

**THE WATSON FAMILY CHARITABLE TRUST**

**UNAUDITED**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2024**

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## THE WATSON FAMILY CHARITABLE TRUST

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## THE WATSON FAMILY CHARITABLE TRUST

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### REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE INCORPORATED ORGANISATION, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2024

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<b>Trustees</b>	Mr Ian Watson Mrs Claire Watson Mr Hugh Welch Mr Mark Watson Mr Craig Watson Mr Max Watson
<b>Charity registered number</b>	1159965
<b>Principal office</b>	3 Keel Row The Watermark Gateshead NE11 9SZ
<b>Accountants</b>	Ryecroft Glenton Chartered Accountants 32 Portland Terrace Jesmond Newcastle upon Tyne NE2 1QP
<b>Bankers</b>	Handelsbanken Second Floor, Earl Grey House 75-85 Grey Street Newcastle upon Tyne NE1 6EF
<b>Solicitors</b>	Muckle LLP Time Central 32 Gallowgate Newcastle upon Tyne NE1 4BF
<b>Investment managers</b>	UBS Wealth Management 3 Finsbury Avenue London EC2M 2AN

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## THE WATSON FAMILY CHARITABLE TRUST

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2024

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The Trustees present their annual report together with the financial statements of the charitable incorporated organisation for the year 1 April 2023 to 31 March 2024.

#### **Objectives and activities**

##### **• Policies and objectives**

The objectives of the charitable incorporated organisation ("CIO") are derived from the objects within its constitution. These are for the public benefit in the United Kingdom and elsewhere for such charities or such charitable purposes under the laws of England and Wales in each case as the Trustees may from time to time determine, including by providing grants, loans or other financial support.

The CIO achieves its objectives through making grants and donations to organisations and individuals for charitable purposes.

##### **• Strategies for achieving objectives**

The CIO is not restricted to making payments out of income generated alone, and may make grants from its investment capital also. It is the current intention of the Trustees not to restrict themselves to making grants only out of income.

##### **• Grant-making policies**

The CIO is not restricted on activities or geographical areas. The CIO is willing to receive external applications and may also make one-off grants to undertakings within its charitable objects. Applications should be made to the CIO's registered office. All applications that support the public benefit and in accordance with the CIO's stated object in the UK and abroad will be considered.

##### **• Main activities undertaken to further the charity's purposes for the public benefit**

The CIO provides assistance by way of grants to a variety of individuals and organisations working both locally in the north east of England and overseas with a particular emphasis on supporting young people and helping them overcome disadvantage.

#### **Achievements and performance**

##### **• Key performance indicators**

The Trustees have regard only to financial performance of the CIO's investments including investment fluctuations. They note that the performance of investments for the year has increased with gains of £17,533.

The Charity's investment portfolio is managed by UBS on a full discretionary basis.

Against this, with investment income of £10,577, investment management fees of £1,272, grants paid or committed of £305,462 and governance and other costs of £4,519, the CIO incurred a deficit in the year of £311,253 before the investment gain, resulting in an overall reduction in funds of £283,143. This is detailed in the statement of financial activities and accompanying notes.

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## THE WATSON FAMILY CHARITABLE TRUST

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

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#### Achievements and performance (continued)

- **Review of activities**

The CIO was established in 2015 with a donation of £1 million from Mr Ian Watson, a Trustee. The Board met two times during the period but also corresponded by email and spoke regularly to agree the payment of grants that are the subject of these financial statements. The grants were made to benefit local communities and for humanitarian purposes overseas. These totalled £305,462, and are detailed in note 5 to these financial statements.

- **Investment policy and performance**

The investment objective of the fund is to generate income and capital growth through active management of a diversified portfolio, with a moderate level of risk. Funds held on bank deposit provide absolute liquidity which is very low risk.

#### Financial review

- **Going concern**

The CIO has cash and investment resources and no requirement for external funding. Almost all the CIO's expenditure is discretionary and only incurred if the CIO has sufficient resources to do so. Therefore, the Trustees have a reasonable expectation that the CIO has adequate resources to continue in operational existence for the foreseeable future.

