

THE E AND N WATSON CHARITABLE TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2024

THE E AND N WATSON CHARITABLE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees Charles Philip Lawrence Clayton
Maxwell Brendan Jack
Dominic Hugh Neville Ogden

Charity number 1159344

Principal address Alexandra House
St Johns Street
Salisbury
Wiltshire
SP1 2SB

Independent examiner James Fletcher FCA
Fletcher & Partners
Crown Chambers
Bridge Street
Salisbury
SP1 2LZ

Solicitors Wilsons Solicitors LLP
Alexandra House
St Johns Street
Salisbury
Wiltshire
SP1 2SB

Investment advisors Brewin Dolphin Limited
8 Waterloo Place
London
SW1Y 4BE

THE E AND N WATSON CHARITABLE TRUST

CONTENTS

	Page
Trustees' report	1 - 2
Independent examiner's report	3
Statement of financial activities	4
Balance sheet	5
Notes to the accounts	6 - 10

THE E AND N WATSON CHARITABLE TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 29 FEBRUARY 2024

The trustees present their report and accounts for the year ended 29 February 2024.

The E and N Watson Charitable Trust ("the charity") was established by Elizabeth Gwenllian Watson ('Mrs Watson') under a Settlement Deed dated 1 April 2014. The charity is unincorporated and all of the Trustees are individuals. Mrs Watson had the power to appoint Trustees during her lifetime and thereafter they may be appointed by a resolution of the Trustees. If for any reason Trustees cannot be appointed in this way, the statutory power (under the Trustee Act 1925) to appoint new or additional Trustees shall be exercisable. The Settlement Deed states that there shall be not less than three Trustees unless a Corporate Trustee is appointed. Mrs Watson died on 5 August 2020. The Trustees do not currently envisage any immediate changes to the Trusteeship. However, they have formulated a policy to ensure that any new Trustee is fully aware of the charity's aims and objectives.

The Trustees meet on a regular basis to decide the charitable grants to be made by the charity. Additional grants may be made between formal Trustees meetings if there is a specific need that is brought to the attention of the Trustees.

The records are maintained by an employee of Wilsons Solicitors LLP.

The charity is not part of a wider network of charitable organisations and there are no subsidiaries nor any other charities and organisations with which it co-operates in the pursuit of its charitable objectives.

The Trustees have considered the major risks to which the charity is exposed, and have formulated policies to mitigate those risks. The risks are perceived to be:

1. Record Keeping

The Trust's records are kept at Wilsons Solicitors LLP, where the computer systems upon which they rely are properly backed up. The Trustees consider that the use of Wilsons Solicitors LLP provides professional indemnity for the benefit of the charity and access to systems and skills which the charity could not otherwise afford to provide from its own resources.

2. Investments and income

The principle source of funds is from the investment portfolio held by the Trustees. Therefore the primary risk to the charity can be considered to arise from a lack of return from the investment portfolio. The Trustees have set out the parameters within which the investment advisors may act, in a written Policy Statement. The investment adviser is FSA authorised. The Trustees review the performance of the portfolio on a regular basis.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019).

Objectives and activities

The charity's funds are held to be applied in donations to charitable institutions at the Trustees' discretion. The Trustees may accumulate income for the first twenty-one years of the charity's existence; this is income due and/or received before 1 April 2035.

The charity does not engage in fundraising. However, during the year the charity received cash from Mrs Watson's estate following a decision by the executors of her will to appoint her residuary estate to the charity. The estate is now wound up and it is not anticipated that further sums will be received.

THE E AND N WATSON CHARITABLE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2024

The Trustees would normally expect to make a number of charitable donations each year. Following the receipt of funds from Mrs Watson's estate the Trustees have resolved that they should work towards closure of the charity within the next few years after having expended the Trust's resources on grant giving. This is in accordance with the charity's establishing deed which allows the Endowment Fund to be expended. It also reflects what the Trustees believe to be an appropriate and timely response to the difficult financial circumstances still faced by many charities arising from the Covid-19 pandemic and subsequent economic climate.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have regard to the public benefit guidance published by the Charity Commission.

Achievements and performance

The charity continued to make grants to a number of mature charities supporting the seafaring community and combat veteran communities. The two research programmes already receiving funding from the charity and carried out by the charity Combat Stress to evaluate novel treatments for PTSD in combat veterans, were ongoing. Further grants have been made to the David Nott Foundation to support training programmes for surgeons in the latest developments in war trauma surgery. International aid has also been supported through Médecins Sans Frontières.

