the Duchy's first-ever housing project to directly address homelessness in Nansledan at St Petrocs with the build of high-quality homes which will provide 24 people with wrap-around support.
- The Duke of Cornwall addressed the farming community at Groundswell, speaking to a packed audience at the world's leading regenerative agriculture forum, ahead of a keynote by renowned regenerative farmer and soil health expert Gabe Brown.

August 2025

- The South West Peatland Partnership geared up for its new season of restoration work. Since 2008, the Duchy has supported the restoration of 1,101 hectares of damaged peat on Dartmoor and continues to contribute significant funding to support to the partnership's ongoing work.
- The Duchy received planning consent in Lambeth, to enable the delivery of 16 independent homes for young people aged 18–25 experiencing homelessness, in partnership with The Royal Foundation's Homewards programme and Centrepoint, creating a vital bridge to independent living.

September 2025

- Construction began on 10 new sustainable homes on the Isles of Scilly to address local housing need, with the first residents arriving in winter 2026.
- To commemorate the contribution of three key Poundbury contributors, the Duchy hosted a reception to celebrate the vital roles the individuals made in shaping the community over the past three decades, with new buildings named in their honour.
- Over 150 colleagues from across the Duchy came together in Princetown, Dartmoor for a strategy day to align on future priorities, collaborate and connect in an engaging setting.

October 2025

- Construction began on Market Street, a brand new commercial hub for Nansledan, which will welcome over 20 businesses, including Tesco.
- Launched with a film screening in London, the Duchy shared 'Seven Seeds', a feature film exploring the regenerative journey of our Focus Farmers.



▶ Watch Seven Seeds' film



November 2025

- Nansledan was awarded the prestigious 2025 Gindroz Award for Excellence in Affordable Housing. The international prize was received by Duchy colleagues in New York at the Institute of Classical Architecture & Art (ICAA).
- The Duchy partnered with the National Trust and local farming tenants to transform White Sheet Hill, Mere creating 10.5 miles of interactive walking routes, featuring 17 QR codes and 34 zinc rubbings that bring local wildlife and history to life.

December 2025

- Cornish local charity Our Only World was supported by a donation from the Duchy to enhance wildlife habitat in Padstow Harbour, with the addition of 32 new habitat enhancing tiles, including some designed by Earthshot Prize Finalist Living Seawalls, to increase marine biodiversity.
- New research found young curlews released on Dartmoor were tracked 1,300 miles away in the Algarve.

26



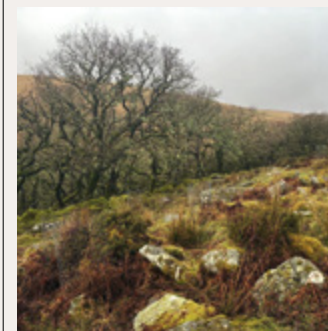
January 2026

- To help shape the future of Princetown, 450 visitors were welcomed over six weeks to the Princetown Encounters Shop, a unique space inviting people to share their ideas, hopes and dreams for the future of the Dartmoor village.
- Following Storm Goretti, circa 60% of the Isles of Scilly's shelterbelt trees were flattened, the Duchy deployed additional building surveyors and staff to assess damage and support community recovery.



February 2026

- As part of plans to double the size of Atlantic rainforest Wistman's Wood, on Dartmoor, Duchy colleagues partnered with Natural England, Moor Trees and the Woodland Trust to plant 800 saplings to expand this vital nature-rich landscape.
- As part of a Forest School curriculum, the Duchy partnered with a local school to replant 3,000 storm-damaged trees in Herefordshire.



March 2026

- The Duchy's plan to create over 2,500 new homes in South East Faversham received a resolution to grant planning approval from Swale Borough Council, marking a major step forward to deliver a new neighbourhood for the town.
- The Duchy hosted public consultation events on plans for 55 Kennington Oval, engaging the local community to help shape proposals for new homes and community spaces.
- The Duchy welcomed its first residents in six new build to rent homes in Nansledan, in the first steps towards a growing rental portfolio, to support the growing need for starter and family homes for long term rent.

Our strategic outcomes



Healthy communities

Addressing homelessness together

Henry Meacock, Chief Executive of St Petrocs, shares his expertise on the power of partnership in building healthy, resilient communities. Henry reflects on a shared ambition to create places where homes are more than buildings, they are the foundation for wellbeing, opportunity, and long-term prosperity.

Understanding the landscape
Tell us about St Petrocs and how the partnership with the Duchy came about.
I'm Henry Meacock, Chief Executive of St Petrocs. St Petrocs is an independent charity based in Cornwall. We're here to work with people who are at risk of or are experiencing homelessness. We have a broad range of services and can offer residential support and supported accommodation, and support to people who are experiencing rough sleeping.

St Petrocs is proud to be working in close partnership with the Duchy of Cornwall on an innovative housing project in Nansledan.

We have been in partnership with the Duchy since 2022, working together to understand the homelessness challenge in Cornwall and what we could meaningfully do to address it. This project has benefited from the expertise brought together by The Royal Foundation's Homewards programme which launched in 2023. We also were delighted to be granted funding for the project by The Duke of Cornwall's Charitable Foundation.

What is it that you've been working on with the Duchy?

2026 represents the 40th anniversary of St Petrocs so it's great that we'll be entering our 41st year with a brand-new project, and with more hope and optimism about being able to end homelessness in Cornwall.

Together, we are creating 24 high-quality, low-carbon homes designed to provide stability, dignity and wrap-around support for people in Cornwall experiencing homelessness.

This project marks an important milestone, both as the Duchy's first dedicated homelessness initiative and as a shared commitment to building pathways into secure, long-term accommodation.

It's a really fantastic partnership with lots of great strengths. With land provided by the Duchy and our team ready to support residents in rebuilding connections, skills and confidence, this collaboration

Building healthy communities

The Duchy aims to create healthy, inclusive and sustainable communities, working with partners to address local housing needs.

24

people experiencing homelessness in Cornwall will be supported with stability, dignity and wrap-around care in high-quality, low-carbon homes.

30%

of all homes in Nansledan are affordable homes for local people on Cornwall Council's Homechoice Register.

>145

homes were created in Nansledan last year including 6 new build-to-rent homes, with 100 homes built in Poundbury.

30

new homes will be built on the Isles of Scilly to address local housing need for those living or working on the islands.



“These are the foundations of a place where everyone feels they belong.”

Henry Meacock,
Chief Executive, St Petros

Our strategic outcomes: Healthy communities *continued*

demonstrates what can be achieved when we come together with a clear purpose: ending homelessness in our communities.

Currently, we're seeing more individuals who are working, caring or otherwise contributing to their communities but still unable to secure stable housing. There's a growing sense of vulnerability and people need not just a roof, but stability, belonging and pathways to rebuild their lives.

Why is it important for organisations like the Duchy of Cornwall to engage directly with the issue of homelessness, as places like Nansledan continue to grow and establish themselves?

As new communities develop, it's vital that they reflect the full spectrum of wider community need. The Duchy's long-term approach means it doesn't just build homes, it helps shape communities. Its decision to engage directly with homelessness in Nansledan shows a commitment to ensuring that growth doesn't leave people behind, and that prosperity and wellbeing are shared.

Their involvement is proactive, rooted in a belief that healthy communities must be inclusive ones, where everyone has the chance to build a secure future.

The partnership

How would you describe the relationship between St Petrocs and the Duchy of Cornwall and what makes it effective?

It's a partnership built on trust, shared purpose and a genuine commitment to the people of Cornwall.

The whole team at the Duchy has just been so supportive; what makes it effective is the Duchy's willingness to listen, collaborate and bring its own expertise to the table, whether in planning or design.

It has provided land in Nansledan for our first dedicated homelessness housing project, and has played a direct role in shaping the design and development of the homes.

It feels like a partnership where we each bring what we're best at, to deliver something better than either of us could achieve alone.

From your experience, how does addressing homelessness contribute to a genuinely healthy and inclusive community?

Homelessness is not just a housing issue, it's a community issue. When people are supported into safe, stable homes, they're able to reconnect with employment, education, wellbeing and social networks.



By addressing homelessness, we strengthen the social fabric: reducing pressure on local services, improving community cohesion and enabling people to contribute in ways they want to.

This aligns strongly with the Duchy's aspiration for vibrant and prosperous communities, where natural and social resources are managed for the benefit of society today and in the future.

This project is all about enabling people to see themselves in the local community, a place-based approach, which will build a better society for us all.

Can you share any examples of how the Duchy's support or engagement has made a practical difference to your work or to people you support?

For the people we support, this project will make a world of difference. For many of our clients, this is the first time they've had a safe space to call their own.

For me, it's been fantastic to work with the project team and with the team on site; they're really delivering their years of expertise to help us come up with a truly exceptional housing project. The Duchy not only provided the land but guided the design and development process, ensuring the homes met high standards of quality and low-carbon performance.

For our charity's future, this project has opened the possibilities of potential development. We're now working with other landowners to understand what options there might be for people who want to take the Duchy's lead and maybe follow suit.

We're also really fortunate that this is all being made possible by a very generous donation from The Duke of Cornwall's Charitable Foundation. That's been a real game changer, in terms of being able to provide that capital finance to build a really long-lasting project and a place-based solution to homelessness in Newquay and Nansledan.

Do you feel a personal sense of pride in the work you're doing and the way the Duchy partnership has been able to help?

For me, it's a genuine privilege to be in the role I'm in and I get to meet lots of wonderful people. St Petrocs has always been an organisation full of wonderful people: the staff, the volunteers, supporters and trustees.

I think what we found in the Duchy is a really willing partner, who's engaging on a human level right throughout the team, and everybody wants to make a difference.

Homelessness in the context of Nansledan

As Nansledan continues to grow, what role can new developments play in helping to prevent or reduce homelessness?

New developments can set a tone: one that prioritises inclusion, affordability, mixed tenure and community spaces, where all people feel connected.

When housing isn't delivered purely as a commodity, but as part of a socially responsible place-making vision, it becomes easier to create environments where fewer people fall through the gaps.

Preventing homelessness is not just about providing the bricks and mortar. It's hugely important, especially in Cornwall, where we've got a squeeze on domestic accommodation, that we increase the capacity. But what's coming with this project is an understanding that alongside the bricks and mortar, it's the wrap-around services, it's that connection to community and looking for opportunities where people can really see a pathway away from homelessness.

Are there common misconceptions about homelessness that you feel are important for communities like Nansledan to understand as they develop and mature?

Absolutely. One of the biggest misconceptions is that homelessness only affects people with complex needs. Many people we support became homeless because of sudden life events: illness, relationship breakdown, eviction, job loss.

Another misconception is that homelessness is inevitable. It isn't. With the right support, stable housing and community understanding, people can and do rebuild their lives.

What we try to do at St Petros is just meet people where they are, understand who they are and what support they might need to move on to a better place.

What conditions need to be in place for a community to be welcoming, inclusive, and supportive of people facing housing insecurity?

I think 'community' is a really important word, having open opportunities and community for people to get involved. Communities thrive when they are built on compassion, connection and opportunity.

That means; accessible services and support, safe, affordable homes woven into the heart of neighbourhoods, community organisations and residents who value inclusion and spaces that bring people together, from community hubs to green spaces helping reduce isolation.

These are the foundations of a place where everyone feels they belong.

Looking ahead

If you could drive one major step forward in homelessness prevention in Cornwall, what would it be and how might partnerships like this contribute?

At the moment it feels like we're on the cusp of really understanding what the issue is and there has been some great work across the system. If we can identify people at risk sooner and connect them with support, suitable housing and community networks before crisis hits, we can prevent so much harm.

Partnerships like ours with the Duchy – long-term, collaborative and values-driven – have the power to make early intervention a normal part of how communities function.

Finally, what gives you hope as you look at the efforts across Cornwall to ensure everyone has a safe, secure place to call home?

Seeing construction begin on the Nansledan homes was a profound moment of hope for us. It showed that with partnership, vision and care, we can build places where people have the dignity, stability and opportunity they deserve.

It is these things, alongside the small points of human connection, that make the difference and that people respond to. I like to call them 'golden moments'. It can be something as small as going for a walk as part of a group and something that's said in that moment will make a difference to somebody.

What gives me hope is the collective will I see, from charities, local authorities, volunteers, and increasingly from organisations like the Duchy, to ensure everyone has a safe, secure place to call home.



➤ Hear from Henry on how partnership is directly addressing homelessness



“Restoring nature at scale only works
when farmers, land managers and
communities work together.”

Morag Angus,
Manager of South West Peatland Partnership

Our strategic outcomes



Nature rich

Restoring nature through partnership

The Duchy's vision for nature is one in which nature enriches people, and people enrich nature in return. Hear from **Morag Angus**, Manager at the South West Peatland Partnership, on how collaboration is restoring nature-rich landscapes across Dartmoor.

Setting the scene

Tell us a bit about yourself and the work of the South West Peatland Partnership

I'm Morag Angus, Manager with the South West Peatland Partnership. I've been working on peatland restoration across Dartmoor for several years now.

The South West Peatland Partnership is a collaboration of landowners, farmers, local councils, national park teams and environmental bodies working across Dartmoor, Exmoor and Cornwall to restore peatlands at scale.

Each year we work with contractors to deliver thousands of individual restoration interventions, bunds, log dams, timber blocks, wool trials and hydrology repair work. This is all designed to return water to the moors and bring damaged peatlands back to life.

The Duchy is one of our partners funding the restoration work, along with Defra's Nature for Climate Peatland Grant Scheme administered by Natural England, South West Water, the Environment Agency and the National Trust.

What is peatland and why is it important environmentally?

Peatland is made from layers of partially decomposed vegetation that build up under waterlogged conditions. It's one of the UK's most important carbon stores, but over 80% of England's peatland is degraded, meaning that it instead releases carbon and loses its ability to support wildlife or regulate water. Restoring peatland involves re-wetting the peat in the landscape, blocking erosion channels and allowing bog plants like sphagnum moss to return. This enables peat to hold water, store more carbon and sustain rare species.

Impact and purpose

What makes peatlands such an important part of the UK's nature and climate story?

Healthy peatlands are these amazing habitats – when they're functioning properly, they store a lot of carbon, regulate water flow, reduce downstream flood risk, improve drought resilience and provide habitat for rare plants, insects and birds. They also preserve thousands of years of environmental history within their peat layers.

Restoring nature rich landscapes

In April 2026, the Duchy published a Nature-Rich Plan for the estate, as part of our commitments made through the National Estate for Nature.

The Duchy will contribute to the UK's commitment to protecting 30% of land, water and sea for nature by 2030.

34%

of Duchy owned land, water and sea is designated as a Site of Special Scientific Interest (SSSI)

54%

of SSSI area in Favourable or Recovering condition

108

SSSIs across the estate

36%

of surveyed farmland is natural or semi-natural habitat

Our strategic outcomes: Nature rich *continued*

What kind of state are our peatlands in currently?

On Dartmoor, research shows that only around 1% of deep peat is still functioning as healthy, peat-forming bog. The rest has been damaged by drainage, erosion and historical extraction. If we don't act, these areas will continue to release carbon, lose biodiversity, dry out further and erode away, taking with them irreplaceable climate and archaeological records.

What kinds of environmental and community benefits have you seen as peatland restoration projects progress across the Duchy's land?

Across the region we work with tenant farmers and commoners that manage the land, and on Duchy land, and we've been trialling different approaches with them. We've seen wetter bogs holding more water year-round, improved water quality, reduced erosion, and habitats recovering for wildlife.

In some areas, restoration has cut stormwater peak flow by nearly 50%, reducing sediment runoff and benefiting downstream communities. These landscapes are becoming richer for nature and more resilient for the people who live and farm around them.

Over the last 15 years that I've been working on peatlands, it has been amazing to see it going from this degraded landscape, to one where we do the work, we do the restoration and then you see the biodiversity coming in. For example, you see the dragonflies and all of the wildlife coming back in, the birds – it's just amazing. It's the landscape, the peatland is coming alive again.

How does the work support biodiversity?

We can see real transformations from the work that we do. A sign of degraded peatland is just lots of purple moor grass. When we do the restoration work and the pools of water appear, we can see the variety of all the plants coming in, like the sphagnum mosses and the sundews and you just see that transformation happening.



It's so lovely, when you look into pools and see them full of frogs and frogspawn and the little whirligig beetles coming in. Then if you come later on into the season, you can hear birds, like the skylarks and the snipe, all singing and drumming. It's just this lovely transformation in biodiversity that happens as a result of the work we do together.

Partnership with the Duchy

The Duchy of Cornwall has been a long-term partner in this work. How would you describe its contribution?

The Duchy's role goes far beyond funding. It takes a hands-on, long-term approach, engaging closely with farmers, ecologists and contractors. Its commitment to integrated land management, climate resilience and community benefit strengthens the partnership and helps create landscapes where habitats and local people can thrive together.

How has the Duchy's involvement enabled you to innovate during this project?

It has really been the Duchy's willingness to trial innovative approaches, like the use of local wool to support sphagnum moss establishment at sites such as Cranmere and Ockerton Court, that has enabled us to test new techniques that combine climate action with support for local farming. Innovations like these directly improve success rates and sustainability.

How does the Duchy's long-term approach strengthen the partnership's ability to plan, collaborate and deliver at scale?

A long-term vision gives us the stability to plan multi-year programmes, invest in specialist machinery, retain and upskill dedicated staff, and coordinate large-scale hydrological repairs across entire catchments. The Duchy's strategic focus, using its assets and convening power to support resilient ecosystems and prosperous communities, aligns perfectly with what peatland restoration needs.

Investment and outcomes

The Duchy continues to invest in nature recovery and climate resilience. What does that investment enable you to achieve on the ground that wouldn't otherwise be possible?

The Duchy's investment allows us to restore some of the most remote and challenging peatland areas, places that would otherwise face ongoing degradation. It supports the thousands of individual interventions needed each year, specialist contractors, ecological monitoring, and the innovation required to adapt to changing climate pressures.



Are there particular restoration techniques or innovations, made possible through this investment, that you're especially proud of or excited about?

Yes, peat bund construction, timber and log blocking, and especially the work at Tor Royal. The raised bog at Tor Royal is incredibly rare as it's the only recorded

“We can see real transformations from the work that we do.”

remaining raised bog on Dartmoor. We used whole logs to bund across these deep and wide drainage channels.

This technique has never been used on Dartmoor before and shows what can be done. We also use specialised low-pressure machinery that can operate safely on sensitive peat surfaces.

Working with farmers and local communities

How have you and the Duchy worked together to build confidence and momentum among tenant farmers and local communities?

Peatland restoration relies on trusted relationships with land managers. Together, we engage tenant farmers early, walk the sites with them, explain the purpose of each intervention, and discuss the changes on the land and how that might affect how they manage it. The Duchy's local presence and trusted relationships help create confidence that this work benefits both nature and long-term farm resilience.

What have been some of the most positive responses or stories from farmers whose land has been part of the restoration work?

Farmers often tell us they see wetter ground holding up better in dry periods, with improved grazing conditions. They appreciate that the work benefits water availability for livestock and reduces erosion risk, taking pride in trialling new techniques that support both nature recovery and viable farming.

Looking ahead

What are the most significant opportunities you see for peatland restoration in the next few years?

Partnerships like this one help turn opportunities into reality. There's huge potential to scale up restoration across Dartmoor, Exmoor and Cornwall as climate pressures intensify. With stronger partnerships, more data and continued investment, we can restore hundreds more hectares each year, creating nature-rich, climate-resilient landscapes that benefit wildlife, water, farming and communities.

What would you say to people who are interested in the work of the partnership?

I would inspire them to come out with us – we can show them a degraded peatland and then have a look at a site where we've done work, so they can really see that transformation. If you were to visit a site we'd done work on about 10 years ago, you could see the change in vegetation, how all those important species have come in and all the wildlife that's now there. It's just such a lovely thing.

Finally, what does success look like to you, both for the peatlands and for the communities connected to them?

Success is healthier, functioning peatlands that store carbon, support wildlife and safeguard our water. But it's also about people, creating deeper community engagement, farmers feeling supported, communities benefiting from cleaner water and reduced flood risk. That the landscapes are cared for in a way that strengthens both the environment and the livelihoods connected to it. For me personally, it's enabling me to do something locally and really positive for the environment. This partnership gives me hope for future generations.



➤ Hear from Morag on how the Duchy is helping restore important peatland habitats across Dartmoor

Our strategic outcomes



Net zero

Farming towards net zero

The Duchy is working towards net zero carbon by the end of 2032. By using nature-based solutions and regenerative agriculture, the Duchy can reduce emissions, restore biodiversity and strengthen the land's ability to respond to a changing climate.

Setting the scene

Could you introduce yourself and tell us a little about your farm?

I'm Malcolm and this is my wife Catherine, we're Duchy tenants at Tregooden Farm, a 300-acre mixed beef and arable holding at St Tudy, Cornwall.

We are part of the Duchy's Focus Farm programme and are delighted to be the first net zero Focus Farm on the estate. We focus on soil-first farming, minimum tillage, direct drilling, diverse cover crops, and a rotational, mob-grazing system for cattle. We've also set aside 43 acres to increase natural capital through ponds, scrapes, wildlife corridors, in-field trees and thicker hedges, to boost biodiversity, resilience and long-term value.

What's the most exciting part of farming to you?

The most interesting part for us is how we've encouraged nature back onto the farm so easily, with not a huge amount of changes within our farming practices. Seeing the land come back to life. Healthier soils, stronger grass, more birds and insects and cattle that thrive because the system's working with nature. We love the practical problem-solving too: try it small, measure it, scale what works, share the learning.

Why net zero matters

What motivated you to begin the journey towards becoming a net zero farm?

For us, the motivation came from wanting the farm to be resilient for the long-term. We could see the pressures changing weather patterns were placing

on our land and livestock, and we felt a responsibility to adapt our system so the farm would thrive for the next generation.

It helps the business run more efficiently: reducing tillage has reduced our fuel use on the farm, enabling us to progress in a manner that firstly helps the wildlife and secondly helps our business financially. It's just an all-round positive thing for the farm, in helping us farm efficiently and more productively.

Working closely with the Duchy encouraged us to explore new options, but ultimately it was the realisation that sustainable farming could also strengthen our business that pushed us to take the step.