- **Reserves policy**

The Trustees do not currently intend to adopt a reserves policy as they may decide to expend capital in the short and medium term as they see fit. The CIO does not set itself grant targets as it does not wish to restrict itself in any way to make grants as the Trustees see fit in future periods. Unrestricted reserves at the year end amount to £225,751.

- **Principal risks and uncertainties**

The CIO is open to risks from poor investment performance and ineffective grant-making policies.

Poor investment performance is mitigated by retaining expert investment advisors who maintain a diversified investment portfolio, and who have full discretion to invest to maximise investment return.

Ineffective grant-making policies are mitigated by appointing experienced Trustees to the board who undertake proper due diligence in assessing applications.

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## THE WATSON FAMILY CHARITABLE TRUST

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### TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

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#### Structure, governance and management

##### • Methods of appointment or election of Trustees

The management of the CIO is the responsibility of the Trustees who are elected and co-opted under the terms of the Constitution. There must be at least three Trustees and there is no maximum number of Trustees. With the exception of the first Trustees of the CIO (Mr Ian Watson, Mrs Claire Watson and Mr Mark Watson), Trustees are appointed for a three year term and may serve for three consecutive terms.

Trustees will be appointed by the current Board as the need arises, having regard to the skills, knowledge and experience needed for effective administration of the CIO.

#### Plans for future periods

The Trustees are committed to the continued operation of the CIO. Ian Watson, who made the initial £1m donation to the CIO in 2015, intends to provide further donations to the CIO in future periods, to maintain the CIO's activities.

#### Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable incorporated organisation and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements and;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable incorporated organisation will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable incorporated organisation's transactions and disclose with reasonable accuracy at any time the financial position of the charitable incorporated organisation and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charitable incorporated organisation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on their behalf by:

**Mr Ian Watson**  
Chairman  
Date: 30 January 2025

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## THE WATSON FAMILY CHARITABLE TRUST

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### INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 MARCH 2024

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#### Independent Examiner's Report to the Trustees of The Watson Family Charitable Trust ('the charitable incorporated organisation')

I report to the charity Trustees on my examination of the accounts of the charitable incorporated organisation for the year ended 31 March 2024.

#### Responsibilities and Basis of Report

As the Trustees of the charitable incorporated organisation you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the charitable incorporated organisation's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### Independent Examiner's Statement

Your attention is drawn to the fact that the charitable incorporated organisation has prepared the accounts in accordance with 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) 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 been withdrawn.

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

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charitable incorporated organisation as required by section 130 of the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

This report is made solely to the charitable incorporated organisation's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the charitable incorporated organisation's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charitable incorporated organisation and the charitable incorporated organisation's Trustees as a body, for my work or for this report.

Deborah Graham FCA  
**Ryecroft Glenton**  
Chartered Accountants  
32 Portland Terrace  
Jesmond  
Newcastle upon Tyne, NE2 1QP

30 January 2025

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THE WATSON FAMILY CHARITABLE TRUST

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STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2024

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	Note	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
<b>Income from:</b>				
Donations and legacies	2	-	-	7
Investments	3	10,577	10,577	8,882
<b>Total income</b>		<b>10,577</b>	<b>10,577</b>	<b>8,889</b>
<b>Expenditure on:</b>				
Investment management	4	1,272	1,272	1,471
Charitable activities:	5			
Grants paid / committed in the year		305,462	305,462	15,399
Governance costs		2,760	2,760	2,640
Other		1,559	1,559	78
Bank charges		200	200	-
<b>Total expenditure</b>		<b>311,253</b>	<b>311,253</b>	<b>19,588</b>
<b>Net expenditure before net gains/(losses) on investments</b>		<b>(300,676)</b>	<b>(300,676)</b>	<b>(10,699)</b>
Net gains/(losses) on investments		17,533	17,533	(28,441)
<b>Net movement in funds</b>		<b>(283,143)</b>	<b>(283,143)</b>	<b>(39,140)</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward		508,894	508,894	548,034
Net movement in funds		(283,143)	(283,143)	(39,140)
<b>Total funds carried forward</b>		<b>225,751</b>	<b>225,751</b>	<b>508,894</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 8 to 16 form part of these financial statements.