During the year the charity made donations totalling £400,000.

Financial review

The charity received cash in the year from the estate of Mrs Watson, including unrestricted income of £1,672 and a further £113,623 added to the endowment funds. Income from investments was £66,513.

Support costs of £7,794 have been incurred, comprising legal and independent examiner's fees, while investment management charges amounted to £19,997.

At the balance sheet date the charity's accumulated funds amounted to £2,930,783.

The Trustees monitor the level of reserves during the course of the year by maintaining detailed book-keeping records and re-assessing the position as and when appropriate.

Structure, governance and management

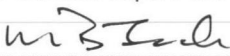
The trustees who served during the year were:

Charles Philip Lawrence Clayton

Maxwell Brendan Jack

Dominic Hugh Neville Ogden

The trustees' report was approved by the Board of Trustees.



Maxwell Brendan Jack
Trustee

Dated: 16/12/2024

THE E AND N WATSON CHARITABLE TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE E AND N WATSON CHARITABLE TRUST

I report on the accounts of the charity for the year ended 29 February 2024, which are set out on pages 4 to 10.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in s.145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants of England and Wales, which is one of the listed bodies.

It is my responsibility to:

- (i) examine the accounts under section 145 of the 2011 Act;
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- (iii) to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the next statement.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared accounts in accordance with Accounting and reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In connection with my examination, no other matter except that referred to in the previous paragraph has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 130 of the 2011 Act; and
 - (ii) to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.


.....
James Fletcher FCA
Fletcher & Partners
Crown Chambers
Bridge Street
Salisbury
SP1 2LZ

Dated: 20 December 2024

THE E AND N WATSON CHARITABLE TRUST

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 29 FEBRUARY 2024

	Notes	Unrestricted funds £	Expendable Endowment funds £	Total 2024 £	Total 2023 £
<u>Income from:</u>					
Donations and legacies	2	1,672.32	113,622.55	115,294.87	2,710,269.06
Investments	3	66,512.55	-	66,512.55	55,737.88
Total income and endowments		68,184.87	113,622.55	181,807.42	2,766,006.94
<u>Expenditure on:</u>					
Raising funds	4	-	19,996.91	19,996.91	20,042.13
Charitable activities	5	407,793.88	-	407,793.88	753,114.00
Total resources expended		407,793.88	19,996.91	427,790.79	773,156.13
Transfer from Expendable endowment		339,609.01	(339,609.01)	-	-
Net gains/ (losses) on investments	9	-	160,224.04	160,224.04	189,406.39
Net movement in funds		-	(85,759.33)	(85,759.33)	2,182,257.20
Fund balances at 1 March 2023		-	3,016,541.89	3,016,541.89	834,284.69
Fund balances at 29 February 2024		-	2,930,782.56	2,930,782.56	3,016,541.89

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

THE E AND N WATSON CHARITABLE TRUST

BALANCE SHEET

AS AT 29 FEBRUARY 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Investments	10	2,812,724.21		2,602,616.22	
Current assets					
Debtors	11	-	4,750.93		
Cash at bank and in hand		123,861.81	514,016.61		
		123,861.81	518,767.54		
Creditors: amounts falling due within one year	12	(5,803.46)	(104,841.87)		
Net current assets		118,058.35		413,925.67	
Total assets less current liabilities		2,930,782.56		3,016,541.89	
Capital funds					
Endowment funds - general		2,930,782.56		3,016,541.89	
Income funds					
Unrestricted funds		-	-		
		2,930,782.56		3,016,541.89	

The accounts were approved by the Trustees on 16/12/2024



 Maxwell Brendan Jack
 Trustee

THE E AND N WATSON CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 29 FEBRUARY 2024

1 Accounting policies

1.1 Accounting convention

The accounts have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The accounts have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Endowment funds are held on a long term basis. The income from funds is available to be spent for unrestricted purposes. The capital of spendable endowment funds may be spent at the discretion of the Trustees.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.5 Resources expended

Expenditure is accounted for on an accruals basis

(i) Charitable activities

Grants payable are recognised as expenditure when a commitment has been made and there are no conditions to be met relating to the grant which remain in the control of the charity. Charitable activities include all expenditure associated with grant making and include governance costs.

(ii) Support costs

Support costs consist entirely of the governance costs which comprise of the independent examination, legal advice and compliance with statutory requirements.