Net zero

The Duchy's target is to achieve net zero across Scope 1, 2 and 3 emissions by the end of

2032

Sequestration from our woodlands estate is up by

32%

since baseline, largely as a result of our purchase of Banc Woodland in Carmarthenshire.

Emissions from land across the Duchy are falling and sequestration is increasing – net emissions in 2025/26 are

9%

lower than a year earlier.

Farmers are adopting new practices that reduce their emissions and increase the carbon they draw down from the atmosphere, with a total net reduction since baseline of

18%



“Net zero isn’t an aspiration, it’s
happening now, acre by acre.”

Malcolm and Catherine Barrett,
The Duchy’s first net zero Focus Farmers
at Tregooden Farm, Cornwall

Our strategic outcomes: Net zero *continued*

What does 'net zero' mean to you as a farmer, and why is it important for the future of your business and the wider landscape?

Net zero means cutting our emissions as far as we can and increasing the carbon we store in soils, trees and hedgerows, so the balance trends toward zero. It matters because it builds resilience: lower inputs, healthier pastures, better drought and rainfall coping. For the landscape, it means more connected habitats, better water quality and stronger, climate-ready farms.

Can you tell us a bit about the Farm Carbon Toolkit and whether you've changed activity following findings?

The Farm Carbon Toolkit helps us quantify emissions and sequestration. It has given us a clear baseline and a way to track progress on our net zero journey. Off the back of those assessments, we expanded cover crops by about 80 acres, refined our grazing rotations, improved manure management and invested in more efficient machinery. Being able to measure progress is incredibly motivating, it shows where we're winning and where to push harder.

Can you tell us a bit about the Focus Farm group and how long you've been part of it?

We've been part of the Duchy's Focus Farm group throughout our tenancy here, so around five years. It's a space to test, innovate and share across the estate.

We've been able to share what we're learning with neighbouring farmers, and we've hosted a number of local groups and schools here. People are genuinely interested in how farming is evolving, and it's important to us that the community understands the role farms can play in climate action. The Duchy has helped connect us with others, which has widened the impact well beyond our own farm.

How do you think you've benefited from being a part of the group?

Learning from others is invaluable. We walk the fields together, compare notes, look at the data, and you move faster with fewer mistakes. It has also helped us host visits from farmers, researchers and local groups, so the benefits reach well beyond our boundary. We were delighted to be selected by the Duchy to be a part of the group – it has pushed us to think more holistically about our net zero journey.

It's a really good community, because we're all kind of wanting to be doing the same thing. Because we come from different parts of the country, it's nice to learn what other people are doing and sometimes we can take bits home and actually try it on our farm as well.

Learn more about the Duchy's Focus Farms

The Duchy is committed to creating a nature-rich estate where communities can thrive in support of a sustainable future. It is building on the great work of its farmers to create a truly regenerative estate, from uplands to lowlands, arable to livestock. By strengthening partnerships between farmers, food retailers and NGOs, and fostering collaboration farmer-to-farmer, the Duchy can achieve more together in driving lasting, positive change for its land and communities.

The Duchy has identified seven Focus Farms across its estate which are leading the way in testing different techniques to farm in a more nature and climate-friendly way, as part of its journey to a regenerative estate.

The Focus Farms are working together, sharing knowledge, their successes and challenges, to create a future blueprint for regenerative agriculture.

Since the Future Farming programme began in 2023:

59,000

tCO₂e increase in carbon stored in soils since baseline.

Bird surveys across the Focus Farms have shown an increase in

8%

in the number of species.

Soil health has improved with earthworm counts up

50%



To find out more visit:
duchyofcornwall.org

Partnership with the Duchy You are the first Focus Farmers to achieve net zero at the Duchy. How has that partnership shaped your approach to managing the land?

We're really proud to be the Duchy's first net zero Focus Farm. When we first took on the tenancy, we sat down with the Duchy and worked out a plan for the net zero journey.

It has led us to take a holistic view – soils, grazing, energy, habitats, planned over the long term. As tenants, that certainty and shared ambition matter. We're encouraged to trial, measure and adapt, not just talk about change. By being a part of this unique group, we're able to talk openly and honestly about our wins and challenges.

In what ways has the Duchy supported you, through practical guidance, land management expertise, or access to data and advice?

The Duchy has provided support from ecologists, soil specialists and land agents to design woodland creation and natural capital features that fit our system. It has also helped connect us to Farm Net Zero and independent assessments, so our decisions are backed by robust data.

Are there particular projects or trials you've undertaken together that have been especially valuable or eye opening?

Our woodland creation and in-field trees are great for carbon shelter and future resilience. We've worked on our cover crop design, species mixes and timings tied to grazing and drilling plans. And developing mob-grazing mapping and infrastructure, getting moves right every two to four days to protect soils and boost regrowth.

We're also re-establishing the old orchard, in the hope that we can eventually harvest those apples and use them for juicing for our future glamping guests on the farm.

On-farm practices and progress

Have you seen early signs of impact, whether environmental, financial, or in day-to-day farm operations?

The increase in woodland cover and changes to our grazing system have already had a visible impact. We're seeing more birds, healthier hedgerows and improved soil structure. It's early days, but every season we're noticing more signs that the land is responding positively.

Restoring nature has become a central part of how we think about the farm now. It turned on a light bulb I never knew I had and I can't say it enough. It's just the enjoyment now when we walk out in the farm and listen to the birds singing.

What have been some of the biggest challenges, and how have you navigated them?

The mindset shift – we had to stop 'beating the living daylight out of the soil'. Cashflow during transition and weather swings were tough too. We managed it by starting small, measuring carefully, leaning on expert advice and scaling what worked.

I've got farmers that have known me for years who tell me they never believed that I would change from conventional farming system to working with nature and farming in the style we do now. We are happier now farming than we have ever been and it's a shame it has taken to the age of 50 to say that sentence!



Looking forward

What opportunities do you see for further progress on the farm in the next few years?

We'd like to see more trees and hedgerow connectivity, to finetune grazing with better measurement, exploring energy efficiency and on-farm renewables where they fit. Also, exploring deeper soil carbon tracking to share results with neighbours and the community.

What advice would you give to other farmers looking to move towards net zero?

Start with understanding your baseline, knowing your emissions profile is the key. Small, incremental changes add up, and working with trusted advisers, like the Duchy, makes the journey far less daunting. Most importantly, view net zero as an opportunity, not a burden. It can strengthen your farm in so many ways.

The Duchy's new strategy aims to 'deliver a net zero future'. How does your experience reflect this ambition?

Net zero isn't an aspiration, it's happening now, acre by acre.

We feel like a real example of what that ambition looks like on the ground. The Duchy hasn't just talked about net zero, it has invested time, expertise and encouragement into helping us get there. By focusing on practical action, and by supporting the measurement of results, the Duchy is showing leadership and demonstrating that net zero farming is achievable today, not just in the future.

If Tregooden can show that the Duchy's ambition to restore nature and deliver a net zero future is achievable today, that's success.



➤ **Hear from Malcolm and Catherine on how the Duchy is helping farms on their net zero journey**



“It’s about helping our people perform at their best, feel proud of the work we do, and be focused on what they need to achieve.”

Tammy Lillie,
Executive Director – People &
Culture, Duchy of Cornwall



Investing in our people

The Duchy has over 200 colleagues across its organisation. Delivering its ambitious long-term goals depends on the strength, capability and commitment of its people. To lead with impact and remain resilient in a changing world, the Duchy must ensure its teams have the skills, culture and support they need to succeed.

To deliver its long-term goals and new strategic outcomes, the Duchy is strengthening its teams to ensure the right skills and capacity are in place.

What does it mean to be the Executive Director – People & Culture at the Duchy?

As Executive Director of People & Culture, I have the real privilege of being responsible for all our people in every aspect across the organisation. My role is to ensure we have the skills, culture and support systems we need to thrive long term. That means everything from leadership development and wellbeing initiatives to recruitment, training and strengthening our organisational culture.

Ultimately, it's about helping our people perform at their best, feel proud of the work we do, be focused on what they need to achieve and prioritise what really matters. Working for the Duchy is really exciting – people join us because they can see the direct impact that they can make to society, the environment and this organisation.

Our people bring institutional knowledge and a deep-rooted understanding of the Duchy's core geographies. Embedded within the communities they serve, these teams give the Duchy a uniquely local perspective and trusted presence, which enables an impact on a granular level.

How does your team and leadership role support the Duchy's strategic ambitions?

People are the Duchy's most significant asset, and our strategy can only succeed if our workforce is equipped and supported to deliver it. The role of the People team is to create the conditions where colleagues have the clarity, capability and confidence to take the Duchy from stewardship to active leadership.

Our strategy demands new ways of working, being more agile, collaborative and forward-looking. We enable this by ensuring we have the right skills and culture in place to respond to shifting environmental, social and technological pressures. This includes strengthening our teams to turn the Duchy's assets and expertise into meaningful social impact.

What are some of the key ways the Duchy has invested in its people over the past year?

We've been reviewing our internal structures and developing our leadership team to ensure we're organised to further support our communities and provide the widest impact. We've continued supporting opportunities for training and professional development, and have a team of wellbeing champions to provide support for our teams across the Duchy.

Alongside supporting people's mental wellbeing through access to an employee assistance programme and some excellent benefits, we also look after them in every part of the employee life cycle. We help them to learn and grow, and we've recently had some great talent development opportunities, where people have moved from one part of the business to another, to support interesting and varied careers.

Investing in our people *continued*



We're investing in our line managers because they play a crucial role in helping people thrive at work. Being a line manager is a real privilege; they shape our day-to-day experience and bring out the best in individuals and teams. Our investment ensures they understand their responsibilities, know the legal requirements, and, most importantly, have the skills to support people to do their best work.

What steps are you taking to build a more connected, collaborative culture across different teams?

We've been improving internal communications and engagement, making sure people feel informed and included. These investments enable our teams to feel further connected to the Duchy's strategic goals.

It's fair to say the Duchy has worked in quite a siloed way in the past, with teams often focusing just on their own areas. We're now actively encouraging much more cross-working across teams, directorates and senior leadership. The aim is to move beyond producing insights in isolation and instead collaborate so that we become greater than the sum of our parts.

We're placing real emphasis on helping people understand how their work connects with others' and how joined-up working can lead to stronger outcomes, better services and more impactful communication.

How have you seen these initiatives make a difference across teams?

It can take a little bit of time for people to acclimatise to changes or new processes, but when we introduce these initiatives, we work with teams to outline the strategic outcomes and how their contributions can make a difference.

People are increasingly reaching across departments, seeking input and involving others in a way that helps decisions feel more informed and considered. We're seeing a clearer understanding of how individual roles connect to the Duchy's longer-term direction. That sense of alignment is still developing, but it's becoming more visible in the conversations we're having and the way teams approach their work.

These shifts may be gradual, but they matter. When people feel supported and know that their growth is being taken seriously, it strengthens relationships, builds trust, and reinforces a shared purpose. That's exactly what we're working towards, helping everyone feel part of the Duchy's evolution and the ambitions we're shaping together.

The Duchy has set an ambition to become a world-leading impact organisation. From a people perspective, what does that look like?

To become a world-leading impact organisation, there are many ingredients of success that we need in place. We need to look at the entire employee journey, how we attract, recruit, develop and retain people. We will be looking at external benchmarks, what great organisations are striving to embed, so that we can actually achieve that ambition.

We're focusing on leadership capability, culture, digital skills and long-term development pathways, all of which are essential for an organisation that wants to lead by example. Our goal is not just to match best practice, but to help define it. We want to support our teams who are harnessing our long-standing network of partners and connections with stakeholders to make a real difference in our local communities. This year we've supported our teams to achieve additional qualifications, with multiple colleagues studying for apprenticeships, one of our estate colleagues completing a Masters, and a member of our finance team completing the first stage of their ACCA exams.

What are the biggest opportunities you see for developing our people in the years ahead?

We spend quite a long time at work and we want our organisation to be a place where people truly thrive, not just survive. We want to invest in them as individuals, through learning, development and support with professional qualifications. We want to give opportunities for all, not just always recruiting externally but also providing opportunities for growth in the organisation.



Line manager development, leadership and strengthening our culture of continuous learning are all key areas. There's also real opportunity in improving how we share knowledge and expertise across departments. The more we learn from each other, the stronger we become as an organisation.

Finally, what does success look like for you when it comes to people investment?

For me, success means creating the conditions where people can do their best work and feel genuinely supported in doing so. It's ensuring colleagues have access to the development opportunities they need, not only to perform well today but to prepare for the future.

It also means fostering an environment where individuals understand how their contribution aligns with our long-term direction and feel confident in the part they play. When people are equipped, engaged and able to grow, the organisation benefits and that's the outcome we're working towards.

It's a huge privilege to be able to help build great foundations in an organisation that has both historic importance and future ambition, and to help us be known as a great place to work. Everyone in the Duchy brings something unique and we are delighted to invest in our people.



Hear from Tammy on how the Duchy is investing in its people



Risk

In this section

- 33 Identifying and addressing risk
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- 35 Financial risks
- 36 Existential risks (climate, weather and nature)
- 37 Climate and nature-related financial risks

Identifying and addressing risk

In a changing world, the Duchy inevitably faces risks and uncertainties. Our comprehensive approach to risk management cannot eliminate all risks, but it does help us to anticipate potential impacts and develop robust responses.

The Duchy maintains a thorough risk management process covering all assets and activities, addressing strategic, project, operational, hazard and financial risks.

The Prince’s Council, Audit and Risk Committee, and Executive Committee incorporate strategic risk considerations in their deliberations.

The Prince’s Council reviews all risk management with Executive Committee members overseeing project, operational, hazard and financial risks, raising concerns during regular meetings or escalating when necessary. Our governance structure is supported by a detailed risk register, with risks grouped by asset or activity and assigned to responsible individuals for assessment and mitigation.

Risks that could materially impact our work and value creation are categorised as:

- strategic and operational risks,
- financial risks; and
- existential risks.

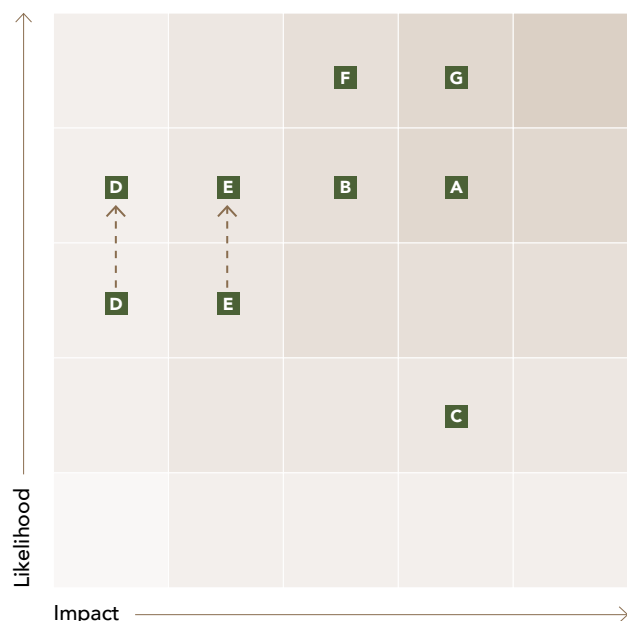
How our risk position has evolved

As of 31st March 2026, the Duchy maintains a relatively stable risk position. Property risk and credit risk, with similar drivers, may well be affected during the coming year as a result of global volatility and interest rate moves not being as anticipated.

Some years ago we made the strategic decision to secure loans at fixed interest rates which shields us from market volatility. Significant new investment in development and infrastructure will be funded through additional borrowing at variable rates. Climate change, the resulting extreme weather events, and risk to nature continue to represent our most significant external challenges. Our ambitious strategy and change programme increases our exposure to risk.

The Duchy’s principal risks

A	Capital cash generation
B	Tenants’ livelihoods
C	Safe buildings and places
D	Property risk
E	Credit risk
F	Investment risk
G	Existential risks (climate, weather, nature)
→	2024/25 to 2025/26, actual movement
->	2025/26 forward, anticipated movement



Strategic and operational risks

Strategic risks are those that could affect long-term direction and the ability to deliver the Duchy’s purpose, while operational risks relate to the day-to-day management of the estate and assets. Understanding and managing both is essential to protecting value and achieving long-term goals.

The risk	Potential impacts	Our response and management
Capital cash generation		
<p>The main source of raising capital cash is the sale of property assets. Liquidating financial investments, or increasing borrowing, can help with short-term capital cash flow. Our ability to generate capital cash flow thus depends primarily on property market conditions. We’re strategically reallocating funds into higher-impact areas to maximise investment opportunities.</p>	<p>Insufficient capital would limit our ability to meet our goals and achieve our desired impact.</p> <p>Resources and relationships affected:</p> <ul style="list-style-type: none"> • financial; and • manufactured. 	<p>We protect against financial uncertainty through careful budget management and long-term planning. Seven years ago, we strengthened our financial foundation by securing long-term, fixed-rate loans lasting 40–50 years, which shield us from interest rate volatility. We’ve reduced risk by selling large single commercial properties and spreading investments across diverse property types. We have a new 10-year strategy which focuses retained investment in geographic heartlands, realising disparate rural property and reinvesting in assets that deliver our wider impact ambitions.</p>
Tenants’ livelihoods		
<p>The agricultural sector and rural businesses face complex challenges creating financial, social and environmental uncertainties.</p>	<p>Geopolitical uncertainty drives wider economic volatility and our commercial and residential tenants’ wider economic viability. Financial stability directly affects our farm tenants’ ability to both adopt sustainable practices and meet rental obligations.</p> <p>Resources and relationships affected:</p> <ul style="list-style-type: none"> • natural; • financial; and • community. 	<p>Our diverse property portfolio helps protect the Duchy from sector-specific downturns. However, our agricultural and rural commercial tenants continue to face significant challenges – from changing consumer preferences to international trade complexities and extreme weather events. We’re actively partnering with tenants to develop practical approaches for transitioning to lower-carbon, resilient business models that can thrive in today’s changing landscape. Mental health and wellbeing support is available to all Duchy farming and rural tenants, including access to specialist farming mental health support.</p>
Safe buildings and places		
<p>Owning a large portfolio of buildings and related structures brings inherent safety risks. Health and safety on-site is especially important during maintenance and improvement works. Similar risks arise from our historic mineral assets (such as mines and quarries), forestry, the Marine Estate, St Mary’s Harbour and our trading operations.</p>	<p>Without robust health and safety measures and effective risk management, we risk harm to tenants, staff and the public, as well as potential damage to our buildings.</p> <p>Resources and relationships affected:</p> <ul style="list-style-type: none"> • people; and • manufactured. 	<p>Our teams of building surveyors and asset managers prioritise safety. This year, we recorded zero reportable RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulation) incidents.</p> <p>We operate a detailed risk register and oversight process covering all assets and activities, which has been thoroughly reviewed during the year. Our internal health and safety framework, including compulsory training for all staff, is supported by specialist consultants when needed.</p>

Financial risks

Financial risks refer to factors that could affect the Duchy's financial stability, such as fluctuations in investment values, credit risks and changes in interest rates. Managing these risks is crucial to maintaining financial health and achieving strategic objectives.

The risk	Potential impacts	Our response and management
Property		
<p>Capital and rental property values can fluctuate over time. An oversupply of a particular property type or a specific location may lead to void periods. Property values have not changed materially in the past 12 months, but our strategy to realise significant capital for reinvestment is dependent on this relatively illiquid asset class, and values are dependent on wider economic factors.</p> <p>Our biggest emerging risk this year has been the likely cost of dealing with farm anti-pollution infrastructure.</p>	<p>A fall in property values would lead to a reduction in the Duchy's asset values. However, even a 10% decline, representing a capital loss of around £100million, would not result in realised losses, as only a proportion of the portfolio is traded each year. Property is held for the medium to long-term, meaning short-term market fluctuations only affect accounting values.</p> <p>Demand for property is no longer simply cyclical – we are also seeing structural shifts, driven by hybrid working and the continued move to e-commerce.</p> <p>It is important that on-farm anti-pollution facilities are maintained and improved to cope with extreme weather events so as to prevent pollution incidences.</p>	<p>The Duchy maintains a diversified property portfolio that is closely monitored to minimise overall risk. Asset allocation by class and yield is regularly reviewed, along with unexpired lease terms and potential future capital liabilities. Long-term capital cash flow modelling helps predict when asset realisations may be necessary. For more information about the portfolio, please see note 8 in the Financial statements on page 79.</p> <p>Funds have been allocated in our budgets for addressing farm infrastructure weaknesses and extensive surveys are being undertaken across the estate.</p>
Credit		
<p>The Duchy faces credit risk related to tenants who may default on rent or, where applicable, their share of maintenance costs.</p>	<p>The creditworthiness of tenants affects the timely receipt of rent. Slow payments are the primary concern, impacting cash flow. The economic impacts of global volatility and the climate and nature crises all create heightened credit risk across our tenant base.</p>	<p>Credit risk related to tenants is regularly assessed, and appropriate actions are taken when necessary. For new lettings, credit checks are carried out, and tenant deposits are held where appropriate. We maintain a diverse range of tenants from a variety of business sectors.</p>
Investment		
<p>The Duchy holds financial investments worth £102million, representing 7.7% of total assets. Investment values and income returns fluctuate, especially during periods of changing interest rates.</p>	<p>These investments are subject to market volatility, recently heightened by global conflicts, inflation, interest rate changes and tariff instability.</p>	<p>The Duchy uses fund managers to oversee its investment portfolios, which are regularly reviewed to align with the Duchy's broader objectives. These investments are primarily held for income generation and liquidity. Three years ago, we shifted from equities to cash and cash equivalents, which has shielded us from dividend volatility.</p>

Existential risks (climate, weather and nature)

The risk	Potential impacts	Our response and management
Climate, weather and nature		
<p>The world is on track to breach the Paris Agreement’s target. Globally, 2024 saw a temporary average over 1.5°C. 2025 was the UK’s warmest year on record. Farming, land use, development and housing both impact, and are affected by, climate change and must be part of the solution. The UK Government’s 2022 Climate Change Risk Assessment highlights a range of costly impacts, from soil health deterioration to reduced water availability, which affect public services, businesses and households.</p>	<p>Severe weather, such as heavy rainfall and flooding, is now the norm. This damages land, reduces crop yields and impacts the use of buildings and the types of buildings that are required.</p> <p>With a step-up in our ambitions for the climate and nature, and increased expectations from our stakeholders, we need to continue to grow our capabilities and processes so as to execute our net zero target. This comes at a time of harsh economic realities, with pressure on rents but cost inflation for construction and improvement works.</p>	<p>We have key strategic goals to reduce the carbon footprint of our estate and mitigate the effects of climate change. We model the impacts of climate change and severe weather on tenants, working with them to explore mitigation strategies, adapt to changing conditions and identify ways the estate can contribute to solutions. A dedicated sustainability team is in place. We continue to budget significant funds to cover staff salaries, tenant engagement, natural capital projects on farms, biodiversity initiatives, renewable energy research, net zero machinery, evidence gathering and the Curlew recovery project on Dartmoor.</p>

There is a more detailed analysis on the following pages about Climate and nature-related financial risks. These are our responses to the Companies (Strategic Report)(Climate-related Financial Disclosure) Regulations 2022, the Task Force on Climate-Related Financial Disclosures (TCFD), and the Taskforce on Nature-related Financial Disclosures (TNFD).