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**THE WATSON FAMILY CHARITABLE TRUST**

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**BALANCE SHEET  
AS AT 31 MARCH 2024**

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	Note	2024 £	2023 £
<b>Fixed assets</b>			
Investments	10	243,501	502,506
		<u>243,501</u>	<u>502,506</u>
<b>Current assets</b>			
Cash at bank and in hand		21,882	9,392
		<u>21,882</u>	<u>9,392</u>
Creditors: amounts falling due within one year	11	(39,632)	(3,004)
		<u>(17,750)</u>	<u>6,388</u>
<b>Net current liabilities / assets</b>			
		<u>225,751</u>	<u>508,894</u>
<b>Total assets less current liabilities</b>			
		<u>225,751</u>	<u>508,894</u>
<b>Total net assets</b>		<u>225,751</u>	<u>508,894</u>
<b>Charity funds</b>			
Unrestricted funds	12	225,751	508,894
		<u>225,751</u>	<u>508,894</u>
<b>Total funds</b>		<u>225,751</u>	<u>508,894</u>

The financial statements were approved and authorised for issue by the Trustees on 30 January 2025 and signed on their behalf by:

**Mr Ian Watson**  
Chairman

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024

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**1. Accounting policies**

**1.1 General Information**

The Charitable Incorporated Organisation (CIO) is registered with the Charity Commission for England and Wales, number 1159965.

The CIO is a grant-making charity.

**1.2 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and 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 Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Watson Family Charitable Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

**1.3 Going concern**

The CIO has cash and investment resources and no requirement for external funding. Almost all the CIO's expenditure is discretionary and only incurred if the CIO has sufficient resources to do so. Therefore, the Trustees have a reasonable expectation that the CIO has adequate resources to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accounting to be appropriate in preparing these financial statements.

**1.4 Income**

All income is recognised once the charitable incorporated organisation has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024

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**1. Accounting policies (continued)**

**1.5 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure on raising funds includes all expenditure incurred by the charitable incorporated organisation to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charitable incorporated organisation's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

**1.6 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charitable incorporated organisation; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**1.7 Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

**1.8 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charitable incorporated organisation and which have not been designated for other purposes.

Investment income, gains and losses are allocated to the appropriate fund.

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## THE WATSON FAMILY CHARITABLE TRUST

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

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#### 2. Income from donations and legacies

	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>
Donations	-	-
	<hr/>	<hr/>
	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Donations	7	7
	<hr/>	<hr/>

#### 3. Investment income

	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>
Income from local listed investments	9,717	<b>9,717</b>
Interest receivable	860	<b>860</b>
	<hr/>	<hr/>
<b>Total 2024</b>	<b>10,577</b>	<b>10,577</b>
	<hr/>	<hr/>
	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Income from local listed investments	8,704	8,704
Interest receivable	178	178
	<hr/>	<hr/>
<i>Total 2023</i>	<i>8,882</i>	<i>8,882</i>
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## THE WATSON FAMILY CHARITABLE TRUST

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

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#### 4. Investment management costs

	<b>Unrestricted funds 2024 £</b>	<b>Total funds 2024 £</b>
Investment management fees	<u>1,272</u>	<u>1,272</u>
	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Investment management fees	<u>1,471</u>	<u>1,471</u>

#### 5. Grants to institutions

	<b>Grants to Institutions 2024 £</b>	<b>Total funds 2024 £</b>
Grants, Direct costs	<u>305,462</u>	<u>305,462</u>
	<i>Grants to Institutions 2023 £</i>	<i>Total funds 2023 £</i>
Grants, Direct costs	<u>15,399</u>	<u>15,399</u>

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## THE WATSON FAMILY CHARITABLE TRUST

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

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#### 5. Grants to institutions (continued)

The charitable incorporated organisation has made or committed to the following grants to institutions during the year:

	2024 £	2023 £
<b>Name of institution</b>		
Little Sisters of St. Francis	99,054	-
Jessica's Sarcoma Awareness	-	219
Simonside Primary School	-	42
Gosforth Project	9,739	-
Recruitment Junction	17,000	-
Dry Eye Research	17,850	-
St George's Church Jesmond - for the community of Jesmond	7,687	7,350
Whickham School and Sports College	-	38
Jesmond Project	12,395	-
World Vision	101,737	-
Success 4 All	10,000	7,500
Percy Hedley Foundation	20,000	-
Clean Slate	10,000	-
Tyneside Rotary Club	-	250
	<b>305,462</b>	<b>15,399</b>

#### 6. Support costs

	Unrestricted funds 2024 £	Total funds 2024 £
Accountancy fees - governance	2,760	2,760
Sundry costs	1,559	1,559
Bank charges	200	200
<b>Total 2024</b>	<b>4,519</b>	<b>4,519</b>

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## THE WATSON FAMILY CHARITABLE TRUST

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

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	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Accountancy fees - governance	2,640	2,640
Sundry costs	78	78
<i>Total 2023</i>	<u>2,718</u>	<u>2,718</u>

#### 7. Analysis of charitable activities

	<b>Grant funding activities 2024 £</b>	<b>Support costs 2024 £</b>	<b>Total funds 2024 £</b>
Charitable activities	305,462	4,519	<b>309,981</b>
<b>Total 2024</b>	<u>305,462</u>	<u>4,519</u>	<u><b>309,981</b></u>

	<i>Grant funding activities 2023 £</i>	<i>Support costs 2023 £</i>	<i>Total funds 2023 £</i>
Charitable activities	15,399	2,718	18,117

#### 8. Independent examiner's remuneration

	<b>2024 £</b>	<b>2023 £</b>
Fees payable to the charitable incorporated organisation's independent examiner for the preparation and independent examination of the charitable incorporated organisation's annual accounts, inclusive of VAT	<u><b>2,760</b></u>	<u>2,640</u>

#### 9. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year, no Trustee expenses have been incurred (2023 - £NIL).

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**THE WATSON FAMILY CHARITABLE TRUST**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**

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**10. Fixed asset investments**

	Listed investments £	Cash held for re- investment £	Total £
<b>Cost or valuation</b>			
At 1 April 2023	491,713	10,793	502,506
Disposals	(263,401)	(9,717)	(273,118)
Revaluations	14,113	-	14,113
	<hr/>	<hr/>	<hr/>
At 31 March 2024	242,425	1,076	243,501
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
At 31 March 2024	242,425	1,076	243,501
	<hr/>	<hr/>	<hr/>
At 31 March 2023	491,713	10,793	502,506
	<hr/>	<hr/>	<hr/>

**11. Creditors: Amounts falling due within one year**

	2024 £	2023 £
Other creditors	36,627	-
Accruals and deferred income	3,005	3,004
	<hr/>	<hr/>
	39,632	3,004
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## THE WATSON FAMILY CHARITABLE TRUST

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

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#### 12. Statement of funds

##### Statement of funds - current year

	Balance at 1 April 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2024 £
<b>Unrestricted funds</b>					
General Funds	508,894	10,577	(311,253)	17,533	225,751

##### Statement of funds - prior year

	Balance at 1 April 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2023 £
<b>Unrestricted funds</b>					
General Funds	548,034	8,889	(19,588)	(28,441)	508,894

#### 13. Analysis of net assets between funds

##### Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Total funds 2024 £
Fixed asset investments	243,501	243,501
Current assets	21,882	21,882
Creditors due within one year	(39,632)	(39,632)
<b>Total</b>	225,751	225,751

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## THE WATSON FAMILY CHARITABLE TRUST

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

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#### 13. Analysis of net assets between funds (continued)

##### Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Fixed asset investments	502,506	502,506
Current assets	9,392	9,392
Creditors due within one year	(3,004)	(3,004)
<b>Total</b>	<b>508,894</b>	<b>508,894</b>

#### 14. