

I would like to start by paying tribute to my predecessor Sir Denys Henderson who retired last September. During his seven years as Chairman he led a modernisation of The Crown Estate, bringing it up to the highest standards of best business practice and we owe him a huge debt of gratitude. The organisation responded well to his leadership and his efforts contributed to another successful year, with an increase in net revenue surplus to £170.8 million and growth in capital value to £4.224 billion for the year ending March 2003.

Financial success is very important to The Crown Estate, bearing the responsibility as we do for creating value for everyone, paying our entire revenue surplus to the Treasury for the benefit of taxpayers throughout the United Kingdom. However, our responsibilities do not stop there. Whilst we clearly identify commercialism as one of our core values, equally important are those of integrity and stewardship. To us, integrity means that we strive to deal with others in the way in which we ourselves would wish to be dealt with, openly and honestly. Stewardship encompasses our responsibilities for the historic properties in our care, for the communities who occupy our holdings and for the environments where we operate.

In support of our stewardship aims, I was delighted to welcome Dinah Nichols CB as a new board member in January. Dinah has recently retired as Director-General, Environment, at the Department for Environment, Food and Rural Affairs and her broad experience encompassing

sustainable development, the environment, housing, property and construction, as well as ports and transport, will be of great value across the wide diversity of The Crown Estate's land and property portfolio. Her knowledge of the environment will also be invaluable in helping us to achieve our aim of improving the environmental quality across the estate.

Following my appointment there have been some other changes in board members' responsibilities. I will no longer act as Chairman of our Audit Committee and I am pleased that Ronald Spinney has agreed to take on that role. In consequence, Martin Moore, has also joined the Committee. I am very pleased that we are able to draw on such expertise in this important area of corporate governance.

Having taken up the Chairmanship of an organisation that is in good shape what do I see as my priorities? I was privileged to have been a member of The Crown Estate board for six years before becoming Chairman and so have already firmly established my appreciation of its uniqueness. It is a diverse organisation with an impressive historical background, particularly unusual in that it successfully combines these characteristics with a twenty-first century outlook.

So, firstly, I intend to ensure that we continue to adopt best modern practice and to adapt to the changing circumstances and economic conditions within which we operate. We therefore continue to undertake strategic policy reviews to make sure that the business is

as well run as it can be and that we stay true to our core values. Secondly, The Crown Estate has a board with a tremendous breadth of experience and I am keen to ensure that the organisation benefits as much as possible by broadening our non-executives' involvement with each of the portfolios of the business. And, of course, I will be giving my fullest attention to projects that I see as key to the continuing success of the organisation, such as our major reinvestment plans for Regent Street and the move to our new headquarters there, planned for 2005.

Finally, I would like to offer my personal thanks to the board members for the support they have given me in my transition to Chairman and for their continuing dedication and enthusiasm. I would also like to express my appreciation to The Crown Estate staff and all those who work closely with us. They have kept up high standards of performance as the organisation has continued to change and adopt new practices, and in a very unusual economic environment where each of our portfolios was impacted upon by market conditions beyond our control. It is through their dedication that we have achieved our targets this year – somewhat against the odds.



Ian Grant
Chairman and First Commissioner

creating a culture of success



Ian Grant (right) with Les Sparks,
architectural advisor on Regent Street