Climate and nature-related financial risks

A stable climate and healthy natural world underpin the functioning of our economy. However, the fragility of this relationship is increasingly apparent. Climate and nature-related risks are an existential threat to the future of the Duchy, where all activity depends in some way on a healthy natural environment.

During the 2025/26 reporting year, the Duchy reviewed its overall strategy, starting with an assessment of macro-trends, major shifts in society that the Duchy will need to respond to. Climate and nature-related trends were included in that analysis, driving decisions in the positioning of the Duchy's priorities for the coming decade. In this context, the disclosure of climate and nature-related financial risks has become an important component of organisation reporting.

Here, we update information relating to the Duchy's climate and nature-related risks, building on reporting in previous years. We have prepared this information using guidance in IFRS S2 (which integrated recommendations from the Task Force on Climate-related Financial Disclosures (TCFD) into financial disclosure standards), and the Task Force on Nature-related Financial Disclosures (TNFD). Our reporting in this area is not legally mandated, though we believe it to be an important topic to address voluntarily. We will continue to progress our analysis and action on this subject over the coming years, building towards full disclosures.

Climate and nature-related governance

Climate and nature-related risks and opportunities are considered both at an operational risk management level, and as existential risks. Our governance of these risks and opportunities has changed in the past year. The Duchy's full governance structure is set out on page 45 of this report. The Executive Director for Purpose now manages the climate and nature-related risk process and ensures these risks are reported to the Executive Committee.

Risk management overall is overseen by the Audit and Risk Committee, that reports to The Prince's Council. Duchy employees are encouraged to integrate climate and nature-aware thinking into their day-to-day roles, helping drive implementation throughout the organisation.

The Executive Committee meets monthly and Prince's Council meets four times a year with agendas reflecting a range of ongoing Duchy projects. The Audit and Risk Committee met once last year. During 2025/26, these groups considered the following items, encompassing climate and nature-related risks:

- sustainability governance;
- sustainable procurement update;
- net zero progress report;
- Future Farming impact report;
- Landscape Recovery project updates;
- farm pollution compliance stock-take; and
- delivering the vision for Dartmoor and peatland restoration financing.

The Duchy's climate and nature-related metrics are currently focused on tracking changes in our direct impacts. These include our net zero targets (reported on page 24 of this report) and our nature-rich estate plan (separately published in April 2026). Specific metrics relating to our climate and nature-related risks are yet to be developed and remain an important task to progress.

Climate and nature-related financial risks *continued*

Climate-related risks

Climate-related financial risks broadly describe risks presented to an organisation as a result of climate change, both transitional (e.g. policy and legal changes) and physical (e.g. storm damage, drought-related subsidence) risks. Climate change can be considered a threat multiplier, which intensifies risks that originate in other domains.

The Duchy has reviewed previously stated climate-related risks and opportunities, with the following being the most material, assessed qualitatively under a presumed 2-2.5°C hotter world scenario (Representative Concentration Pathway (RCP) 2.6 or RCP4.5). Some of our earlier work, looking at the impacts of climate change on farming, chose a worse scenario of business as usual, with no concerted efforts to reduce emissions (RCP8.5), but as our focus on climate-related risks is primarily focused on the period during the 2020s and 2030s, we have assumed that the trajectory of global emissions peaking in the 2020s or 2030s is reasonably sensible.

Risk	Asset type	Timescale	Magnitude	Probability
Transitional				
Increased building energy-efficiency regulations are not achievable with Duchy property stock (weighted towards traditional and heritage buildings) with current financial, supply chain and technological constraints	All retained property	0-5 years	High	High
Changes to agricultural policies that require emissions reduction may not be funded sufficiently to enable farm business viability during the transition	Farms	0-5 years	High	Medium
Increased energy-efficiency regulations, or new regulations limiting embodied carbon in new-build developments, create additional cost pressures that cannot be matched by market prices	Developments	0-5 years	Low	High
Consumer trends move away from higher-emitting food products (e.g. meat and dairy), leading to reduced markets for tenant farmers	Farms	5-15 years	Medium	Medium

Risk	Asset type	Timescale	Magnitude	Probability
Physical				
Duchy property stock (weighted towards traditional and heritage buildings) is less able to cope with future weather patterns of increased rainfall, wind, humidity and heat, causing deterioration and damage	All retained property	0-5 years	Medium	High
Tenant farm businesses suffer losses of output and income due to heat stress in animals and crops, drought, flood or other impacts of extreme weather, leading to reduced farm viability	Farms	0-5 years	Medium	Medium
Carbon stocks held in woodlands and peatland are damaged by increased wildfire, drought and disease, leading to increased emissions	Carbon stores	5-15 years	Medium	Medium
Increased costs to protect and restore coastal and marine assets and loss of habitats damaged by increased coastal storms and sea-level rises	Coastal and marine	0-5 years	Medium	Medium
Opportunity		Duchy response		
Opportunities				
As demand for renewable energy increases, more land and property roofs will be required to locate renewable energy generation assets	A target has been set to install 100MW of renewables across roofs and land by 2035			
Duchy developments can meet increased market demand for highly energy-efficient new homes	Duchy developments are being designed to exceed market average energy-efficiency standards			
Farms that can demonstrate their low emissions production methods and adoption of low-emission farming methods will maintain loyalty and market premiums from buyers and processors of food	Duchy tenant farmers receive direct financial support and free guidance and independent emissions measurement services from the Duchy, supporting a just transition for the tenant farmer community			

In future years, this risk assessment methodology will be enhanced by improving the quantification of risk, leading to a direct assessment of the financial risks to the capital investments of the Duchy in each asset type, as well as exploring other climate scenarios.

Farm resilience

As noted in the table of material risks, farms and farmers are at the forefront of the impacts of climate change, and a central element of our response to that risk is to enable greater farm resilience. Not only will this mitigate the impact of risks, but also open up wider opportunities through co-benefits such as improved productivity and profitability.

In 2023/24, the Duchy commissioned the Met Office to support risk assessments on agricultural activities, using a climate scenario analysis approach. Relative to typical climate conditions over the past three decades, the Met Office analysis highlighted the following key climate changes and potential risks relevant to the Duchy's agricultural assets:

- Lower levels of summer rainfall, with more frequent extended dry periods where little or no rainfall occurs.
- While average winter rainfall is projected to increase, modelling indicates a similar frequency of particularly wet winters. Rainfall is expected to become more intense, with projected increases in extreme hourly rainfall.
- In the summer months, increased frequency of temperatures that are associated with reduced crop yields and adverse impacts on livestock welfare and productivity.

- Potential extensions to the 'growing season', due to warmer temperatures persisting into October/ November – albeit changing rainfall quantities and frequencies may constrain the farming practices possible during this period.
- Reduced frequencies of frost days. This may increase crop survival rates, but also come with negative impacts, such as increased pest and pathogen activity, and reduced exposure to the cold conditions some species require to trigger flowering.
- Regional variations in these effects across the estate. For example, the Hereford and the Wessex regions are likely to experience increasing temperature extremes before Devon and Cornwall.

At the time, it was noted that the Duchy is already making progress in supporting tenants to prepare for the types of potential future climate impacts highlighted in the Met Office analysis. Since that time, informed by the outputs of this analysis, the Duchy team has worked with tenants to improve their farm resilience in the face of these identified physical risks.

Shortly after the analysis was completed, the Duchy team hosted a webinar for farm tenants and the Met Office to discuss the findings. This then led to 67 individual Duchy-funded interventions on farms to improve farm resilience, primarily through nature-based solutions. These include:

Penbugle Farm Agroforestry project

The project included planting a range of tree and shrub species to provide shade and shelter for free range hens as well as other livestock, improving their welfare. Alongside the positive impact for livestock, there is additional habitat created, additional carbon sequestered and increased potential for water infiltration into soils.



Longmoor Farm Wetland Creation

The project created a new 1.5ha wetland in a wet area of a field that was becoming increasingly unsuitable for agriculture due to increasing rainfall and concern over damaging soils, designed with FWAG (Farming and Wildlife Advisory Group) and Wessex Water. Alongside this, 10 existing ponds were restored and enhanced to hold more water and to improve habitats. Benefits include water storage during intense rainfall events, improved water quality through reducing run-off of sediments, and nutrients and habitat creation (both wetland and some tree planting).

Funding was provided by the Duchy, Wessex Water and the Dorset Great Crested Newt Project on behalf of Natural England.

Manor Farm Wood Pasture project

This project created 13ha of wood pasture on sloping land that will provide shade and shelter for cattle to reduce heat stress, as well as providing vital habitat and increasing carbon sequestration. The planting provides valuable mosaic habitat, linking two blocks of ancient semi-natural woodland. Additionally, 750m of native hedgerow was planted to intercept potential surface water run-off. This project was co-delivered with the Woodland Warriors volunteer group on maintenance of the new hedgerow.

Storm Goretti

On 8th and 9th January 2026, Storm Goretti hit the southwest of England. Classed as a multi-hazard event due to associated wind speeds and rainfall, it led to the Met Office issuing a Red weather warning for wind. A gust of 99mph was recorded at St Mary's Airport, the highest wind speed recorded on the Isles of Scilly for 47 years, and this was one of the most impactful storms to affect the far southwest in recent decades. Our deep condolences are given to the family of the person who lost their life in Cornwall.

The storm created severe business interruption for Duchy communities and teams in Cornwall and the Isles of Scilly through power cuts, losses of telecommunication, and physical disruption to travel through the mainline train service being suspended and many roads being blocked with fallen trees. This disruption lasted for several weeks, compounded by the arrival of Storms Ingrid and Chandra later in January.

In terms of property damage, the Isles of Scilly was the worst affected Duchy location. In total, 72 roofs of Duchy-owned property were damaged (with an additional 12 instances of damage to slates and four chimneys). With the loss of power and internet, communications across the inhabited islands were severely hindered during the storm and in the immediate aftermath.

At the time of writing, just under half of all repairs are complete, with further repairs still ongoing, indicating the long tail of recovery from such storms.

The response from the Duchy team on the Isles of Scilly, in collaboration with the wider population of the islands, has been a positive case study in how communities can come together in the face of adversity. This form of climate resilience through social resilience is to be applauded, but we also recognise that isolated island communities cannot bear the responsibility for this resilience as climate impacts take hold.

Loss adjusters have advised that the total insurance claim from this storm could be in excess of £2million. In discussions with one insurer and a loss adjuster who have extensive business in the South West of England, they noted that the prevailing view was that frequency of weather-related claims has fluctuated in most recent years, and there isn't a clear trajectory of year-on-year increases in claims being made. However, there has been a clear increase in average cost of claims (especially flood-related losses). The South West of the UK is seeing higher average costs compared to much of the UK, in respect of storm-related losses.

While no analysis has been published on the contribution of climate change to the intensity or likelihood of storm Goretti, this type of weather event foretells the likely impacts we expect to see, with more intense and more frequent extreme weather events over the coming decades. Improving the Duchy's resilience to such events – in terms of the health, safety and wellbeing of Duchy teams and communities, our ability to continue business operations following interruptions and improving the resilience of our physical property – is a high priority.

Nature-related risk

In 2023/24, the Duchy undertook a qualitative assessment of our dependencies on nature, and our impacts on nature, following the TNFD LEAP (locate, evaluate, assess and prepare) framework. The UK Government released a national security assessment on global biodiversity loss, which highlights the high potential impact of biodiversity loss and ecosystem collapse. Here we provide an updated assessment of nature-related risks across the Duchy, with emphasis on our impacts on nature.

Locate the interface with nature

We consider there to be seven key interfaces with nature across the estate:

- **Farmed land:** where tenants manage the land for agricultural production;
- **Woodland:** including Duchy-managed woodlands, and let woodland;
- **Foreshore and marine:** containing a range of habitat types, from estuaries to rocky shorelines;
- **Peatland and protected habitats:** each with unique characteristics and often playing an important role in provision of ecosystem services;
- **Enterprises:** Duchy holiday lets, the Nursery, and the Isles of Scilly harbour operations each have specific nature interactions, whether in their local vicinity or broader supply chains;
- **Development:** Construction interfaces with nature in-situ on the construction site, and in material supply chains; and
- **Urban and rural buildings:** Our buildings provide a platform for integrating nature within urban and rural settings.

Evaluate dependencies and impacts

As a rural land-owner with deep connections to landscapes and communities, we recognise the fundamental way in which our success is entwined with that of nature. The following are the key dependencies which emerge from these connections.

- **Tenant incomes:** our agricultural and land-managing tenants rely on the regulating and provisioning services provided by nature to operate their businesses. The Duchy is dependent on the successful functioning of our tenants' businesses to derive financial value from the estate.
- **Tenancy and customer demand:** one of the key reasons tenants choose Duchy properties, and customers visit Duchy enterprises such as the Nursery and Holiday Cottages, is their proximity to high-quality nature. Sustaining and, where possible, enhancing local nature is fundamental to this aspect of the Duchy's operations.
- **Material and product supply:** materials used in our developments and property maintenance, and products sold in our enterprises, are almost entirely dependent on the availability of natural materials. The long-term sustainability of these supplies is an essential underpinning of the Duchy's activities.
- In April 2026, the Duchy published its Nature-Rich Plan which describes the various impacts on nature identified across the estate.



Learn more about the Duchy's nature-rich plans



Assess risks and opportunities

The Duchy's formal assessment of nature-related risks is less advanced than its climate risk assessment, partly because nature considerations are already deeply embedded in estate management practices. However, as biodiversity declines and ecosystems become less resilient, there is a growing risk that natural resources and systems may change in unexpected and increasingly disruptive ways.

Nature-related	Asset type
Risks	
Farm business production and viability is reduced through losses of natural systems functioning (e.g. water and nutrient cycles, pollination services and pest regulation) through excessive habitat loss, chemical control applications or loss of soil structure	Farms
Duchy community and visitor demand is reduced due to loss of biodiversity and landscape, or pollution incidents, harming local businesses and Duchy enterprises	Commercial property and Developments
Timber production in Duchy forestry is reduced due to pests and diseases as a result of monoculture forestry approaches and reduced landscape-scale regulation of pathogens	Forestry
Supply of raw materials for building (e.g. cement, timber and other biobased materials) becomes constrained due to ecosystem collapse or policy decisions that restrict access to materials, leading to spikes in supply costs	Developments and all Property

Nature-related	Asset type
Opportunities	
Farm resilience is enhanced through adoption of regenerative or other agroecological farming practices, reducing input costs and supporting farm productivity during extreme weather events	Farms
Voluntary and regulated markets for nature (e.g. nutrient neutrality, biodiversity net gain) provide diversified income sources for land managers, supporting a just transition	Farms, Forestry and Moorland
Integrating nature in new-build developments and enhancing nature around existing property increases attractiveness and price obtained for property, as well as benefiting residents with reduced heat island effects and improved surface-water flood risks likely under future climate scenarios	Developments and all Property

These risks and opportunities will be assessed in more detail in future years.



Prepared to respond and report

As noted earlier, the Duchy's recent strategy review incorporated consideration of macro-trends in nature risks. We have responded by ensuring our work for the coming decade creates a nature-rich estate.

One example of the Duchy's response to nature-related risks is described in greater detail in this report; the Duchy has made a long-term commitment to restoring peatland on Dartmoor. This decision was reached in recognition of the multiple benefits that it will bring, in terms of a wide range of ecosystem services:

- **Water regulation:** A significant proportion of water supply across Devon originates on Dartmoor. Peat acts as a natural sponge that stores water, meaning the peatland operates like a reservoir. Historical degradation of the peat through drainage and working for tin and other natural resources reduced the peat's ability to hold water, so restoration activity will enhance its performance and increase its resilience to the likely future climate.
- **Emissions reduction:** Degraded and dry peatland oxidises, releasing carbon dioxide into the atmosphere. Restoration of peatland rapidly reduces those emissions and, over longer periods of time, leads to net sequestration through peat formation.

- **Biodiversity enhancement:** The degraded peatland encourages changes in vegetation structure, with increased dominance of *Molinia* grass, reducing the natural biodiversity on the moor. Through rewetting of peatland areas, *Molinia* is less able to outcompete wetland species of plants, allowing for increased species diversity.

While the Duchy has not yet created a full suite of nature-related risk metrics, we will continue to report on activities that reduce these risks and capitalise on opportunities. The Duchy's Nature-Rich Plan, published earlier this year, includes metrics we will track to assess our progress on nature.

Strategic Performance Indicator:

- Biodiversity Units (average per hectare)

Annual Key Performance Indicators:

- habitats and species of conservation concern boosted;
- communities benefit from high access to and engagement with nature; and
- natural resources are managed for the benefit of society today and in the future.

Governance

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Governance at a glance



HRH The Duke of Cornwall leads the Duchy by chairing The Prince's Council, and engaging regularly with tenants, partners and the Duchy team. Under his leadership, the Duchy has strengthened how it is organised to better address challenges facing communities and deliver tangible social and environmental impact.

Transparency
HM Treasury has a long-standing role, set out in the Duchies of Lancaster and Cornwall (Accounts) Act 1838, to safeguard the Duchy's long-term value. This includes providing approval for significant property transactions that exceed an established threshold.

Oversight of the Duchy's operations is provided by The Prince's Council, which HRH chairs. Its financial statements are independently audited each year. These accounts are then laid before both Houses of Parliament, ensuring transparency and demonstrating that HM Treasury is fulfilling its responsibilities.

Members of The Prince's Council have helped shape this Integrated Impact Report and confirm that it follows the International Integrated Reporting Framework issued by the IFRS Foundation. The Council accepts responsibility for the report's accuracy, completeness and integrity.

In memoriam of Emily Addicott Sauvao (featured in the image above)

Operating framework

The Duchy was established in 1337 by Edward III for his son, Prince Edward, under the Great Charter. Over time, additional land was granted through further Charters. Today, the Duchy's land, property and other assets, along with any proceeds from disposals, are managed under the terms of those Charters and the Duchy of Cornwall Management Acts. These set out how assets must be used to benefit the current and future Dukes of Cornwall.

The Duke of Cornwall is entitled to the Duchy's annual net revenue surplus. The Duke of Cornwall does not have access to the Duchy's capital value and pays the top rate of income and capital gains tax on all his personal income, including receipts from the Duchy. The profits from the sale of capital assets are retained and reinvested within the estate to support long-term sustainability and future income.

Leading The Prince's Council

The Prince's Council brings together recognised leaders with expertise across the Duchy's areas of activity. HRH The Duke of Cornwall chaired all Council meetings over the financial year: this year HRH led four meetings across the year.

The Duke of Cornwall regularly visits Duchy sites, most recently: Cornwall, the Isles of Scilly, Devon, London, Bath and Mere to meet with tenants, staff and partners.

Governance roles and activities

The Duchy's governance continues to evolve to better support the delivery of its ambitious goals, strengthening oversight and enabling more strategic, forward-looking decision-making.

Over the past year, changes to governance structures, including enhanced roles for Council and Executive Committees, the introduction of dedicated Investment and Audit & Risk Committees, and the streamlining of advisory committees, have created a more focused and effective framework.

This evolution underpins a more integrated, strategic approach to running the organisation, positioning the Duchy to deliver long-term impact across communities, nature, and financial performance.

Role and remit	Principal resources and relationships overseen	Matters reviewed
The Prince's Council		
<ul style="list-style-type: none"> • Chaired by The Duke of Cornwall • Provides advice to The Duke of Cornwall regarding the strategy of the Duchy • Except for the membership of the Secretary and Keeper of the Records, the Council is a non-executive body 	<p>The Prince's Council takes a holistic view of the Duchy's resources and relationships, recognising the estate's impact on communities and landscapes. The Prince's Council delegates detailed oversight to its committees, whilst retaining overall responsibility for strategic direction and governance. Its advice aims to ensure decisions are evidence-led, balanced and aligned with long-term estate performance and sustainability objectives</p>	<p>The Council met four times during the year – in June, September, December and March.</p> <p>Key areas of focus included:</p> <ul style="list-style-type: none"> • full review and endorsement of the new strategy; • oversight of all committees' work; • review of risk management across the Duchy; • monitoring of climate and nature programmes; • asset allocation and long-term capital liabilities; • major regeneration programmes and large-scale renewable energy opportunities; • financial matters, including budgets, forecasts, medium-term cash flow, capital planning and deployment; • progress towards net zero targets and wider sustainability delivery.
Executive Committee		
<ul style="list-style-type: none"> • Chaired by Will Bax, Secretary and Keeper of the Records • Manages all operational activities • Met monthly throughout the year • Monitors delivery against the Duchy's strategic goals and ensures alignment between operational activity and long-term objectives • Plays a critical role in synthesising complex information into clear, actionable insights for Council consideration 	<p>The Executive Committee maintains oversight of organisational performance and delivery against strategic priorities. It reviews performance reporting to ensure clarity, relevance and focus on key strategic issues, and reviews detailed financial performance, forecasts and cashflow management, including interpretation of trends and risks</p>	<p>Each meeting includes updates on:</p> <ul style="list-style-type: none"> • health and safety; • staff, HR and legal matters; • financial budgets, forecasts and cost base; • net zero and nature strategy, including annual carbon targets; • communications; • sustainable procurement. <p>The Committee also reviews:</p> <ul style="list-style-type: none"> • progress and risks related to the net zero pathway; • internal and external net zero and nature communications, including TCFD and TNFD reporting; • woodland creation and the Marine Estate; • technological advances in construction; • social impact priorities, including mental health and homelessness initiatives; • sustainability outcomes in asset allocation.

Governance, engagement and consultation



An integrated approach underpins the Duchy's success as an impact-focused organisation, shaping how decisions are evaluated and strategic direction is set. By considering social, environmental and financial implications together, the Duchy is better positioned to deliver long-term value for communities, nature and the organisation itself. While this mindset has long informed estate management, the priority now is to apply it more intentionally and consistently across all areas of decision-making, strengthening resilience, financial performance and transparency.

Section 172 Statement on governance, engagement and consultation

To provide transparency we set out here some thoughts and signposting on how we take various aspects of stakeholder interest into account. These issues and factors have been arrived at through the Integrated Reporting Framework, based on understanding what matters most to our stakeholders.

Fostering a positive work culture

The Duchy benefits from a highly connected workforce that enables close collaboration, clear communication and enduring relationships with tenants, stakeholders and partners, strengthening its ability to deliver meaningful and lasting impact.

Regular departmental meetings are held across all offices, with active participation from members of the Executive Committee to ensure alignment and engagement across the organisation.

All colleagues take part in an annual appraisal process, providing a structured opportunity to review performance, support development and plan next steps. This is complemented by the Duchy's Culture Club, an established, voluntary forum that brings together colleagues who wish to contribute to shaping a positive, inclusive and engaging workplace culture.

A comprehensive training and development programme supports both individual progression and organisational capability. This includes mandatory training where required, alongside a broad range of professional and management development opportunities. The Duchy also supports colleagues through training contracts, enabling progression into professional roles such as surveying and accountancy.

[Read more about how the Duchy is investing in its people on page 28](#)





Engaging our tenants and partners

We engage with our tenants and tenant organisations in myriad ways. Our in-house staff meet regularly with tenants, and we undertake tenant surveys.

There is a dedicated manager for every property, with regional offices across the estate, meaning that over 90% of our properties are within 30 miles of their local office, and many much closer. New residential tenants receive detailed home information packs, and there is also a tenants' intranet for farmers and a regular newsletter. All tenants also receive an annual financial statement of accounts.

Duchy staff meet with the Tenant Farmers Association, the National Farmers Union and the Country Land and Business Association (CLA) at least annually, and are members of various working groups, such as the CLA Institutional Landowners Group. We work with various tenants' groups for mutual gain, such as the provision of rural broadband in Herefordshire and the Farm Resilience Programme, part of the Royal Countryside Fund.

Our Sustainable Procurement Policy, which covers our procurement approach for goods and services, ensures we work with our supply chain to help them improve their sustainability credentials.

To support the policy's adoption, we surveyed all our suppliers to discover what help they might need to meet our policy ambitions, and have run support webinars covering social impact and social value, climate change and net zero, and equality, diversity and inclusion.

The Duchy is closely aligned with the work of Their Royal Highnesses' Royal Foundation and The Earthshot Prize. We continue to explore opportunities for deeper collaboration. In the past year, we worked with The Earthshot Prize to adopt the solutions provided by its finalists across the Duchy estate, including Living Sea Walls, Notpla and Low Carbon Materials. Our work with The Royal Foundation has included collaboration on rural mental health and initiatives to address homelessness.

Our joint working initiatives with The Royal Foundation and The Earthshot Prize span both board-level engagement and operational collaboration. This integrated approach helps ensure that our shared ambition, to deliver lasting environmental and social impact at scale, is embedded across decision-making and day-to-day activity.

Impact of operations on the community and environment

The Duchy aims to deliver resilient, vibrant and prosperous communities and ecosystems – now, and into the future – and it couldn't do this without strong partnerships across the estate.

Relationships with, and the impact of the Duchy's operations on stakeholders are a priority, from the conversations a Rural Asset Manager has with a long-standing farm tenant to the prompt payment of a local builder.

Maintaining a reputation for high standards of conduct

Communication is fundamental to ensuring that our stakeholders are informed of the work we are doing and the way it impacts them. In the past year, we have increased our capacity to proactively share communication with key stakeholders, supported by increased resource in the Communications team. We have also strengthened our digital communications presence with a new Instagram @theduchyofcornwall.

Risk management

Responsibility for identifying and managing climate and nature-related risks is shared across the Duchy. Everyone is encouraged to keep these in mind as part of their day-to-day work, helping build awareness and action into how we operate.

The work is coordinated by department leads and the strategy team, who make sure any new or emerging risks are communicated clearly and acted on. When needed, they escalate issues to the Executive Committee.



Follow @theduchyofcornwall
on Instagram





The Prince's Council and Committees

Members of The Prince's Council bring extensive experience and insight to the Duchy. Drawn from a range of sectors, including agriculture, commercial property, estate and investment management, government, law and finance, they contribute perspectives shaped by senior leadership roles in the UK and internationally. Each member offers specialist expertise to support and guide the Duchy's work. Members are personally appointed by The Duke of Cornwall.

	Dates served	Council	Audit & Risk	Remuneration	Executive
The Prince's Council					
Chairman: His Royal Highness The Prince of Wales		■			
Lord Warden of the Stannaries – Hugo van Vredenburg	Dec 2022–Present	■			■
Receiver General – Edward Harley	Dec 2020–Dec 2021 (Council); Dec 2021–Mar 2026 (Council and RG)	■	■	■	
Receiver General – Ian Marchant	May 2012–Mar 2026 (Council); Mar 2026–Present (Council and RG)	■	■	■	
Attorney General to HRH The Prince of Wales – Sharif Shivji KC	Dec 2020–Present	■			
Secretary and Keeper of the Records – Will Bax	Nov 2024–Present	■	■	■	■
Alistair Elliott	Sept 2020 (as adviser); May 2021–Present (Council)	■			
Harry Aubrey-Fletcher	Mar 2023–Present	■			
Kate Holborow	Nov 2023 (as adviser)– Mar 2025–Present (Council)	■			
Rob Perrins	Jul 2024 (as adviser)– Mar 2025–Present (Council)	■			
Duchy staff					
George Beechener, Chief of Staff		■			■
David Cope, Executive Director for Purpose		■			■
Anthea Harries, Executive Director – Property		■			■
Sam Kirkness, Executive Director – Development		■			■
Tammy Lillie, Executive Director – People and Culture		■		■	■
Matthew Morris, Executive Director – Rural		■			■
Andrew Phillips, Chief Finance Officer		■	■	■	■
Dave Pugh, Executive Director – Communications		■			■
Karl Taylor, Head of Enterprise		■			■

■ Chair
■ Member
■ Attended

The Prince's Council and Committees *continued*



1. Hugo Van Vredenburg

Lord Warden of the Stannaries, Hugo was previously Chairman of Interactive Investor, the UK's second-largest investment platform, and prior to that was CEO of TMF Group, a professional services business with over 10,000 colleagues and operations in over 80 countries globally. Early in his career Hugo was a partner at Goldman Sachs & Co. and worked in New York, London and Tokyo.

2. Edward Harley

Receiver General up until April 2026, Edward worked for many years and was a partner at Cazenove. He is a past President of the Historic Houses Association and a trustee of several landed estates, including Burghley. He recently stood down from chairing the Acceptance in Lieu Panel and is a member of the Court of the Goldsmiths' Company. He is based in Herefordshire,

where he is a patron of a number of organisations and a Lay Canon Emeritus of Hereford Cathedral. He is His Majesty's Lord-Lieutenant of Herefordshire. Edward is also Chairman of The Duke of Cornwall's Charitable Foundation. Edward stepped down as the Duchy's Receiver General at the end of March 2026.

3. Ian Marchant

Ian has a business background in utilities and renewable energy through his previous leadership of Scottish and Southern Energy. He is now Chair of Morgan Advanced Materials, is on the board of Fred Olsen Limited, and has also served on the boards of organisations such as John Wood plc, Aggreko plc, Maggie's Cancer Centres charity, Logan Energy and Thames Water. He is a qualified accountant and has expertise in audit, capital allocation and risk management. He is interested in wildlife conservation

and is the Honorary President of the Royal Zoological Society of Scotland. He set up the 2020 Climate Group in Scotland, inspired by his interest in climate change mitigation and adaptation and the use of natural capital accounting. He also advises and invests in early-stage companies, principally in the clean tech and sustainability industries. Ian took on the role of Receiver General of the Duchy on the 1st April 2026.

4. Sharif Shivji KC

Attorney General to The Prince of Wales, Sharif is the Joint Head of Chambers of 4 Stone Buildings in Lincoln's Inn. Prior to his career at the Bar, Sharif worked in investment banking. Sharif's practice involves high-profile commercial disputes (often with an international element) and company, insolvency, financial services and banking law and regulation. Sharif is involved in many different aspects of the legal profession. He is also the Chairman of the Board of Advocate, the Bar's legal advice and representation charity.

5. Will Bax

Will joined the Duchy as Secretary in November 2024. He was previously Chief Executive at RVG, the AXA-backed later living business, and Executive Director for Grosvenor's mixed-use London Estate. He sits as a trustee on The Duke of Cornwall's Charitable Foundation and is a trustee of the Blenheim Palace Foundation. He is also a founding landowner of the Darent Nature Partnership, a 6,500-hectare landscape recovery project in Kent, aiming to create a more resilient future for farming and nature.

6. Alistair Elliott

Alistair is a chartered surveyor and a fellow of the RICS. He spent all his career at Knight Frank, where he started as a graduate in 1983, and he retired as Senior Partner and Group Chairman in the spring of 2022 after nine years in the role. Much of his professional experience centred on commercial property markets, especially offices, advising a broad range of occupiers and landlords. As Senior Partner, Alistair had responsibility for chairing the Group Executive Board and oversight of Knight Frank's interests in 50+ territories across the globe covering all aspects of real estate. Amongst other roles, Alistair is now Chair of Grosvenor Property UK and LondonMetric. He is also a Council member for the Duchy of Lancaster.

7. Harry Aubrey-Fletcher

Harry manages a group of rural businesses across Buckinghamshire, Oxfordshire, Berkshire and West Sussex. These include a mixed farming operation with three dairy herds, a diverse property portfolio, and a retail and hospitality business. Alongside his rural interests, he has a background in corporate finance and housebuilding, and is the founder of the residential development business Carden Group PLC.

8. Kate Holborow

Born and brought up in Cornwall, Kate (as Kate Wild) is founder of Wild Card, a communications consultancy with offices in Truro, Bristol and London. She was High Sheriff of Cornwall in 2020/21 and represents the Duchy in the High Sheriff of Cornwall appointment process. A Deputy Lieutenant of Cornwall since 2017, she leads on fund development for Young & Talented Cornwall, The Lord Lieutenant's Fund and co-chairs the Cornwall Lieutenancy Voluntary Sector Committee. Kate has been on the board of the Cornwall Chamber of Commerce since 2017 and has been an adviser to Cornish Lithium since 2023.

9. Rob Perrins

Rob joined Berkeley in 1994 and has been a main board member since 2001. He was Chief Executive from 2009 until 2025, and is now Executive Chair. Under his management, Berkeley has increasingly focused on transforming large-scale brownfield sites into sustainable mixed-use neighbourhoods, working in partnership with local councils and communities. Most recently, Rob has put in place a new 10-year business strategy, called Berkeley 2035, including the development of the company's own Build to Rent platform.

Rob has worked extensively in property development throughout his career, working on projects ranging from single houses to mixed-use neighbourhoods with more than 10,000 homes. Rob is an independent non-executive member of PricewaterhouseCoopers LLP's Public Interest Body and a non-executive director of Grosvenor Property UK.

Other disclosures

The Duke of Cornwall's Charitable Foundation

In the Charitable Foundation's last financial year, it made grants and commitments of c. £285,000 (2025: c. £240,000) to a variety of charities, principally operating in Cornwall and the Isles of Scilly.

Grants were primarily made towards community welfare, youth support initiatives and assisting community groups.

In October 2023, the Trustees agreed to commit up to £3million from the fund to support the building of homes in Nansledan, created directly for those experiencing homelessness. The homes created in partnership with St Petrocs and The Royal Foundation's Homewards will welcome the first residents in summer 2026.

Going concern

After making due enquiries and undertaking the normal forecasting procedures, including a five-year financial and strategic plan, the Proper Officers consider that the Duchy has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they have continued to adopt the going concern basis in preparing the financial statements.

Charitable donations

Charitable donations made by the Duchy of Cornwall estate amounted to

£207,000

(2025: £127,000). Significant individual donations included:

£34,000

to Islands' Partnership, a body dedicated to the promotion of the destination of the Isles of Scilly

£25,000

(2025: £25,000) to Isles of Scilly Wildlife Trust

£15,000

to the Pavilion Youth Club in Princetown, Dartmoor

£15,000

(2025: £15,000) to the Dartmoor Hill Farm Project

£12,000

towards the Saltmarsh Project, focused on restoring saltmarsh habitats along the River Dart.

Nominated by Duchy colleagues from across the organisation, the Duchy also provided charitable donations of £2,500 each at Christmas to Isles of Scilly Men's Shed, Roots and Shoots, Carefree Cornwall, and the Woodland Warrior Programme.



Proper Officers' Report

The Lord Warden of the Stannaries, the Receiver General, the Attorney General to The Prince of Wales and the Secretary and Keeper of the Records (the "Proper Officers") are responsible for preparing the Integrated Impact Report and the accounts in accordance with applicable law and regulation.

The Accounts Direction given by HM Treasury dated 5th June 2026 (the "Accounts Direction") requires the Proper Officers to prepare accounts for each financial year. Under the Accounts Direction, the Proper Officers have prepared the Duchy of Cornwall accounts in accordance with UK-adopted international accounting standards (IAS).

Under the Accounts Direction, the Proper Officers must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the Duchy of Cornwall and of the surplus or deficit of the Duchy of Cornwall for that period. In preparing the accounts, the Proper Officers are required to:

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

The Proper Officers are responsible for safeguarding the assets of the Group and Duchy of Cornwall and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Proper Officers are also responsible for keeping adequate accounting records that are sufficient to show and explain the Duchy of Cornwall's transactions and disclose, with reasonable accuracy at any time, the financial position of the Duchy of Cornwall and enable them to ensure that the accounts comply with the Accounts Direction.

The Proper Officers are responsible for the maintenance and integrity of the Duchy of Cornwall's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Proper Officers' confirmations

In the case of each Proper Officer in office at the date the Proper Officers' report is approved:

- so far as the Proper Officer is aware, there is no relevant audit information of which the Duchy of Cornwall's auditor is unaware; and
- they have taken all the steps that they ought to have taken as a Proper Officer in order to make themselves aware of any relevant audit information and to establish that the Duchy of Cornwall's auditor is aware of that information.

Signed on behalf of the Proper Officers by
William Bax, Secretary and Keeper of the Records

15th June 2026

Accounts

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Independent auditor's report to The Duke of Cornwall

31st March 2026

Opinion

We have audited the financial statements of the Duchy of Cornwall (the 'Duchy') for the year ended 31st March 2026 which comprise the revenue and capital account statements of comprehensive income, the balance sheet, the statement of changes in capital and reserves, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards as applied to the Duchy of Cornwall by the Accounts Direction given by HM Treasury dated 5th June 2026.

In our opinion the financial statements:

- give a true and fair view of the state of the affairs of the Duchy as at 31st March 2026 and of the Duchy's revenue surplus and the Duchy's capital surplus for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards as applied to the Duchy by the Accounts Direction given by HM Treasury dated 5th June 2026; and
- have been prepared in accordance with the requirements of the Accounts Direction given by HM Treasury dated 5th June 2026.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Duchy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Proper Officers' 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 Duchy'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 Proper Officers with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Proper Officers are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters

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

- the information given in the Integrated Impact Report and the Proper Officers' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Integrated Impact Report and Proper Officers' Report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Duchy and their environment obtained in the course of the audit, we have not identified material misstatements in the Integrated Impact Report or the Proper Officers' Report.

Responsibilities of the Proper Officers

As explained more fully in the Proper Officers' Responsibilities Statement set out on page 57, the Proper Officers are responsible for the preparation of the financial statements in accordance with the Accounts Direction given by HM Treasury dated 5th June 2026 and for being satisfied that they give a true and fair view, and for such internal control as the Proper Officers 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 Proper Officers are responsible for assessing the Duchy'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 Proper Officers either intend to liquidate the Duchy 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.

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

Identifying and assessing risks related to irregularities

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

Laws and regulations of direct significance in the context of the Duchy include the Accounts Direction given by HM Treasury dated 5th June 2026 and the Duchy of Cornwall Management Act 1982.

Audit response to risks identified

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

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

We evaluated management's incentives for fraudulent manipulation of the financial statements through incorrect classification of transactions between the Revenue account and Capital account. We tested allocation of costs between the two accounts including staff costs, repairs and maintenance expenses, net zero and future farming expenditure. We tested unusual journal entries, using a risk based approach when selecting a sample from throughout the accounting records. We have tested the assumptions and judgements made by management relating to judgemental areas such as investment property valuations and pensions.

At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Duke of Cornwall in accordance with the Duchy of Cornwall Management Act 1982. Our audit work has been undertaken so that we might state to the Duke of Cornwall those matters we are required to state 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 Duchy of Cornwall and the Duke of Cornwall, for our audit work, for this report, or for the opinions we have formed.

Other reporting required

Opinion on matters required by the Duchy of Cornwall Management Act 1982

In our opinion:

- proper accounting records have been kept by the Proper Officers of the Duchy of Cornwall;
- the Proper Officers of the Duchy of Cornwall have maintained a satisfactory system of control over transactions affect the Duchy of Cornwall property, as defined in the Duchy of Cornwall Management Act 1982; and
- the Accounts are in agreement with the accounting records of the Duchy of Cornwall.

Other matters on which we are required to report by exception

Under the terms of our engagement we are required to report to you if, in our opinion:

- We have not obtained all the information and explanations we require for our audit; or
- Certain disclosures of Proper Officers' remuneration specified by the Accounts Direction given by HM Treasury (dated 5th June 2026).

We have no exceptions to report arising from this responsibility.

Other matters

In our opinion, the Duchy has satisfied or complied with any conditions or restrictions that are subject to:

- A sanction of approval under Section 11 of the Duchy of Cornwall Management Act 1863; or
- A sanction of approval under Section 2 of the Duchy of Cornwall Management Act 1868; or
- An authorisation under Section 3 or 7 of the Duchy of Cornwall Management Act 1982.

David Sedgwick

for and on behalf of Saffery LLP

Statutory Auditors

St Catherine's Court
Berkeley Place
Bristol
BS8 1BQ

15th June 2026

Financial Statements

Presented to Parliament pursuant to Section 2 of the Duchies of Lancaster and Cornwall (Accounts) Act 1838.

Revenue account statement of comprehensive income

	Note	Year ended 31 st March 2025 £'000	Year ended 31 st March 2026 £'000
Revenue	2	37,804	39,804
Operating costs	2	(19,866)	(22,801)
Operating surplus		17,938	17,003
Finance income	5	8,457	8,068
Finance costs	6	(3,530)	(3,521)
Net finance income		4,927	4,547
Net surplus for the year distributable to HRH		22,865	21,550
Other comprehensive income			
Items that will not be reclassified to revenue profit and loss:			
Actuarial gain on retirement benefit obligations		285	1,034
Total comprehensive income on Revenue account		23,150	22,584

The Duchy is not subject to corporation tax as it is not a separate legal entity for tax purposes. However, His Royal Highness voluntarily pays income tax on the Duchy's net surplus for the year (note 1).

The notes on pages 67 to 95 are an integral part of these financial statements.

Capital account statement of comprehensive income

	Note	Year ended 31 st March 2025 £'000	Year ended 31 st March 2026 £'000
Net (loss)/gain from Fair Value adjustment on investment property	8	(2,814)	48,586
Net gain on the disposal of investment property		719	4,130
Net gain/(loss) on revaluation of investment property held for sale	13	5,230	(4,777)
Net gain on the disposal of investment property held for sale		2,336	3,784
Share of profit from joint venture	10	266	2
Finance costs		(215)	(220)
Net gain/(loss) on the disposal of financial assets	11	10	(551)
Foreign currency loss on retranslation of financial assets	11	–	(583)
Charge from Revenue account for salary costs	2	(1,319)	(1,528)
Other costs		(1,652)	(2,390)
Net surplus for the year		2,561	46,453
Other comprehensive income			
Items that will not be reclassified to capital profit or loss:			
Net loss on revaluation of owner-occupied property	9	(704)	(931)
Items that may be reclassified to capital profit or loss:			
Net loss on the revaluation of financial assets	11	(245)	(651)
Net loss on the revaluation of financial derivatives	15	(756)	(687)
Total comprehensive income on Capital account		856	44,184

The notes on pages 67 to 95 are an integral part of these financial statements.

Financial Statements *continued*

Balance sheet

	Note	Year ended 31 st March 2025 £'000	Year ended 31 st March 2026 £'000
Assets			
Non-current assets			
Investment property	8	1,080,764	1,145,112
Property, plant and equipment	9	11,222	12,290
Investments in joint ventures and associates	10	1,274	1,240
Financial assets	11	121,139	102,098
Retirement benefit assets	7	598	1,765
Derivative financial instruments	15	2,077	1,475
Trade and other receivables	12	10,997	15,063
Total non-current assets		1,228,071	1,279,043
Current assets			
Inventories		736	796
Trade and other receivables	12	10,182	11,014
Cash and cash equivalents	24	9,944	17,242
		20,862	29,052
Investment property assets held for sale	13	23,742	18,856
Total current assets		44,604	47,908
Total assets		1,272,675	1,326,951
Liabilities			
Current liabilities			
Trade and other payables	14	(15,077)	(16,132)
Borrowings	15	–	(3,754)
Lease liabilities		(2)	(2)
Provisions	16	–	(1,757)
Total current liabilities		(15,079)	(21,645)
Non-current liabilities			
Trade and other payables	14	(3,217)	(2,710)
Borrowings	15	(144,987)	(141,472)
Lease liabilities		(76)	(74)
Provisions	16	–	(5,775)
Total non-current liabilities		(148,280)	(150,031)
Net assets		1,109,316	1,155,275
Reserves			
Revenue reserve available for distribution to HRH		3,409	4,150
Retirement benefit reserve		(3,758)	(2,724)
Capital reserve		1,107,369	1,152,240
Hedging reserve		2,296	1,609
Total equity		1,109,316	1,155,275

The notes on pages 67 to 95 are an integral part of these financial statements.

The financial statements on pages 62 to 66 were approved by the Proper Officers and signed on their behalf by William Bax, Secretary and Keeper of the Records, 15th June 2026.

Statement of changes in capital and reserves

	Revenue account		Capital account		Total reserves £'000
	Revenue reserve £'000	Retirement benefit reserve £'000	Capital reserve £'000	Hedging reserve £'000	
Balance as at 31st March 2024	4,087	(4,043)	1,105,757	3,052	1,108,853
Net surplus for the year	22,865	–	2,561	–	25,426
Other comprehensive income					
Net loss on revaluation of owner-occupied property (note 9)	–	–	(704)	–	(704)
Net loss on revaluation of financial assets (note 11)	–	–	(245)	–	(245)
Loss on financial derivatives (note 15)	–	–	–	(756)	(756)
Actuarial loss on retirement benefit obligations (note 7)	–	285	–	–	285
Total comprehensive income/(expense)	22,865	285	1,612	(756)	24,006
Less payments made to HRH					
In respect of current year	(19,456)	–	–	–	(19,456)
In respect of prior year	(4,087)	–	–	–	(4,087)
Balance as at 31st March 2025	3,409	(3,758)	1,107,369	2,296	1,109,316
Net surplus for the year	21,550	–	46,453	–	68,003
Other comprehensive income					
Net loss on revaluation of owner-occupied property (note 9)	–	–	(931)	–	(931)
Net loss on revaluation of financial assets (note 11)	–	–	(651)	–	(651)
Loss on financial derivatives (note 15)	–	–	–	(687)	(687)
Actuarial gain on retirement benefit obligations (note 7)	–	1,034	–	–	1,034
Total comprehensive income/(expense)	21,550	1,034	44,871	(687)	66,768
Less payments made to HRH					
In respect of current year	(17,400)	–	–	–	(17,400)
In respect of prior year	(3,409)	–	–	–	(3,409)
Balance as at 31st March 2026	4,150	(2,724)	1,152,240	1,609	1,155,275

Revenue reserve

The revenue reserve and only the revenue reserve is available for distribution to HRH.

Capital reserve

The capital reserve contains the gains and losses on the revaluation of assets held to generate income. Proceeds from the disposal of capital assets have to be reinvested. Neither the gains/losses on revaluation nor the proceeds from disposal are available for distribution to HRH.

Financial Statements *continued*

Statement of cash flows

	Note	Year ended 31 st March 2025 £'000	Year ended 31st March 2026 £'000
Cash generated from operations	17	16,809	15,461
Contributions to defined benefit scheme	7	(674)	(363)
Interest paid		(3,614)	(3,605)
Net cash inflow from operating activities		12,521	11,493
Cash flows from investing activities			
Purchase of financial investments	11	(38,522)	(11,462)
Proceeds from disposal of financial investments	11	20,011	28,718
Tenant loan repaid		16	17
Loans made		(180)	(170)
Net movement on amounts owed by subsidiaries	12	470	–
Distributions from joint ventures	10	283	–
Purchase of investment property		(9,344)	(15,783)
Property improvements		(5,059)	(7,577)
Property development expenditure		(10,263)	(13,484)
Proceeds from disposal of investment properties		4,350	19,647
Purchase of property, plant and equipment		(1,629)	(2,249)
Proceeds from disposal of assets held for sale		37,168	10,712
Financial investment income received		5,450	6,133
Interest received		2,942	2,114
Net cash inflow from investing activities		5,693	16,616
Cash flows from financing activities			
Proceeds from borrowings	24	7,405	–
Principal paid on lease liabilities	24	(7)	(2)
Payments made in respect of prior year		(4,087)	(3,409)
Payments made in respect of current year		(19,456)	(17,400)
Net cash outflow from financing activities		(16,145)	(20,811)
Increase in cash in the year		2,069	7,298
Cash and cash equivalents at start of year		7,875	9,944
Cash and cash equivalents at end of year		9,944	17,242

Notes to the Financial Statements

1 Accounting policies

Basis of preparation

The financial statements have been prepared on a going concern basis and in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 where applicable in the Accounts Direction issued by HM Treasury dated 5th June 2026 (set out on page 97).

The Duchy prepares detailed budgets and medium-term forecasts, for both the Revenue and Capital account cash flows, coupled with strategic and operational risk reviews and scenario planning. These reviews indicate that the availability of liquid resources to manage future operations and liabilities will remain considerable. We can confirm that the Duchy will continue to meet its financial commitments and remains a going concern.

The Duchy is in the fortunate position that the balance sheet has grown year on year, with net assets at the balance sheet date of £1,155million.

The financial statements have been prepared in sterling (rounded to the nearest thousand), which is the functional currency of the Duchy, and under the historical cost convention as modified by the revaluation of land and buildings, Fair Value through other comprehensive income investments and derivative financial instruments held for trading. A summary of the more important accounting policies, which have been applied consistently year on year, is set out below. The preparation of financial statements in conformity with UK-adopted International Accounting Standards requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results may ultimately differ from those estimates.

The Duchy allocates items between the Capital and Revenue accounts on the basis of the nature of the transaction. Capital transactions are those that have longer-term benefit to the assets of the Duchy such as the purchase and sale of assets, and expenditure that improves an asset and enhances value. Revenue transactions are likely to be annual, such as rental and interest receipts, property repairs and maintenance, and overhead and administration expenses.

New standards and interpretations not yet adopted

The Duchy has applied the following amendments for the first time for its annual reporting period commencing 1st April 2025:

- Lack of Exchangeability (Amendments to IAS 21).

The amendment listed above did not have any material impact on the disclosures or amounts reported in the financial statements.

At the date of authorisation of these financial statements, the following standards and interpretations relevant to the Duchy and which have not been applied in these financial statements, were in issue but were not yet effective:

- Annual improvements to IFRS Accounting Standards - Volume 11, effective for periods beginning on or after 1 January 2026.
- Classification and Measurement of Financial Instruments (Amendments to IFRS 7 and IFRS 9), effective for periods beginning on or after 1 January 2026.
- Presentation and Disclosure in Financial Statements (IFRS 18), effective for periods beginning on or after 1 January 2027.

The Duchy is evaluating the impact that these standards will have on the financial statements.

Critical judgements and estimates

In the application of the accounting policies, the Duchy is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Property assets held for sale

Judgement is taken to establish when to classify an investment property as an asset held for sale. The Duchy classifies investment properties as assets held for sale where their carrying amount is likely to be recovered principally through a sale transaction and a sale is considered highly probable within the next 12 months. The Duchy does not treat held for sale investment property as inventory as it does not carry out the development itself and is not in the business of building property for onward sale. Information on properties being openly marketed and the status of sale negotiations is used to aid the decision.

1 Accounting policies *continued*

Estimates

Pension valuation

A formal valuation of the pension scheme is undertaken every three years by an external actuary and the most recent result rolled forward to the reporting date.

Valuations are based on a number of key assumptions, including estimates of future salary and pension increases, mortality rates and inflation. (See note 7)

Property valuations

Investment properties, investment property assets held for sale and owner-occupied property are all held at Fair Value, in accordance with valuations carried out by external and internal valuers. Valuations are based on a number of key assumptions, including estimates of future rental income, investment yields, and anticipated outgoings and maintenance costs. The external and internal valuers also make reference to market evidence of transaction prices for similar properties. (See note 8)

Revenue

Revenue is measured at the transaction price allocated to the performance obligations received or receivable, and represents amounts receivable for services provided or goods supplied, stated net of discounts and value added taxes. The Duchy recognises revenue when a customer obtains control of goods or in the accounting period in which the services are rendered and, thus, has the ability to direct the use and obtain the benefits from the good or service.

Property income

This comprises rental income, licence fees, other dues and premiums on lease surrenders on investment properties for the year, exclusive of service charges receivable. Rental income is recognised on a straight line basis over the lease term. Licence fees and other property related dues are recognised on an accruals basis for the period covered.

Sales of produce at the Duchy's Nursery

The Duchy operates a nursery selling plants and other goods. Sales of goods are recognised when the performance obligation is fulfilled which is when the product is sold and the customer takes physical possession of the product. Sales are usually in cash or by card payment.

Finance income

Income in respect of bank interest, fixed interest and corporate bond investments is accounted for on an accruals basis under the effective interest rate method. Equity income is included when a right to receive the income is established and when probable economic benefits will flow.

Accrued income

Revenue that has met all performance obligations but consideration has not been received in the financial year is recognised in the balance sheet as an asset. The Duchy uses the most-likely amount method.

Deferred revenue

The Duchy recognises a liability for rental income received in advance from the leasing out of investment property. Deferred lease rentals are recognised as revenue on a straight line basis over the lease term.

Foreign currencies

All major foreign exchange dealings relate to the Capital account. Foreign currency transactions are translated into sterling at rates prevailing at the dates of transaction.

Gains and losses arising on conversion or translation are dealt with as part of realised and unrealised investment gains and losses within the Capital account statement of comprehensive income.

Post-retirement benefits

The Duchy operates post-employment schemes that include both defined benefit and defined contribution plans. The asset recognised in the balance sheet in respect of defined benefit pension plans is the Fair Value of plan assets at the end of the reporting period less the present value of the defined benefit obligation at the same date. The defined benefit asset is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit asset is determined by discounting the estimated future cash outflows against interest rates. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. Past service costs are recognised immediately in the operating surplus.

For defined contribution plans the Duchy pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Duchy has no further payment obligations once the contributions have been paid. The contributions are recognised as an employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

1 Accounting policies *continued*

Taxation

The Duchy of Cornwall is not subject to income tax, corporation tax or capital gains tax. On a voluntary basis, His Royal Highness pays income tax at the prevailing rates in respect of the net revenue surplus of the Duchy after deduction of business-related costs. Corporation tax is not payable because the Duchy is not a company; capital gains tax is not payable because the Duke is not entitled to capital gains.

Investment property valuation

Investment properties, including those held for development, are valued on the basis of Fair Value. Investment properties are those held to earn income and/or capital appreciation. Any surplus or deficit on the revaluation of investment properties is recognised within the Capital account statement of comprehensive income.

Marine and mineral interests included within investment property are only specifically valued where a letting exists or where an interest is likely to be sold for a capital premium in the next year. The interests are valued on an existing use basis.

Owner-occupied property

Properties occupied by the Duchy of Cornwall are valued on the basis of Fair Value. The properties are included within property, plant and equipment. Any surplus or deficit arising on revaluation is taken directly to the Capital account statement of comprehensive income.

No depreciation is provided in respect of these properties: owner-occupied property is, and will continue to be, maintained to a high standard and it is assumed that property values will not fall. As a result, the residual value of the property at the point where the Duchy would cease to use it, or would dispose of it, is expected to be materially in line with Fair Value. As such, any depreciation (between Fair Value and residual value) at any point would be immaterial.

Investment property assets held for sale

Properties being actively marketed with the intention of disposal within 12 months of the balance sheet date are held at Fair Value. They are shown within the balance sheet as investment property assets within current assets. Any surplus or deficit arising on the revaluation of property assets held for sale is recognised within the Capital account statement of comprehensive income. Transfers into and out of investment property happen on a regular basis.

Disposal of properties

The sale of property is recognised when the control has been transferred to the buyer, usually when legally binding contracts that are irrevocable and unconditional are exchanged, which is when legal title passes to the purchaser, on completion. The profit or loss on disposal of properties is taken to the Capital account statement of comprehensive income. The profit or loss on disposal is determined as the difference between the sale proceeds and the carrying value of the asset at the commencement of the accounting period plus additions in the period and costs of sale. Properties transferred between categories are also valued at the carrying value at the commencement of the accounting period.

Impairment

All properties are carried at Fair Value. Impairment of other asset types is discussed, where relevant, within their respective accounting policies.

Leases

Leases – the Duchy as lessor

The Duchy has exercised judgement in determining that in all material respects, where it is the lessor, all such leases are accounted for as operating leases on a straight line basis over the term of the relevant lease. In exercising this judgement, consideration has been given to the nature and economic life of the buildings (which are all accounted for within investment properties), and whether substantially all the risks and rewards of ownership remain with the Duchy.

Leases – the Duchy as lessee

Where the Duchy is a lessee, a right-of-use asset and lease liability are recognised at the outset of the lease except for all leases of 12 months or less, which are treated as short-term leases and are accounted for through profit and loss on a straight line basis.

The lease liability is initially measured at the present value of the lease payments that are not paid at that date based on the Duchy's expectations of the likelihood of the lease extension or break options being exercised. The lease liability is subsequently adjusted to reflect the imputed interest, payments made to lessor and any lease modifications. The Duchy applies a single discount rate to portfolios with reasonably similar characteristics.

1 Accounting policies *continued*

The right-of-use asset is initially measured at cost, which comprises the amount of the lease liability, any lease payments made at or before commencement date, less any lease incentives received, an estimate of any costs expected to be incurred at the end of the lease to dismantle or restore the asset. The right-of-use asset classified as property, plant and equipment is subsequently depreciated over the shorter of the useful life of the asset and the lease term, unless the title to the asset transfers at the end of the lease term, in which case depreciation is over the useful life. The amount charged to the income statement comprises the depreciation of the right-of-use asset and the imputed interest on the liability.

Plant and equipment

Plant and equipment is stated at historical purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Plant and equipment is purchased out of the Capital account under the terms of warrants issued under Section 7 of the Duchy of Cornwall Management Act 1982.

The plant and equipment is depreciated on a straight line basis, over the expected useful life, and repaid out of the Revenue account statement of comprehensive income applying the following rates:

- motor vehicles – 25% per annum; and
- plant and equipment – 4% to 33% per annum.

The plant and equipment residual values and useful lives are reviewed and adjusted if appropriate at each financial year end. The carrying amount is written down immediately to its recoverable amount if its carrying amount is greater than its estimated recoverable amount.

Financial investments

Financial investments under IFRS 9 are categorised as Fair Value through other comprehensive income and are measured at Fair Value with profits or losses on revaluation being taken to the Capital account statement of comprehensive income.

The Duchy elected to recognise equity financial investments as Fair Value through other comprehensive income to reduce volatility in the income statement; this will result in no recycling through the profit and loss.

Investments in associates and joint ventures

Associates are all entities over which the Duchy has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Joint ventures are undertakings in which the Duchy has an interest and which are jointly controlled by the Duchy and one or more other parties. Investments in associates and joint ventures are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition.

The Duchy's share of post-acquisition profits or losses is recognised in the Revenue account statement of comprehensive income. Its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Duchy's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Duchy does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate. The joint venture activity is deemed to be capital related and the profits or losses are recognised in the Capital account statement of comprehensive income.

Inventories

Wood, nursery and other stocks are valued at the lower of cost and net realisable value. Cost is determined using the first-in, first-out basis. Inventory is presented net of provisions held for slow moving, obsolete or damaged items.

Provisions

A provision is recognised in the balance sheet when the Duchy has a legal or constructive obligation as a result of a past event, it is more likely than not that an outflow of resources will be required to settle that obligation, and a reliable estimate of the amount can be made. Provisions are discounted when the time value of money is considered material.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand together with overnight money market deposits.

1 Accounting policies *continued*

Trade and other receivables

Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components when they are recognised at Fair Value. They are subsequently measured at amortised cost using the effective interest method, less loss allowance. The Duchy applies the IFRS 9 simplified approach to measuring expected credit losses. This uses a lifetime expected loss allowance for all trade receivables and contract assets.

Trade payables

Trade payables are recognised initially at Fair Value and subsequently measured at amortised cost using the effective interest method.

Borrowings

Borrowings are initially recognised at Fair Value and subsequently measured at amortised cost using the effective interest method.

Upon renegotiation of a loan an assessment is made if the loan is modified or extinguished. Upon modification or extinguishment any associated costs will be recognised in the capital income statement.

Capitalisation of staff costs

Staff costs are recharged to the Capital account on a relevant time basis for dealing with appropriate capital works or transactions.

Derivative financial instruments and hedging activities

Derivatives are initially recognised at Fair Value on the date a derivative contract is entered into and are subsequently remeasured at their Fair Value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Duchy designates certain derivatives as hedges of a particular risk associated with a recognised asset or liability or a highly probable forecast transaction (cash flow hedge).

The Duchy documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Duchy also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in Fair Values or cash flows of hedged items.

The Fair Values of various derivative instruments used for hedging purposes are disclosed in note 15. The full Fair Value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedging instrument is more than 12 months, and as a current asset or liability when the remaining maturity of the hedging instrument is less than 12 months.

Cash flow hedge

The effective portion of changes in the Fair Value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income, within the Capital account statement of comprehensive income. The ineffective portion of changes in Fair Value of derivatives is recognised in the surplus or deficit within the Capital account statement of comprehensive income. Amounts accumulated in reserves are reclassified to Revenue account statement of comprehensive income in the periods when the hedged transaction takes place.

When a hedging instrument expires, is sold or no longer meets the criteria for hedge accounting, any effective cumulative gain or loss existing in reserves at that time remains in reserves and is recognised when the forecast transaction is ultimately recognised in the Revenue account statement of comprehensive income. Any resulting ineffectiveness will be taken to the Capital account statement of comprehensive income.

Notes to the Financial Statements *continued*

2 Analysis of Revenue account operating surplus

	Year ended 31 st March 2025	Year ended 31 st March 2026
Note	£'000	£'000
Property income:		
Agricultural income	8,794	9,267
Commercial income	19,085	20,340
Residential income	6,874	7,144
Total property income	34,753	36,751
Sale of goods	3,051	3,053
Revenue	37,804	39,804
Staff costs	4	10,094
Charge to Capital account	(1,319)	(1,528)
	7,274	8,566
Direct cost of sales	1,154	1,154
Depreciation – Property, plant and equipment	9	634
Impairment	9	–
Repairs and maintenance	5,014	4,834
Administration	4,620	6,014
Other operating costs	1,140	1,599
Operating costs	19,866	22,801
Operating surplus	17,938	17,003

Sale of goods comprises sales at the Duchy Nursery.

During the year the Duchy obtained the following services from the Duchy of Cornwall's auditors and their associates:

	Year ended 31 st March 2025	Year ended 31 st March 2026
	£	£
Fees payable to the Duchy of Cornwall auditor for the audit of the Duchy (31 st March 2026 and 31 st March 2025)	163,250	166,200
Other services	–	4,405
	163,250	170,605

3 Leasing: operating leases with tenants

The Duchy of Cornwall leases out its investment properties under operating leases with, on average, 61 years remaining to expiry. The aggregate minimum rentals, excluding contingent rents, receivable under non-cancellable leases are as follows:

	31 st March 2025	31 st March 2026
	£'000	£'000
Less than one year	21,410	21,478
Between two and five years	59,689	67,716
After five years	418,599	440,258
	499,698	529,452

Leases with no fixed expiry date have been excluded from the figures above.

3 Leasing: operating leases with tenants *continued*

	Year ended 31 st March 2025 £'000	Year ended 31 st March 2026 £'000
Contingent rents receivable	2,858	3,387

The value of the assets generating this rental income is detailed in note 8.

4 Staff costs

The number of people employed during the year was as follows:

	Year ended 31 st March 2025 Monthly average number	Year ended 31 st March 2026 Monthly average number
Administrative	106	113
Estate workers	15	18
Nursery	54	53
Housekeepers	30	28
	205	212

The total remuneration was £12.794million (2025: £10.894million) comprising:

	Year ended 31 st March 2025 £'000	Year ended 31 st March 2026 £'000
Wages and salaries	8,075	8,996
Social security costs	894	1,214
Pension costs	1,278	1,410
Other staff costs	647	1,174
	10,894	12,794

Included within the above figures are £2.700million (2025: £2.301million) of capitalised costs of which £0.368million (2025: £0.369million) relate to investment property improvements, £1.464million (2025: £1.089million) to investment property development expenditure and £0.868million (2025: £0.843million) to other costs charged to capital SOCI.

The costs of staff primarily engaged on Revenue account activities are:

	Year ended 31 st March 2025 £'000	Year ended 31 st March 2026 £'000
Wages and salaries	6,340	6,974
Social security costs	693	946
Pension costs	999	1,140
Other staff costs	561	1,034
	8,593	10,094

Of the above, £1.528million (2025: £1.319million) are recharged to the Capital account reflecting the extent that they are deemed to be enhancing its value.

Other staff costs include benefits (such as health insurance) and skill enhancement costs for appropriate staff.

Notes to the Financial Statements *continued*

4 Staff costs *continued*

The emoluments of members of, and advisers to, The Prince's Council were as follows:

	Year ended 31 st March 2025 £	Year ended 31 st March 2026 £
Alastair Martin	263,859	–
William Bax	210,869	573,838
James Willcocks	8,000	–
	482,728	573,838

In addition, pension contributions of £nil (2025: £17,888) were paid into a money purchase scheme for Alastair Martin and £40,376 (2025: £16,183) for William Bax. William Bax replaced Alastair Martin as a member of the Prince's Council on 4th November 2024.

5 Finance income

	Year ended 31 st March 2025 £'000	Year ended 31 st March 2026 £'000
Interest and dividend income from financial investments measured at Fair Value through other comprehensive income	7,952	7,649
Bank interest	429	349
Loan interest	76	70
	8,457	8,068

Following a review of the nature of interest income, a reclassification was made between bank interest and interest received from financial investments measured at fair value through other comprehensive income. The figures disclosed for the year ended 31st March 2025 have been restated on the same basis, which has resulted in a reclassification of £2,129,000 from bank interest to interest received from financial investments measured at fair value through other comprehensive income. There is no impact from this restatement on the primary statements or the surplus for the year.

6 Finance costs

	Year ended 31 st March 2025 £'000	Year ended 31 st March 2026 £'000
Loan interest	3,530	3,521

Loan interest cost recognised for the year ended 31st March 2026 is net of £84,000 (2025: £84,000) transferred from hedging reserve in relation to the interest rate swaps.

7 Retirement benefit obligations

The Duchy operates a defined benefit scheme in the UK (the “Duchy of Cornwall Staff Pension Scheme 1978”, referred to here as “the Scheme”), which is a final salary scheme that provides benefits linked to salary at retirement or earlier date of leaving service. The Scheme is open to future accrual but closed to new entrants.

The last completed actuarial valuation as at 1st January 2025 showed a funding surplus at that date of £1.472million. The results of the valuation at 1st January 2025 have been used as a basis for current valuations but rolled forward to 31st March 2026.

The Scheme operates under the Pensions Act 2004.

7 Retirement benefit obligations *continued*

Trustees have the primary responsibility for governance of the Scheme. Benefit payments are from trustee-administered funds and Scheme assets are held in trusts, which are governed by UK regulation. Responsibility for governance of the Scheme, including setting contribution rates, lies jointly with the Duchy and the trustees. However, investment decisions are the responsibility of the trustees only. The trustees are comprised of nominations from the Duchy and members in accordance with the Trust Deed and Rules.

Description of risks to which the Scheme exposes the Duchy:

- Asset volatility – if the Scheme’s assets underperform the discount rate a deficit may result and so to mitigate this, the trustees have agreed that the Scheme’s investment strategy will be de-risked over time. This is achieved by funding triggers that allow the Scheme to take advantage of favourable market conditions and developments in the funding level. If the funding level improves by a predetermined amount, then a switch to increase the target allocation for liability matching assets will be made.
- Inflation – the majority of benefits are linked to inflation and so increases in inflation will lead to higher liabilities (although for most increases there are caps in place that protect against extreme inflation).
- Longevity – increases in life expectancy will increase the period over which benefits are expected to be payable, which increases the value placed on the Scheme’s liabilities.
- Funding shortfall – additional contributions may be required if the assets are not expected to be sufficient to pay for the benefits payable.

There have been no Scheme amendments, curtailments or settlements over the year.

Recognition of funded status

The amounts to be recognised in the balance sheet are determined as follows:

	31 st March 2025 £'000	31 st March 2026 £'000
Fair Value of assets at end of year	18,089	18,019
Present value of obligations at end of year	(17,491)	(16,254)
Net defined benefit asset	598	1,765

Expense recognised in income statement

	Year ended 31 st March 2025 £'000	Year ended 31 st March 2026 £'000
Current service cost	133	111
Administration expenses	152	158
Operating expense	285	269
Net interest on the net defined benefit obligation	(8)	(39)
Total expense recognised in income statement	277	230

Notes to the Financial Statements *continued*

7 Retirement benefit obligations *continued*

Reconciliation of value of defined benefit obligations over the year

The movement in defined benefit obligations over the year was as follows:

	Year ended 31 st March 2025 £'000	Year ended 31 st March 2026 £'000
Present value of obligations at start of year	19,535	17,491
Current service cost	133	111
Interest cost	892	944
Distributions	(1,105)	(1,270)
Actuarial gains	(1,964)	(1,022)
Present value of obligations at end of year	17,491	16,254

Reconciliation of Fair Value of assets

The movement in the Fair Value of the assets over the year was as follows:

	Year ended 31 st March 2025 £'000	Year ended 31 st March 2026 £'000
Fair Value of assets at start of year	19,451	18,089
Employer contributions	674	363
Interest income	900	983
Return on Scheme assets excluding interest income	(1,679)	12
Distributions	(1,105)	(1,270)
Administration expenses and death in service premia	(152)	(158)
Fair Value of assets at end of year	18,089	18,019

Movement in net defined benefit asset over the year

	Year ended 31 st March 2025 £'000	Year ended 31 st March 2026 £'000
Net defined benefit (obligation)/asset at beginning of the year	(84)	598
Employer contributions	674	363
Expense recognised in income statement	(277)	(230)
Remeasurement gain recognised in OCI	285	1,034
Net defined benefit asset at end of year	598	1,765

Remeasurement effects recognised in other comprehensive income (OCI)

	Year ended 31 st March 2025 £'000	Year ended 31 st March 2026 £'000
Return on Scheme assets excluding interest income	(1,679)	12
Experience gains on obligations	33	1,058
Actuarial gains/(losses) arising from change in financial assumptions	1,888	(16)
Actuarial gains/(losses) arising from change in demographic assumptions	43	(20)
Total gain recognised in OCI	285	1,034

7 Retirement benefit obligations *continued*

Actuarial assumptions at end of year

	31 st March 2025	31 st March 2026
Discount rate (p.a.)	5.60%	5.70%
Salary increases (p.a.)	4.25%	4.45%
RPI inflation (p.a.)	3.40%	3.50%
CPI inflation (p.a.)	3.00%	3.20%
Pension increases: RPI min 0%, max 5% (p.a.)	3.30%	3.40%
Post-retirement mortality (base table)	S3PxA 'light' adjusted for CMI	S4PxA 'light' adjusted for CMI
Post-retirement mortality (improvements)	2023 projections with 1.5% p.a. long-term trend rate	2024 projections with 1.5% p.a. long-term trend rate

Sensitivity analysis

Based on the assumptions set out above, the impact on the present value of the defined benefit obligations of changing the following individual assumptions (with all other assumptions remaining unchanged) is set out below.

	31 st March 2026 £'000
Impact on the value of obligations at the end of the year if:	
Discount rate reduced by 0.25% p.a.	455
Discount rate increased by 0.25% p.a.	(434)
Salary increases increased by 0.25% p.a.	29
Salary increases reduced by 0.25% p.a.	(28)
Inflation increased by 0.25%* p.a.	376
Inflation reduced by 0.25%* p.a.	(379)
Life expectancy increased by one year	539
Life expectancy decreased by one year	(481)
RPI reduces by 0.25% p.a. and CPI unchanged	(349)

* This sensitivity allows for the impact on all inflation-related assumptions (salary increases, deferred revaluation and pension increases (subject to the relevant caps and floors)).

The above analyses assume that assumption changes occur in isolation except in the case of inflation, where any change is assumed to have a corresponding impact on salary increases, deferred revaluation and inflation-linked pension increases. In practice this is unlikely to occur and some assumptions may be correlated. The same method (projected unit method) has been applied when calculating these sensitivities as when calculating the defined benefit obligation.

Description of any asset-liability matching strategies

The trustees have agreed that the Scheme's investment strategy will be de-risked over time. This is done by funding triggers that allow the Scheme to take advantage of favourable market conditions and developments in the funding level. If the funding level improves by a predetermined amount, then a switch to increase the target allocation for liability matching assets will be made.

Notes to the Financial Statements *continued*

7 Retirement benefit obligations *continued*

Breakdown of value of assets at end of year

The following tables provide information on the composition and Fair Value of assets of the Scheme.

	Quoted £'000	Unquoted £'000	Total £'000
Equities	2,531	–	2,531
Diversified growth fund	1,472	–	1,472
UK corporate bonds and gilts: investment grade	9,996	–	9,996
LDI matching and liquidity funds	3,430	–	3,430
Cash	–	69	69
Private markets	–	591	591
At 31st March 2025	17,429	660	18,089

	Quoted £'000	Unquoted £'000	Total £'000
Equities	2,407	–	2,407
UK corporate bonds and gilts: investment grade	14,690	–	14,690
LDI matching and liquidity funds	–	–	–
Cash	–	922	922
At 31st March 2026	17,097	922	18,019

Effect of the Scheme on the Duchy's future cash flows

Description of any funding arrangements and funding policy that would affect future contributions:

The Scheme was in surplus on a funding basis at 1st January 2025, the date of the latest completed triennial actuarial report. Funding levels are monitored on at least an annual basis and the next triennial valuation is due to be completed with an effective date of 1st January 2028.

The Duchy's best estimate of contributions to be paid over following year (£'000)	165
Average duration of the liabilities (years)	11
Expected future benefit payments (£'000):	
Year ending 31 st March 2027	928
Year ending 31 st March 2028	934
Year ending 31 st March 2029	943
Year ending 31 st March 2030	953
Year ending 31 st March 2031	1,260
Five years ending 31 st March 2036	5,845

The Duchy also contributes to defined contribution scheme arrangements. The charge was £1.180million (2025: £1.001million).

8 Investment property

	Agricultural & Forestry £'000	Commercial £'000	Residential £'000	Development land £'000	Right-of-use investment property £'000	Total £'000
At 31st March 2024	488,562	323,498	223,446	40,991	–	1,076,497
Additions	38	–	19	7,437	1,850	9,344
Capital improvements	3,017	208	1,756	4	–	4,985
Capitalised development expenditure	–	–	–	9,196	–	9,196
Transfers from property, plant and equipment	–	–	925	–	–	925
Transfers to property, plant and equipment	(575)	(144)	(318)	–	–	(1,037)
Transfers from investment property assets held for sale	93	–	–	–	–	93
Transfer to investment property assets held for sale	(75)	–	(1,780)	(10,819)	–	(12,674)
Transfers between property categories	(4,307)	3,211	1,084	12	–	–
Disposals	(1,679)	(127)	(1,945)	–	–	(3,751)
Net gain/(loss) from Fair Value adjustments on investment property	13,573	(10,085)	(1,390)	(4,912)	–	(2,814)
At 31st March 2025	498,647	316,561	221,797	41,909	1,850	1,080,764
Additions	2,572	11,384	1,668	–	–	15,624
Capital improvements	5,148	112	1,532	–	–	6,792
Capitalised development expenditure	–	–	–	13,362	–	13,362
Transfers from property, plant and equipment	–	–	300	–	–	300
Transfers to property, plant and equipment	–	(434)	–	–	–	(434)
Transfers to investment property assets held for sale	(2,422)	(240)	(3,068)	(6,103)	–	(11,833)
Transfers between property categories	–	(1,838)	1,838	–	–	–
Transfer of future development costs to provisions	–	–	–	7,532	–	7,532
Disposals	(9,475)	(191)	(3,614)	(2,116)	–	(15,396)
Loss from Fair Value adjustments on investment property – revenue account	–	–	–	–	(185)	(185)
Net gain from Fair Value adjustments on investment property – capital account	31,679	7,886	363	8,658	–	48,586
At 31st March 2026	526,149	333,240	220,816	63,242	1,665	1,145,112

Property assets held for sale include those that are being actively marketed and are likely to complete during the twelve months following the balance sheet date.

8 Investment property *continued*

Fair Value of land and buildings

The Duchy holds four main classes of investment property: Agricultural property (Agricultural, Forestry and Other Rural Assets), Commercial property (Urban and Rural), Residential and Development land. The Duchy's investment property is measured at Fair Value. For all properties the current use equates to the highest and best use.

All properties are valued on an annual basis. For the valuation at 31st March 2026, all significant development sites plus 20% by number of the remaining properties in the mainland rural estate are valued by Bruton Knowles on a rotational basis. All Isles of Scilly properties are valued externally by Bruton Knowles. All the marine portfolio is valued externally by Vail Williams. The balance of mainland rural estate properties are valued by internal valuers who are Royal Institution of Chartered Surveyors (RICS) Registered Valuers and employees of the Duchy of Cornwall. The internal valuers have detailed management knowledge of the properties concerned. The internal valuation team is led by one of the Duchy's employees, an RICS Registered Valuer, supported by the Duchy's Chief Finance Officer. All the London residential properties are valued externally by Savills. All the urban commercial properties are valued externally by Avison Young. All valuations are in accordance with the RICS Valuation – Global Standards effective from 31st January 2025 (incorporating the IVSC International Valuation Standards) (the “Red Book”) and, if relevant, the UK National Supplement effective 1st May 2024.

Valuation fees for external valuers are a fixed amount agreed prior to the valuation and independent of the portfolio value. Internal valuers are not incentivised in any way in relation to property value.

Fair Value measurements using significant unobservable inputs (Level 3)

The Fair Value of the Duchy's property portfolio is determined using a variety of techniques depending on the property type and the terms of the lease. These techniques include the yield methodology, adjusted sales comparison approach, and discounted cash flow, and are consistent with IFRS 13 Fair Value Measurement. They involve a degree of judgement and use data which is not widely publicly available. Inputs to the valuations, some of which are “unobservable” as defined by IFRS 13, include capitalisation rates, discount rates and comparable market values for both rents and vacant possession values. For these reasons, and consistent with EPRA's guidance and practice adopted within the property sector, all valuations of the Duchy's property portfolio are classified as Level 3 as defined by IFRS 13.

Valuation processes

Property is valued according to one or more of the following three approaches:

- I. yield methodology: the value of the income stream for the term of the lease, by reference to the current rent for the property, rent review provisions, market rent for similar properties, and capitalisation rates from similar properties traded in the same geographic region;
- II. adjusted sales comparison approach: the vacant possession value of similar properties, the time until vacant possession will be achieved, and discount rates for similar properties traded in the same geographic region; and
- III. discounted cash flow: net future cash flows for the duration of a project are discounted at an appropriate rate, and a risk factor may be applied.

The external valuers provide capitalisation and discount rates. They review all valuations performed by the internal valuers and consider all major inputs to the valuation process, including market rents, comparable vacant possession values for similar properties and the unexpired term of leases. Together with the Duchy's internal lead valuer and finance team they review the output from the valuation including the valuation techniques used for each property, adjustments made to default values for unobservable inputs, and the correlation of valuation inputs to data from the Duchy's property and financial systems. They assess valuation movements compared to the prior year valuation (at a property, valuer, regional and property-type level), and review ratios of let value to vacant possession value, values per square metre or per hectare, effective yields and comparisons to property market indices.

All development land is valued externally, the majority on the basis of discounted cash flows. Inputs are applied to each section of each development site, taking into consideration the specific situation for each site – the stage of development, the extent of planning permissions and the contractual arrangements in place. Detailed discussions are held between the external valuers and the Duchy's Executive Director – Development and Chief Finance Officer. The two main uncertainties in valuing development land are the eventual market prices for the buildings and land at each site and the rate of future sales.

The valuation results are reviewed by the Duchy's Audit and Risk Committee.

8 Investment property *continued*

Relationship of significant unobservable inputs to Fair Value and the impact of significant changes to those inputs

Unobservable input	Impact on Fair Value of changes to input	
	Increase in input	Decrease in input
Capitalisation rates	Decrease in Fair Value	Increase in Fair Value
Discount rates	Decrease in Fair Value	Increase in Fair Value
Adjusted comparable vacant possession values	Increase in Fair Value	Decrease in Fair Value
Market rental values	Increase in Fair Value	Decrease in Fair Value

Impact on Fair Value of changes to capitalisation and discount rates (*ceteris paribus*)

All in £'000	Increase of 50 basis points	As disclosed	Decrease of 50 basis points
Agricultural	385,727	453,455	616,620
Other rural assets	41,811	43,705	45,792
Forestry	28,984	28,989	28,997
Urban commercial	205,190	226,220	252,591
Rural commercial	102,205	107,020	112,438
Residential property	218,237	220,816	223,714

Impact on Fair Value of changes to vacant possession values (*ceteris paribus*)

All in £'000	Increase of 10%	As disclosed	Decrease of 10%
Agricultural	475,067	453,455	431,845
Other rural assets	44,676	43,705	42,704
Forestry	31,886	28,989	26,096
Residential property	240,272	220,816	201,251

Impact on Fair Value of changes to market rental values (*ceteris paribus*)

All in £'000	Increase of 10%	As disclosed	Decrease of 10%
Agricultural	476,831	453,455	430,073
Urban commercial	234,601	226,220	217,967

The Fair Values at the balance sheet date, valuation techniques, nature and, where meaningful, range of unobservable inputs are shown in the table on the next page for each class of investment property.

Notes to the Financial Statements *continued*

8 Investment property *continued*

Quantitative data about Fair Value measurement using unobservable inputs (Level 3)

	Property type	Fair Value at 31 st March 2026 £'000	Valuation techniques	Unobservable inputs	Range of unobservable inputs (where meaningful)			
Agricultural & Forestry	Agricultural	£453,455	Yield methodology	Rental values	–			
				Capitalisation rate	Farms: 1.4% to 2.6% Bare land: 9% to 10%			
				Adjusted sales comparison approach	Adjusted comparable vacant possession values	–		
				Discount rate for terminal value	5.5% to 7%			
				Estimate of period until vacant possession achieved	0 to 73 years (average 5 years)			
	Other rural assets	£43,705	Yield methodology	Rental values	–			
				Capitalisation rate	9% to 12%			
				Discount rate for terminal value	5.5% to 11%			
	Forestry	£28,989	Adjusted sales comparison approach	Price per hectare	£2,471 to £79,369 (average £13,893) per hectare			
	Total	£526,149						
Commercial	Urban commercial	£226,220	Yield methodology	Rental values	Industrial: £172 psm Office: £19 to £554 psm Retail: £159 to £161 psm			
				Capitalisation rate	Industrial: 6.7% Office: 3.6% to 8% Retail: 6.1% to 6.8% Other: 4% to 12.5%			
				Rural commercial	£107,020	Yield methodology	Rental values	–
				Capitalisation rate	6% to 11.75%			
	Total	£333,240						
	Residential		£220,816	Yield methodology	Rental values	–		
Capitalisation rate					4% to 6%			
Adjusted sales comparison approach				Adjusted comparable vacant possession values	–			
				Discount rate for terminal value	6% to 8%			
				Estimate of period until vacant possession achievable, for short-term lets	0 to 16 years (average 0.6 years) Fair Value £150million			
				Estimate of period until vacant possession achievable, for long-term lets	0 to 164 years (average 25years) Fair Value £71million			
Development land	£63,242	Discounted cash flow	Discount rate	8%				
			Risk factor	5% to 45% (average 27%)				
			Time to completion	< 1 year to 20 years (average 17.9 years)				

8 Investment property *continued*

	Property type	Fair Value at 31 st March 2025 £'000	Valuation techniques	Unobservable inputs	Range of unobservable inputs (where meaningful)	
Agricultural & Forestry	Agricultural	433,742	Yield methodology	Rental values	–	
				Capitalisation rate	Farms: 1.4% to 2.6% Bare land: 9% to 10%	
				Adjusted sales comparison approach	Adjusted comparable vacant possession values	–
				Discount rate for terminal value	5.5% to 7%	
				Estimate of period until vacant possession achieved	0 to 74 years (average 5 years)	
	Other rural assets	£38,427	Yield methodology	Rental values	–	
				Capitalisation rate	8% to 12%	
				Discount rate for terminal value	6% to 12%	
	Forestry	£26,478	Adjusted sales comparison approach	Price per hectare	£2,471 to £79,369 (average £13,717) per hectare	
	Total	£498,647				
Commercial	Urban commercial	£210,550	Yield methodology	Rental values	Industrial: £156 psm Office: £19 to £509 psm Retail: £139 to £148 psm	
				Capitalisation rate	Industrial: 6.5% Office: 3.6% to 8% Retail: 6.1% to 6.7% Other: 4% to 12.5%	
	Rural commercial	£106,011	Yield methodology	Rental values	–	
				Capitalisation rate	6% to 11.75%	
	Total	£316,561				
Residential		£221,797	Yield methodology	Rental values	–	
				Capitalisation rate	4% to 6%	
			Adjusted sales comparison approach	Adjusted comparable vacant possession values	–	
				Discount rate for terminal value	6% to 7%	
				Estimate of period until vacant possession achievable, for short-term lets	0 to 17 years (average 0.7 years) Fair Value £149million	
			Estimate of period until vacant possession achievable, for long-term lets	0 to 157 years (average 37 years) Fair Value £73million		
			Development land	£41,909	Discounted cash flow	Discount rate
Risk factor	5% to 75% (average 8.7%)					
Time to completion	< 1 year to 20 years (average 15.5 years)					

Notes to the Financial Statements *continued*

9 Property, plant and equipment

	Motor vehicles £'000	Plant and equipment £'000	Right-of-use plant and equipment £'000	Owner- occupied property £'000	Right-of- use owner- occupied property £'000	Total £'000
At 1st April 2024						
Cost/valuation	300	6,388	16	8,541	47	15,292
Accumulated depreciation	(169)	(3,989)	(9)	–	–	(4,167)
Net book value	131	2,399	7	8,541	47	11,125
Year ended 31st March 2025						
Additions/improvements	52	581	–	770	25	1,428
Disposal – cost	(32)	(64)	–	–	–	(96)
Fully written down – cost	(11)	–	–	–	–	(11)
Transfer from investment property	–	–	–	1,037	–	1,037
Transfer to investment property	–	–	–	(925)	–	(925)
Depreciation charge – through revenue account	(58)	(458)	(2)	–	–	(518)
Depreciation charge – through capital account	(16)	(37)	–	–	–	(53)
Impairment	–	(146)	–	–	–	(146)
Disposal – depreciation	32	42	–	–	–	74
Fully written down – depreciation	11	–	–	–	–	11
Revaluation	–	–	–	(704)	–	(704)
At 31st March 2025	109	2,317	5	8,719	72	11,222
At 31st March 2025						
Cost/valuation	309	6,905	16	8,719	72	16,021
Accumulated depreciation	(200)	(4,588)	(11)	–	–	(4,799)
Net book value	109	2,317	5	8,719	72	11,222
Year ended 31st March 2026						
Additions/improvements	110	1,743	–	702	–	2,555
Disposal – cost	(39)	(363)	–	–	–	(402)
Fully written down – cost	–	(177)	–	–	–	(177)
Transfer from investment property	–	–	–	434	–	434
Transfer to investment property	–	–	–	(300)	–	(300)
Depreciation charge – through revenue account	(74)	(558)	(2)	–	–	(634)
Depreciation charge - through capital account	(19)	(37)	–	–	–	(56)
Disposal – depreciation	39	363	–	–	–	402
Fully written down – depreciation	–	177	–	–	–	177
Revaluation	–	–	–	(931)	–	(931)
At 31st March 2026	126	3,465	3	8,624	72	12,290
At 31st March 2026						
Cost/valuation	380	8,108	16	8,624	72	17,200
Accumulated depreciation	(254)	(4,643)	(13)	–	–	(4,910)
Net book value	126	3,465	3	8,624	72	12,290

An independent valuation of owner-occupied property was performed by valuers – see note 8 for further details on the method for determining Fair Value of land and buildings. The revaluation deficit was charged to other comprehensive income and is shown in “Capital reserve”.

10 Investments in joint ventures and associates

The Duchy has the following undertakings:

Name	Entity type	Principal activities	% of holding	
			31 st March 2025	31 st March 2026
RP (Poundbury) LLP*	Partnership	Investment property	50	50
Poundbury Spa LLP*	Partnership	Spa operation	15	15

* Registered Office c/o C G Fry & Son Litton Cheney Dorchester Dorset DT2 9AW

Investments in joint ventures

As at 31st March 2026, the Duchy owned 50% of the members' capital of RP (Poundbury) LLP.

	Year ended 31 st March 2025 £'000	Year ended 31 st March 2026 £'000
Balance at 1st April	15	(2)
Distributed in year	(283)	–
Share of profit	266	2
Balance at 31st March	(2)	–

RP (Poundbury) LLP was incorporated on 14th March 2015 and commenced trading on that date. The principal activity of RP (Poundbury) LLP was property development but has now ceased trading because the development is complete.

The latest unaudited financial statements were produced for the year ended 31st March 2026. The aggregate assets, liabilities, revenue and results for RP (Poundbury) LLP were as follows:

	As at/ Year ended 31 st March 2025 £'000	As at/ Year ended 31 st March 2026 £'000
Assets	64	56
Liabilities	(67)	(56)
Profit	533	–

The partnership results have been included within the Capital account statement of comprehensive income for the year.

Investments in associates

As at 31st March 2026, the Duchy owned 15% of the members' capital of Poundbury Spa LLP but 33% of the voting rights and is therefore deemed to have significant influence over the entity, so accounts for the investment as an associate. No dividends are payable until all loans have been repaid.

	Year ended 31 st March 2025 £'000	Year ended 31 st March 2026 £'000
Balance at 1st April	1,305	1,276
Share of loss	(29)	(36)
Balance at 31st March	1,276	1,240

Notes to the Financial Statements *continued*

10 Investments in joint ventures and associates *continued*

The latest management accounts were produced for the year ended 31st March 2026. The aggregate assets, liabilities and results for Poundbury Spa LLP were as follows:

	As at/ Year ended 31 st March 2025 £'000	As at/ Year ended 31st March 2026 £'000
Assets	3,579	3,311
Liabilities	(515)	(488)
Loss	(193)	(240)

The partnership results have been included within revenue net surplus. During the year, the Duchy charged the partnership £96,000 (2025: £96,000) in respect of rent for its premises.

11 Financial assets

	Fair Value through other comprehensive income			Total £'000
	Fixed interest securities	Private debt funds	Private equity funds	
	Level 1 £'000	Level 1 £'000	Level 3 £'000	
At 1st April 2024	77,438	25,397	38	102,873
Purchases	19,000	19,522	–	38,522
Sale proceeds	(20,011)	–	–	(20,011)
Revaluation	507	(752)	–	(245)
At 31st March 2025	76,934	44,167	38	121,139
Purchases	–	11,462	–	11,462
Sale proceeds	(17,500)	(11,097)	(121)	(28,718)
(Loss)/gain on disposal	–	(672)	121	(551)
Foreign currency retranslation	–	(583)	–	(583)
Revaluation	(11)	(640)	–	(651)
At 31st March 2026	59,423	42,637	38	102,098

The Fair Values of financial investments classified as Level 1 are based on quoted market prices on the 31st March 2026 under Fair Value through other comprehensive income. Level 3 investments are valued using valuation techniques in which at least one input is not based on observable market data. There were no transfers of investments between the Fair Value hierarchy levels during the year.

The maximum exposure to the credit risk at the reporting date is the carrying value of the debt securities classified as Fair Value through other comprehensive income.

The carrying value of financial assets, including debt securities classified as Fair Value through other comprehensive income and cash deposits, best represents the maximum exposure to counterparty risk at the reporting date.

12 Trade and other receivables

	31 st March 2025 £'000	31 st March 2026 £'000
Current assets:		
Trade receivables	4,747	4,356
Expected loss allowance – trade receivables	(730)	(700)
Other receivables	716	1,057
Prepayments	826	553
Accrued income	3,756	3,996
Accrued income – variable consideration	867	1,752
	10,182	11,014
Non-current assets:		
Other receivables	1,113	1,546
Accrued income – variable consideration	9,884	13,517
	10,997	15,063

Accrued income – variable consideration relates to land sale receipts recognised but payable in the future where the amount receivable is dependent on future house prices. In estimating the amount of variable consideration to recognise, the most-likely amount method has been used. At 31st March 2026, £13.517million (2025: £9.884million) is receivable after more than one year but all within two to five years.

Other receivables falling due after more than one year mainly comprise £1million loan at 4% repayable at a date to be determined.

All receivables are denominated in Sterling.

As of 31st March 2026, a provision of £700,000 (2025: £730,000) was made against trade receivables.

The impaired receivables mainly relate to tenants who are in financial difficulty.

Trade receivables balances are only written off when there is no reasonable expectation of recovery and when there is no enforcement action in place. Balances are not written off while enforcement action (such as a County Court Judgment) is in place. There is considered to be no reasonable expectation of recovery in situations where the customer has been declared bankrupt, a CCJ expires or the entity has been struck off at Companies House.

The Duchy applies the IFRS 9 simplified approach to measuring expected credit losses. This uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables and accrued income have been grouped based on the shared characteristics of the type of property to which they relate. Accrued income relates to unbilled rents that are due in arrears and have a due date after the balance sheet date. They have the same risk characteristics as trade receivables for the same type of property.

It has therefore been concluded that the same expected credit loss rates apply to both types of asset. Accrued income – variable consideration relates to deferred development sale receipts and have different risk characteristics.

The expected loss rates are based on risks associated with the particular property types, and our understanding of the situation faced by both specific tenants and the business sectors occupying these properties. The resulting loss allowance for 31st March 2026 is an increase on 31st March 2025 for commercial property and residential property, a reflection of more uncertainty in these sectors. No loss allowance was required in respect of deferred development receipts where there are limited risks due to the counterparties involved with whom the Duchy has had no historic credit losses. Other represents miscellaneous non-rental income, a revenue stream which remains more volatile. The outlook for other property types remains relatively unchanged.

Notes to the Financial Statements *continued*

12 Trade and other receivables *continued*

On that basis, the loss allowance as at 31st March 2026 was determined as follows for both trade receivables and accrued income:

	Agriculture £'000	Commercial £'000	Residential £'000	Other property £'000	Financial investments £'000	Other £'000	Total £'000
31st March 2025							
<i>Expected loss rate</i>	11.8%	6.3%	40.0%	7.6%	0.0%	1.6%	–
Gross carrying amount – trade receivables	1,535	1,570	488	462	–	692	4,747
Gross carrying amount – accrued income	427	1,785	53	311	1,180	–	3,756
<i>Expected loss rate</i>	–	–	–	–	–	0.0%	–
Gross carrying amount – accrued income – variable consideration	–	–	–	–	–	10,751	10,751
Gross carrying amount – Other receivables	–	–	–	–	–	1,829	1,829
Loss allowance	231	213	216	59	0	11	730
31st March 2026							
<i>Expected loss rate</i>	5.7%	6.9%	41.2%	5.5%	0.0%	8.5%	–
Gross carrying amount – trade receivables	1,336	1,413	577	728	–	302	4,356
Gross carrying amount – accrued income	360	2,369	61	236	961	9	3,996
<i>Expected loss rate</i>	–	–	–	–	–	0.0%	–
Gross carrying amount – accrued income – variable consideration	–	–	–	–	–	15,269	15,269
Gross carrying amount – Other receivables	–	–	–	–	–	2,603	2,603
Loss allowance	96	262	263	53	0	26	700

The loss allowances for trade receivables and accrued income as at 31st March reconcile to the opening loss allowances as follows:

	31 st March 2025 £'000	31st March 2026 £'000
Opening loss allowance at 1 st April	607	730
Increase in loss allowance recognised in Revenue account	238	208
Net receivables written off	(115)	(238)
Closing loss allowance at 31st March	730	700

The creation, release and utilisation of the provision for impaired receivables has been included in the Revenue account statement of comprehensive income.

The other classes within trade and other receivables do not contain impaired assets.

The Fair Values of trade and other receivables are not considered to be significantly different from their carrying value.

13 Investment property assets held for sale

	Year ended 31 st March 2025 £'000	Year ended 31 st March 2026 £'000
At 1 st April	43,072	23,742
Disposal	(38,435)	(13,035)
Capitalised development expenditure	1,294	531
Capital improvements	–	562
Transfer from investment property	12,674	11,833
Transfer to investment property	(93)	–
Revaluation in year	5,230	(4,777)
At 31st March	23,742	18,856

At the year end the Duchy was actively marketing properties for sale at the Fair Values stated above, and these are expected to be sold within 12 months of the balance sheet date. This strategy forms part of the long-term aim to continue to improve and rebalance the property portfolio. Where sales have taken longer to complete than anticipated, some assets may be in this category for longer than 12 months. Further details can be found within the accounting policies. For information about the assumptions used in the valuations of investment property held for sale please see the valuation narrative on Fair Value of land and buildings in note 8.

14 Trade and other payables

	31 st March 2025 £'000	31 st March 2026 £'000
Current liabilities:		
Trade payables	2,506	2,508
Accruals	4,843	4,546
Social security and other taxes	1,227	1,683
Payments received on account	1,245	509
Income received in advance	4,961	6,620
Other payables	295	266
	15,077	16,132
Non-current liabilities:		
Payments received on account	1,277	847
Income received in advance	1,940	1,863
	3,217	2,710

The Fair Values of trade and other payables are not considered to be significantly different from their carrying value. Payments received on account relate to up-front payments related to development sites or property sales.

Notes to the Financial Statements *continued*

15 Borrowings and derivative financial instruments

	Less than 1 year £'000	1-5 years £'000	Over 5 years £'000	Total £'000
At 31st March 2025				
Borrowings	–	40,573	104,414	144,987
Interest rate swaps – cash flow hedges (Level 2)	–	(2,077)	–	(2,077)
At 31st March 2026				
Borrowings	3,754	37,049	104,423	145,226
Interest rate swaps – cash flow hedges (Level 2)	–	(1,475)	–	(1,475)

As part of the risk management strategy, the Duchy's former Finance & Audit Committee concluded that it wished to lock in to low interest rates. Management intends to achieve this by hedging the interest rate risk arising on the variable interest payable on bank debt using interest rate swaps with a receive variable rate (3M SONIA) and pay fixed interest rate (1.397%). The Duchy has an interest rate derivative designated into a cash flow hedge relationship on the bank loan facility totalling £30million. The notional amount of the interest rate derivative is £30million. As at 31st March 2026, a loss of £0.687million (2025: a loss of £0.756million) was recognised in other comprehensive income in the Capital account statement of comprehensive income, in respect of the effective cash flow hedge relationship. This is classified as a Level 2 financial instrument measured at Fair Value on directly or indirectly observable inputs.

The bank loan of £30million is repayable in 2027 and has been fully swapped to a fixed rate of 2.597%. The Fair Values of borrowings are not considered to be significantly different from their carrying value.

In June 2022, a loan facility of up to £7million was agreed for the construction of specific infrastructure at Nansledan. The loan is repayable by 2026 and has a fixed interest rate of 3%. The total drawn down under facility as 31st March 2026 was £3.754million (2025: £3.754million). During the year, £122,000 (2025: £114,000) of interest payable was capitalised within development additions.

On the 13th December 2024, the Duchy drew down £7.5million in respect of a fixed sum loan facility to be repaid in full with five years of drawdown and a variable interest rate of 1.5% over base rate. During the year, £436,000 (2025: £142,000) of interest payable was capitalised within development additions.

On the 29th March 2019, the Duchy issued £105million of bonds maturing between 2059 and 2069 at fixed interest rates of between 2.68% and 2.73%.

On 19th May 2026, subsequent to the reporting date, the Duchy successfully renegotiated a) its bank loan of £30m repayable in 2027 and b) its bank loan of £7.5m repayable by December 2029, both described above. The agreement extends the facilities until May 2033, with options for two further one-year extensions. The facility also increases the amount available by a further £30m which was drawn down in full on 19th May 2026. The financial covenants are in line with those already provided to the bond holders. This enhanced facility allows the Duchy to continue to invest in critical infrastructure in its communities and heartlands.

The valuation of interest rate swaps (classified as level 2) is taken from the counterparty bank. The economic relationship between hedged item (bank loan) and a hedging instrument (interest rate swap), as well as ineffectiveness (if any), is determined by using the dollar-offset methodology. Under this methodology a hypothetical derivative is constructed on the designation date to model the change in the Fair Value of the hedged item. This is constructed without the inclusion of credit risk. The hypothetical derivative will therefore be constructed as a 'receive fixed GBP, and pay floating GBP SONIA' interest rate swap. Potential sources of ineffectiveness are changes in the credit risk of the Duchy or the counterparty to the interest rate swap (which management considers not material at year end) and movements in the starting value of the hedging instrument on the hedge relationship designation date due to the off-market rate of the interest rate swap. Ineffectiveness (if any) is recorded in profit or loss. The change in Fair Value of the hedging instrument of £0.602million (2025: £0.672million) and the Fair Value of the hedged item of £0.970million (2025: £1.290million) was used as the basis for recognising hedge ineffectiveness for the year.

15 Borrowings and derivative financial instruments *continued*

To comply with the risk management policy, the hedge ratio is based on a GBP interest rate swap with a notional amount of £30million and a maturity date of 31st December 2027 to offset a GBP-denominated bank loan of £30million with a maturity date of 31st December 2027. This results in a hedge ratio of 1:1 or 100%.

Assessment of hedge effectiveness is done at inception of the hedge, at each reporting date and upon a significant change in the circumstances affecting the hedge effectiveness requirements.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

16 Provisions

At 31st March 2026, future costs relating to the completion of development sites which were unavoidable obligations to third parties, such as s106 payments and highways improvements, were transferred from Investment property to Provisions. Previously, these non-material costs had been netted off the year-end Fair Value of development property (see note 8). Of the £7,532million (2025: £nil) provision, £1,757million is payable within one year.

17 Reconciliation of net surplus to cash generated from operations

	Year ended 31 st March 2025 £'000	Year ended 31 st March 2026 £'000
Net surplus on the Revenue account	22,865	21,550
Net surplus on the Capital account	2,561	46,453
Adjusted for:		
Bond transaction costs	9	9
IFRS 9 effective interest	206	211
Interest and dividend income on Fair Value through other comprehensive income assets	(7,952)	(7,649)
Finance income	(505)	(419)
Finance costs	3,530	3,521
Defined benefit pension scheme expense	277	230
Share of loss from associate and joint venture	29	36
Share of profit from associate and joint venture	(266)	(2)
Loss on disposal of financial assets	–	551
Foreign currency loss on retranslation of financial assets	–	583
Net loss/(gain) from Fair Value of investment property	2,814	(48,401)
Net (gain)/loss from Fair Value of investment property held for sale	(5,230)	4,777
Net gain on property held for sale	(2,337)	(3,784)
Net gain on disposal of investment property	(719)	(4,130)
Depreciation	571	690
Impairment	146	–
	15,999	14,226
Decrease/(increase) in inventories	47	(60)
Decrease/(increase) in trade receivables	606	(205)
Decrease in trade payables	157	1,500
Cash generated from operations	16,809	15,461

Notes to the Financial Statements *continued*

18 Related party transactions

One current member and one former member of The Prince's Council are also trustees of The Duke of Cornwall's Charitable Foundation to which the Duchy of Cornwall, on behalf of The Duke of Cornwall, pays surplus receipts of bona vacantia as detailed in note 19. There were no transactions with the trustees during the financial year and, as at 31st March 2026, there was £nil (2025: £nil) remaining payable to the trustees.

During the year, the Duchy received rent of £10,864 (2025: £10,500) from Bantham Estate Ltd, a company of which a member of Prince's Council is the sole Director. At 31st March 2026 there was £nil (2025: £6,300) remaining payable to the Duchy.

The Duchy invoiced the Prince of Wales's Office for £nil (2025: £18,600) in respect of carbon offsets and £43,325 (2025: £nil) for staff and holiday accommodation. At 31st March 2026 there was £41,770 (2025: £nil) remaining payable to the Duchy.

Certain Duchy properties were occupied by His Majesty The King and his office staff for living accommodation or commercial activities. These were let at open market values; the total value of annual rent charged amounted to £503,711 (2025: £475,792). As at 31st March 2026 there was £nil (2025: £nil) remaining payable to the Duchy. The Duchy invoiced His Majesty The King £2,310 (2025: £46,965) towards staff time, dilapidations, machinery and material costs for woodland work and electricity recharges. At 31st March 2026 there was £nil (2025: £nil) remaining payable to the Duchy. The Duchy also invoiced the Duchy of Lancaster £90,735 (2025: £87,449) towards staff time.

During the year, the Duchy paid £24,311 (2025: £nil) to a business run by the wife of a member of key management personnel. The payments related to the purchase of furniture and furnishings for a Duchy office, reimbursed at cost.

Key management personnel are individuals that have the responsibility for planning, directing and controlling the activities of the Duchy. For the year ended 31st March 2026 the Duchy of Cornwall made the following payments to key management personnel:

	Year ended 31 st March 2025 £'000	Year ended 31 st March 2026 £'000
Salaries and other short-term employee benefits	1,546	1,793
Post-employment benefits (retirement benefit plan contribution)	178	229
	1,724	2,022

At the year end, the Duchy was owed £165,000 (2025: £65,000) by Isles of Scilly Nature Co. Ltd and £185,000 (2025: £115,000) by Upper Wye Valley Nature Partnership Ltd in respect of interest-free loans made to help fund working capital. In addition, the Duchy invoiced £141,837 (2025: £77,293) to Isles of Scilly Nature Co. Ltd and £79,115 (2025: £50,950) to Upper Wye Valley Nature Partnership Ltd in respect of staff time and expenses. The Duchy is working with both companies on nature recovery projects.

Transactions with RP (Poundbury) LLP and Poundbury Spa LLP are shown in note 10.

19 Bona vacantia

During the year His Royal Highness, by right of his Duchy of Cornwall, received bona vacantia (being the estate of deceased intestates resident in Cornwall and dying without next of kin or assets remaining following dissolution of a company registered in Cornwall) of £327,000 (2025: £254,000) before allowing for ex gratia payments, returns and other associated costs of £133,000 (2025: £144,000). Surplus receipts of bona vacantia by His Royal Highness are paid over to The Duke of Cornwall's Charitable Foundation; £269,000 (2025: £120,000) was paid during the year. At 31st March 2026 the Duchy retained £714,000 (2025: £789,000) within creditors to meet potential future claims from individuals statutorily entitled to estates that had previously passed as bona vacantia to His Royal Highness.

Copies of The Duke of Cornwall's Charitable Foundation financial statements may be obtained from 10 Buckingham Gate, London, SW1E 6LA.

20 Capital commitments

At 31st March 2026 the Duchy had Capital commitments for development expenditures of £2.341million (2025: £0.044million), improvement works of £3.944million (2025: £1.740million) and fixed asset acquisitions of £nil (2025: £0.756million) and unfunded commitments to financial investments of £3.652million (2025: £nil); total £9.937million (2025: £2.540million).

21 Contingent liabilities

A number of Duchy property leases include a commitment to appropriately compensate tenants at the end of the lease for capital improvements they have made during their tenancy. The improvements must be agreed in advance with the Duchy and a formula is used to derive the value of the improvements at the end of the lease, to ensure appropriate depreciation is included within the value. Due to some leases also including clauses for the tenant to pay the Duchy for dilapidations to the property, the requirement to pay out cash rarely occurs. No provision has been made for these commitments as they are not probable.

At 31st March 2026, the Duchy had contingent liabilities of £3.615million (2025: £2.966million) in relation to bonds on development sites.

22 Financial instruments

	Note	Held at Fair Value through other comprehensive income (Capital) £'000	Held at Fair Value through profit and loss (Revenue) £'000	Amortised cost £'000	31 st March 2025 £'000
Assets:					
Financial assets	11	121,139	–	–	121,139
Trade and other receivables excluding prepayments	12	–	–	20,353	20,353
Derivative financial instruments	15	2,077	–	–	2,077
Cash and cash equivalents		–	–	9,944	9,944
		123,216	–	30,297	153,513
Liabilities:					
Trade and other payables excluding non-financial liabilities		–	–	(7,644)	(7,644)
Borrowings	15	–	(3,754)	(141,233)	(144,987)
		–	(3,754)	(148,877)	(152,631)

	Note	Held at Fair Value through other comprehensive income (Capital) £'000	Held at Fair Value through profit and loss (Revenue) £'000	Amortised cost £'000	31 st March 2026 £'000
Assets:					
Financial assets	11	102,098	–	–	102,098
Trade and other receivables excluding prepayments	12	–	–	25,524	25,524
Derivative financial instruments	15	1,475	–	–	1,475
Cash and cash equivalents		–	–	17,242	17,242
		103,573	–	42,766	146,339
Liabilities:					
Trade and other payables excluding non-financial liabilities		–	–	(7,320)	(7,320)
Borrowings	15	–	(3,754)	(141,472)	(145,226)
		–	(3,754)	(148,792)	(152,546)

23 Financial risk management

A review of the Duchy's financial and non-financial risks is set out on pages 32 to 44. This includes the strategic and operational risks of capital cash generation and tenant livelihoods, and the financial risks associated with credit investments.

Market risk

All borrowings at floating rates through Revenue account statement of comprehensive income are fully hedged by swap arrangements. The Duchy has a diverse financial investment portfolio predominantly invested in funds so as to minimise risk.

Liquidity risk

The table below summarises the maturity profile of the Duchy's financial liabilities on a contractual undiscounted cash flow basis:

	Less than 1 year £'000	2-5 years £'000	More than 5 years £'000	Total £'000
Borrowings	3,754	37,500	105,000	146,254
Net interest payable on loans/swaps	4,087	13,099	89,356	106,542
Trade and other payables	7,320	–	–	7,320
Lease liabilities	2	1	73	76
Provisions	1,809	6,511	–	8,320
At 31st March 2026	16,972	57,111	194,429	268,512
At 31 st March 2025	11,781	55,619	197,253	264,653

The Duchy reviews the liquidity risk on a regular basis, ensuring detailed forecasts incorporate all contractual obligations.

There is further narrative on how the Duchy manages liquidity risk on page 35 regarding the strategic and operational risks of capital cash generation and tenant livelihoods, as well as discussion on financial credit risk.

Credit risk

The Duchy is exposed to credit risk in relation to its tenants and financial institutions. Credit risk in respect of the Duchy's tenants is reviewed on a regular basis and appropriate action is taken where necessary. For new lettings the Duchy undertakes credit checks and holds tenant deposits where appropriate. For banks and financial institutions, the Duchy's appointed investment consultants assess the credit quality of the organisation, taking into account its financial position, past performance experience and other relevant factors.