(iii) Cost of raising funds

This expenditure is in respect of investment advisory fees charged during the year by the charity's investment advisors,

THE E AND N WATSON CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2024

1 Accounting policies

(Continued)

1.6 Fixed asset investments

Investments are included in the accounts at market value at the end of the accounting period. Realised and unrealised gains and losses are credited or debited to the statement of financial activities in the year in which they arise.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

2 Donations and legacies

	Unrestricted funds £	Endowment funds general £	Total 2024 £	Total 2023 £
Donations and gifts				
Investments and investment cash	-			2,056,646.82
Cash	1,672.32	113,622.55	115,294.87	653,372.24
Miscellaneous receipt	-	-	-	50.00
	1,672.32	113,622.55	115,294.87	2,710,269.06
For the year ended 28 February 2023	28,918.01	2,681,351.05		2,710,269.06

3 Investments

	2024 £	2023 £
Income from listed investments	65,466.78	52,625.13
Interest receivable	1,045.77	1,367.30
Accrued income	-	1,745.45
	66,512.55	55,737.88

4 Raising funds

	2024 £	2023 £
<u>Investment management</u>	19,996.91	20,042.13
	19,996.91	20,042.13

THE E AND N WATSON CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2024

5 Charitable activities

	2024 £	2023 £
Grant funding of activities (see note 6)	400,000.00	747,000.00
Share of governance costs (see note 7)	7,793.88	6,114.00
	<u>407,793.88</u>	<u>753,114.00</u>

6 Grants payable

	2024 £	2023 £
Grants to institutions (4 grants):		
Medical / Health	100,000.00	200,000.00
Community	-	100,000.00
Overseas / Humanitarian	100,000.00	150,000.00
Veterans	200,000.00	297,000.00
	<u>400,000.00</u>	<u>747,000.00</u>

7 Support costs

	Governance costs £	2024 £	2023 £
Legal fees	6,053.88	6,053.88	4,416.00
Fletcher & Partners	1,740.00	1,740.00	1,698.00
	<u>7,793.88</u>	<u>7,793.88</u>	<u>6,114.00</u>
Analysed between Charitable activities	<u>7,793.88</u>	<u>7,793.88</u>	<u>6,114.00</u>

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

THE E AND N WATSON CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2024

9 Net gains/(losses) on investments

	2024	2023
	£	£
Revaluation of investments	187,177.90	140,295.16
Gain/(loss) on sale of investments	(26,953.86)	49,111.23
	<u>160,224.04</u>	<u>189,406.39</u>

10 Fixed asset investments

Movement in fixed asset listed investments

	2024	2023
	£	£
Market Value as at 1 March 2023	2,602,616.22	823,836.51
Donated investments and investment cash	-	2,056,646.82
Acquisitions in year	869,077.17	830,105.53
Disposals in year at carrying value	(869,203.75)	(1,252,556.08)
Unrealised gain/(loss) on revaluation	187,177.90	140,295.16
Increase/decrease in investment cash	23,056.67	4,288.28
As at 29 February 2024	<u>2,812,724.21</u>	<u>2,602,616.22</u>
Historic cost as at 29 February 2024	<u>2,394,582.64</u>	<u>2,354,476.35</u>
Listed investments	2,762,901.98	2,575,850.66
Cash deposits	49,822.23	26,765.56
	<u>2,812,724.21</u>	<u>2,602,616.22</u>

11 Debtors

	2024	2023
	£	£
Amounts falling due within one year:		
Other debtors	-	4,750.93
	<u>-</u>	<u>4,750.93</u>

12 Creditors: amounts falling due within one year

	2024	2023
	£	£
Other creditors	5,803.46	104,841.87
	<u>5,803.46</u>	<u>104,841.87</u>

THE E AND N WATSON CHARITABLE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2024

13 Prior year statement of financial activities

	Unrestricted funds	Expendable Endowment funds	Total 2023
	£	£	£
Income from:			
Donations and legacies	28,918.01	2,681,351.05	2,710,269.06
Investments	55,737.88	-	55,737.88
	84,655.89	2,681,351.05	2,766,006.94
Expenditure:			
Raising Funds	-	20,042.13	20,042.13
Charitable activities	(753,114.00)	-	753,114.00
Total resources expended	753,114.00	20,042.13	773,156.13
Transfer from Expendable endowment	668,458.11	(668,458.11)	-
Net gains/(losses) on investments	-	189,406.39	189,406.39
Net movement in funds	-	2,182,257.20	2,182,257.20
Fund balances at 1 March 2022	-	834,284.69	834,284.69
Fund balances at 28 February 2023	-	3,016,541.89	3,016,541.89