There is further narrative concerning credit risk in note 12 regarding expected credit losses for trade receivables and accrued income.

Capital management

Under the 1337 Charter, The Duke of Cornwall is not entitled to the proceeds or profit from the sale of capital assets and only receives the annual income that the assets generate. The Duchy's financial objective in managing capital assets is to continue to improve the quality of the estate while providing an income for future beneficiaries.

The Duchy continually monitors the capital asset weightings, particularly from a diversification and cash flow perspective. Capital cash flow projections are regularly reviewed and updated to ensure that funding is available to meet both liabilities when due and to pursue investment opportunities when considered appropriate. This also ensures that the covenants in relation to the bank loan facilities are adhered to.

24 Cash and cash equivalents

Net debt consists of loans and other borrowings (both current and non-current), less current asset investments and cash and cash equivalents. Loans and other borrowings are measured at the net proceeds raised, adjusted to amortise any discount over the term of the debt.

Net debt is considered to be an alternative performance measure as it is not defined in IFRS. The most directly comparable IFRS measure is the aggregate of loans and other borrowings (current and non-current), current asset investments and cash and cash equivalents.

A reconciliation from the most directly comparable IFRS measure to net debt is given below.

	31 st March 2025 £'000	31 st March 2026 £'000
Loans and other borrowings	144,987	145,226
Lease liabilities	78	76
Less: cash and cash equivalents	(9,944)	(17,242)
Net debt	135,121	128,060

Included within cash and cash equivalents are the following restricted funds:

	31 st March 2025 £'000	31 st March 2026 £'000
Rent deposit accounts	355	860

Reconciliation of liabilities arising from financing activities:

	1 st April 2024 £'000	Cash flows – additional borrowings/ (borrowings repaid) £'000	Other non-cash changes £'000	31 st March 2025 £'000
Lease liabilities	60	(7)	25	78
Borrowings	137,361	7,405	221	144,987
	137,421	7,398	246	145,065

	1 st April 2025 £'000	Cash flows – additional borrowings/ (borrowings repaid) £'000	Other non-cash changes £'000	31 st March 2026 £'000
Lease liabilities	78	(2)	–	76
Borrowings	144,987	–	239	145,226
	145,065	(2)	239	145,302

25 Covenants

The Duchy has to comply with certain key banking covenants tested annually at the balance sheet date. The covenants require that the consolidated financial indebtedness at that date does not exceed 50% of the consolidated assets as shown in the financial statements and that the consolidated net tangible assets as shown in the financial statements are not less than £400million. The Duchy met both of these requirements with ease at 31st March 2025 and 31st March 2026.

Treasury Consents

Treasury consents are given either under Section 11 of the Duchy of Cornwall Management Act 1863 (for transactions specifically mentioned in the Act but requiring consent) or Section 7 of the Duchy of Cornwall Management Act 1982 (for transactions not otherwise authorised by the 1863 Act).

Amount	Section	Description
Consents to invest capital in the improvement of the estate		
£20,600,000	11	Further investment at Market Street, Nansledan in the heart of this growing community, creating the first new high street for a generation
£2,950,000	11	The construction of phase 1 of essential needs housing on the Isles of Scilly
£1,300,000	7	Investment in the refurbishment of a building on St Mary's, Isles of Scilly, to improve commercial facilities for visitors
£780,000	11	Professional fees for the development of a homelessness project and private housing in Kennington, comprising the use of redundant buildings and new build
£138,000	11	Additional expenditure on the conversion of a redundant barn Bath, Somerset, to become a residential property for sale
Consents to purchase property, enhancing our portfolio and supporting communities		
£11,400,000	11	The purchase of a commercial property in Bath, Somerset, investing in our heartlands
£5,500,000	11	The purchase of land and buildings in Kennington, London
£2,700,000	11	The purchase of residential units at Nansledan, Cornwall, to provide homes to let to the local community
£2,400,000	11	The purchase of a forestry plantation in mid-Wales, to enhance the Duchy's woodland portfolio and to provide carbon sequestration opportunities
Consents for the sale of property, enabling the rationalisation and providing funds for strategic reinvestment in estate heartlands		
£3,700,000	11	The sale of a farm in Somerset, off lying from Duchy heartlands
£3,600,000	11	The sale of land for the provision of homes in Dorset
£2,377,000	11	The sale of land for the provision of homes in Somerset
£1,920,000	11	The sale of another phase of development land for homes at Nansledan, Cornwall
£1,350,000	11	The sale of a residential property in Somerset, a recent barn conversion, off lying from the heart of the estate
£1,287,000	11	The sale of land and a residential property in Oxfordshire, away from Duchy heartlands
£983,000	11	The sale of land for the provision of homes in Cornwall
£750,000	11	The sale of a small parcel of land in Herefordshire for the development of local housing
£700,000	11	The sale of a residential property in Somerset which had become vacant following the death of the tenant, off lying from the heart of the estate
£660,000	11	The sale of a farmhouse in Dorset, no longer required for farming operations
£295,000	7	The sale by way of a long lease of development land for homes at Nansledan, Cornwall
Consents that enhance oversight effectiveness		
–	7	Increasing the threshold of Section 11 Warrants to £800,000
–	7	Increasing the threshold of Section 7 Warrants to £500,000

William Bax

Secretary and Keeper of the Records
15th June 2026

Appendix

Accounts Direction given by HM Treasury

1. The Duchy of Cornwall shall prepare accounts for the financial year ended 31st March 2026 and subsequent financial years comprising:
 - a report for the year, including a Strategic report, a Proper Officers' Report, a Statement of the Proper Officers' Responsibilities and a Governance Statement;
 - a Revenue account statement of comprehensive income and a Capital account statement of comprehensive income;
 - a Balance sheet;
 - a Statement of changes in capital and reserves; and
 - a Cash flow statement, including such notes as may be necessary for the purposes described in the following paragraphs.
2. The accounts shall give a true and fair view of the Revenue account statement of comprehensive income, Capital account statement of comprehensive income, Statement of changes in capital and reserves, Cash flow statement for the financial year and the Balance sheet as at the end of the financial year. Subject to these requirements and the exemptions set out in Schedule 1, the accounts shall be prepared in accordance with UK-adopted International Accounting Standards.
3. The application of the accounting and disclosure requirements of the Companies Act 2006 (CA), accounting standards, and other disclosure requirements is given in Schedule 1 attached.
4. This direction supersedes that of 13th June 2023. It shall be reproduced as an appendix to the accounts.

David Fairbrother

Treasury Officer of Accounts

5th June 2026

Schedule 1 – Accounting and disclosure requirements

Companies Act 2006

1. The disclosure exemptions permitted by the CA shall not apply to the Duchy of Cornwall unless specifically approved by the Treasury.
2. The CA requires certain information to be disclosed in the Directors' report. To the extent that it is appropriate, information relating to the Duchy shall be contained in the Proper Officers' Report for the year, which shall be signed and dated by the Secretary or other Proper Officer.
3. The Duchy shall take into consideration the CA requirements as they apply to non-listed companies (to the extent that they can be applied in the circumstances of the Duchy).
4. The statements of comprehensive income shall be prepared in accordance with International Accounting Standard (IAS) 1.
5. The balance sheet shall be prepared in accordance with IAS 1, separating the classification of the current and non-current assets, and current and non-current liabilities on the face of the balance sheet. The balance sheet shall be signed by the Secretary or other Proper Officer.
6. The Duchy is not required to provide the historical cost information described in paragraph 34(3) of Schedule 1 to the SI20081410.
7. The Duchy is not required to comply with the requirement specified in paragraph 35 of Schedule 1 to SI20081410 to maintain a revaluation reserve.

Accounting standards

8. It is considered that the Duchy should prepare separate Statements of Comprehensive Income for both the Revenue and Capital accounts rather than one Statement of Comprehensive Income as required by IAS 1.

Other disclosure requirements

9. The Report for the Year shall, inter alia:
 - state that the accounts have been prepared in accordance with this Treasury Direction;
 - include a brief history of the Duchy and its statutory background, and identify its estates by county and area;
 - list Treasury consents under Section 7 of the Duchy of Cornwall Management Act 1982 granted in that year; and
 - provide information concerning the Duchy's charitable and other activities and the principles supporting them. The information should also indicate where copies of the accounts of the charities may be obtained.
10. The notes to the accounts shall, inter alia:
 - disclose the names of the external valuers and the qualifications of the internal valuers; and
 - provide details of the remuneration package of each member of the Prince's Council, together with a note of the pension contributions made in respect of Council members.
11. A formal valuation of the pension scheme is undertaken every three years. The notes to the accounts shall disclose the contribution rate required to ensure that any deficit, where it exists, is made good within the term recommended by the actuary and agreed by the trustees. The pension reserve required by IAS 19 shall be a separate non-distributable reserve within the balance sheet.



Other information

In this section

- 100 Greenhouse gas report
- 105 Surface area report

Greenhouse gas report

The Duchy of Cornwall has maintained a long-standing commitment to understanding and reducing its greenhouse gas (GHG) emissions.



We have calculated and published GHG data on Scope 1 and 2 emissions for the last 19 years and presented a full Scope 3 GHG baseline for financial year 2019/20 (released in our 2021/22 Annual Report). We published our full strategy for achieving net zero in our stand-alone Net Zero Carbon Report, released in 2022, where the reporting boundary and methodology we still use today was set. We have a target to achieve net zero across our Scope 1, 2 and 3 emissions by the end of 2032. This report updates progress towards

that target for the 2025/26 financial year.

Reading the signals from 2025/26 GHG data

This year's GHG data shows progress in the four years since we initiated our concerted efforts to target net zero emissions across Scopes 1, 2 and 3. 2025/26 net emissions (176,638 tCO₂e) were 15.5% below the 2019/20 baseline, and 9% below the year before. With only six years remaining until our net zero target date at the end of 2032, progress is not yet on track, however the accelerating reduction in net emissions provides an indication that investments and actions are starting to yield positive results.

Good progress is being made in Duchy let farms, with a significant reduction in net farm emissions. The ongoing work, including emissions data from the Farm Carbon Toolkit, with the recommendations made by it and other advisory services provided by the Duchy, appears to be supporting tenant farmers in making changes to agricultural practices that reduce emissions and increase sequestration.

Other areas are not yet performing as we might wish them to. Construction emissions have increased, largely due to an increase in construction activity in our main development sites. To return to a downward emissions trajectory, we will further encourage low-carbon construction methods. Financial investment emissions have also risen, reflecting investment choices. To reduce these emissions, we will direct fund managers to explore lower-emission investment options. Peatland emissions have not yet started to take a material step down, reflecting the large extent of remaining degraded peat on Dartmoor in spite of the excellent restoration work already conducted. We have already started to develop plans to increase the rate of peatland restoration activity.

Duchy GHG performance

Table 1: Scope 1, 2 and 3 GHG emissions summary¹

tCO ₂ e	2019/20 (Scope 3 baseline year)	2021/22	2022/23	2023/24	2024/25	2025/26
Scope 1 and 2 (market-based)	108	86	90	125	124	108
Scope 3	234,663			232,045	223,379	211,181
Total GHG emissions	234,771			232,170	223,503	211,289
Carbon removals	26,175			27,324	29,257	34,651
Net	208,596			204,846	194,246	176,638

1. All values based on a market-based reporting methodology.

Scope 1 and 2 GHG emissions

Table 2: Scope 1 and 2 GHG emissions breakdown

Location-based (L) or Market-based (M)	Units	2019/20		2021/22		2022/23		2023/24		2024/25		2025/26	
	tCO ₂ e	L	M	L	M	L	M	L	M	L	M	L	M
Scope 1 – Buildings fossil fuels	tCO ₂ e	92	32	92	26	85	24	103	45	86	40	33	24
Scope 1 – Buildings biomass fuels	tCO ₂ e	17	17	11	11	10	10	11	11	11	11	9	9
Scope 1 – Non-stationary fuels	tCO ₂ e	45	45	42	42	48	48	62	62	58	58	75	75
Scope 2 – Electricity	tCO ₂ e	190	14	139	7	150	8	181	7	199	15	143	0
Total GHG emissions	tCO₂e	343	108	283	86	293	90	357	125	354	124	261	108
GHG intensity: Scopes 1 and 2	tCO ₂ e/FTE	3.2	1.0	2.3	0.7	2.7	0.8	3.4	1.2	2.8	1.0	1.6	0.7
Biogenic CO ₂ emissions (out of scope)	tCO ₂	441	441	330	330	397	397	409	409	411	411	297	297
Energy consumption in buildings													
Gas	MWh	325		356		346		358		277		145	
Electricity	MWh	748		596		775		875		963		809	
Oil	MWh	129		106		90		124		122		70	
Total	MWh	1,202		1,058		1,211		1,357		1,362		1,024	

The GHG sources included in the Scope 1 and 2 reporting above are:

- Consumption of fossil fuels, electricity and biofuels (e.g. woodchip) in Duchy offices, Holiday Lets and Duchy Nursery, as well as portfolio properties during void periods. These GHG sources correspond to GHGs listed against the buildings and electricity rows in Table 2.
- Fossil fuels consumed through mobile combustion, which covers vessels operating on the Isles of Scilly, vehicles and machinery operated by the Duchy woodlands team, and a small number of vehicles owned and used across the rural estate. These GHG sources correspond to GHGs listed against non-stationary fuels in Table 2.

All offices and trading businesses only purchase electricity generated from renewable sources backed by Renewable Energy Guarantee of Origin certificates, and purchase gas backed by Renewable Gas Guarantees of Origin registered through the Green Gas Certification Scheme. The “market-based” reporting above includes the use of these certificates (indicated in columns marked “M”). The “location-based” reporting is based on grid-average GHG intensity factors for electricity and gas consumption (indicated in columns marked “L”).

Several energy-efficiency projects have been undertaken over the years at Duchy offices. The Cornwall and Devon offices have biomass boilers, the Hereford office has a heat pump, and the Bath office has a roof-mounted solar PV array. The gas boiler in our London office was replaced during 2023/24, which improved the efficiency of the heating and hot water in this building, and heating controls have been improved more recently.

Greenhouse gas report *continued*

Scope 3 GHG emissions

Table 3 provides a breakdown of our Scope 3 GHG emissions by GHG Protocol Scope 3 category for our 2019/20 baseline year, and the most recent two financial years, during which we've established a regular programme of Scope 3 GHG emissions monitoring. Table 4 presents the same data broken down by Duchy asset type, providing additional insight into the GHG-emitting activities within the Duchy's portfolio. These Scope 3 results are derived using market-based GHG accounting principles.

Table 3: Scope 3 GHG emissions breakdown, GHG Protocol categories

Scope 3 emissions by GHG Protocol category		Emissions (tCO ₂ e)	Removals (tCO ₂ e)	Emissions (tCO ₂ e)	Removals (tCO ₂ e)	Emissions (tCO ₂ e)	Removals (tCO ₂ e)
Year		2019/20	2019/20	2024/25	2024/25	2025/26	2025/26
1: Purchased goods and services		4,636	–	7,368	–	7,064	–
2: Capital goods		12,241	–	6,124	–	10,232	–
3: Fuel- and energy-related activities (FERA)		22	–	30	–	15	–
4: Upstream transportation and distribution	Out of scope as immaterial	–	–	–	–	–	–
5: Waste generated in operations	Covered in category 1	–	–	–	–	–	–
6: Business travel		98	–	99	–	47	–
7: Employee commuting		74	–	87	–	177	–
8: Upstream leased assets	Out of scope as immaterial	–	–	–	–	–	–
9: Downstream transportation and distribution	Out of scope as immaterial	–	–	–	–	–	–
10: Processing of sold products	Out of scope as immaterial	–	–	–	–	–	–
11: Use of sold productions	Out of scope as immaterial	–	–	–	–	–	–
12: End-of-life treatment of sold products	Out of scope as immaterial	–	–	–	–	–	–
13: Downstream leased assets		208,706	26,174	201,432	29,256	184,559	34,651
14: Franchises	Out of scope as immaterial	–	–	–	–	–	–
15: Investments		8,886	–	8,235	–	9,087 ²	–
Total		234,663	26,175	223,378	29,256	211,181	34,651
Net total		208,489		194,122		176,529	

2. Emissions reported on a like-for-like basis. Recent improvements in data provision and boundary changes led to the calculation of an additional 15,574 tCO₂e for the 2025/26 financial investments category that is not included here. These changes will impact previous years also; a re-baselining exercise is to be completed before the 2026/27 accounts are published to ensure that the figures accurately reflect the decarbonisation trends.

Table 4: Scope 3 GHG emissions breakdown, Duchy of Cornwall categories

Duchy asset type	Emissions (tCO ₂ e)	Removals (tCO ₂ e)	Emissions (tCO ₂ e)	Removals (tCO ₂ e)	Emissions (tCO₂e)	Removals (tCO₂e)
Year	2019/20	2019/20	2024/25	2024/25	2025/26	2025/26
Land use and farming	158,612	23,450	151,697	26,532	136,564	31,936
Peatland	38,593		36,860		36,682	
Construction	12,243		9,264		12,931	
Financial investments	8,886		8,235		9,087	
Rural commercial property	6,890	542	5,030	542	5,551	542
Residential property	3,675		3,407		3,267	
Urban commercial property	3,324		6,620		5,170	
Trading enterprises	1,854		1,688		1,345	
Other rural and marine assets	355	2,182	344	2,182	312	2,173
Duchy operational	231		234		272	
Total	234,663	26,175	223,379	29,257	211,181	34,651
Net total		208,488		194,122		176,529

The Duchy's 2025/26 net like-for-like Scope 3 GHG emissions are 9.06% lower than 2024/25, a difference of 17,593 tCO₂e.

The main driver of this decrease was a reduction in net emissions in the Duchy's land and agriculture portfolio, which saw an overall reduction of 16,658 tCO₂e compared to 2024/25. Of this, 8,714 tCO₂e were related to the latest farm audits, which found an average decrease in annual emissions of 158 tCO₂e compared the last reported figures for the 51 audited farms. An additional 7,944 tCO₂e is related to six farms which are no longer included within the Duchy's reporting boundary.

Other changes which impacted the results include:

- 178 tCO₂e net reduction delivered through peatland restoration activities on Dartmoor, with works managed by the South West Peatland Partnership
- 3,932 tCO₂e reduced as a result of increases in carbon sequestration on Duchy woodland;
- 3,803 tCO₂e increased emissions from Duchy construction and procurement activities.

In this year's report, we have not recalculated our baseline or previous years' emissions, though, as noted above, this will be required before the next annual GHG accounts are published to incorporate changes to the data availability and assumptions used to calculate the emissions associated with the Duchy's financial investments. This process will also consider the disposal of assets, such as those which contributed to the reduction in farmland emissions.

Greenhouse gas report *continued*

Notes on land use GHG emissions and removals

In January 2026, the GHG Protocol released the “Land Sector and Removals Standard”. This standard is intended to improve corporate reporting of GHG emissions and removals associated with land-based activities. Given the Duchy’s extensive land holdings, this standard is applicable to our activities. Reporting entities are asked to adopt its use from January 2027, so the following information is not yet fully aligned with those requirements. The Duchy will integrate this standard in its approach for the 2026/27 reporting year. An accompanying guidance document for the Standard is due to be published in Q2 2026 which may lead to the Duchy’s interpretation of the standard changing. Table 5 presents a breakdown of Duchy GHG emissions featuring components of the Land Sector and Removals Guidance.

Table 5: Additional land use GHG information

Land sector and removals guidance category	tCO ₂ e
Non-land GHG emissions	37,013
Land management GHG emissions	173,247
Land use change emissions	921
Land management carbon removals, biogenic sink, land-based storage pool	34,651
Total emissions	211,181
Total carbon removals	34,651
Net total	176,529

An important component of the Duchy’s land-based GHG balance is soil carbon emissions and removals, which have thus far been omitted from our GHG reporting due to the complexity of the carbon flux dynamics and partial data availability. To address this data gap, the Duchy has been working with Downforce Technologies, an organisation using earth observation technology to create a digital twin of farms on the estate to estimate soil carbon stocks and fluxes. Data provided by Downforce indicate the Duchy core farmed estate has increased its soil organic carbon by the equivalent of 59,000 tCO₂e (three-year rolling average since our data series started in 2018). We will continue to assess the quality of these data to decide whether to include them within our annual GHG report.

Above-ground carbon storage in woodlands increased during this reporting period due primarily to the acquisition of Banc Woodland, a 144 ha young woodland in Carmarthenshire, Wales. This purchase includes 18,000 PIUs (Pending Issuance Units) logged on the Woodland Carbon Code register.

As a final point on this topic area, the Land Sector and Removals Standard requires the assignment of scope to carbon removals to be carefully considered. All of the removals reported by the Duchy occur on land owned by the Duchy, some of which is then leased to, and therefore controlled by, other entities. As the Duchy is applying an operational control approach to set the GHG inventory boundary, the removals that occur on this leased land would be best allocated to the Duchy’s Scope 3, while those that occur on land which is not leased in the Duchy’s Scope 1. Therefore, of the 34,651 tCO₂e of removals applicable to the Duchy, 12,636 tCO₂e could be considered to fall within its Scope 1 boundary, and 22,015 tCO₂e could be considered to fall within its Scope 3 boundary. Given the difference in magnitude between our Scope 1 and 2 GHG emissions and removals, we have opted to maintain our previous approach and report all removals as Scope 3.

Surface area report

31st March 2026

The Duchy of Cornwall is a landed estate of 51,861 hectares.

The extent and distribution of the major land holdings at 31st March 2026 were as follows:

	Hectares
Devon	28,434.5
Cornwall	7,531.9
Hereford	5,214.2
Somerset	4,535.6
Isles of Scilly	1,606.1
Dorset	1,306.2
Wiltshire	1,249.9
Gloucestershire	657.7
Shropshire	393.2
Kent	348.2
Carmarthenshire	242.1
Nottinghamshire	208.8
Oxfordshire	107.7
Greater London	10.3
Hertfordshire	7.0
Norfolk	2.2
Essex	2.2
West Midlands	1.7
Berkshire	1.5
Total	51,861.0



DUCHY of CORNWALL

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Emma Magee collecting acorns as part of plans to
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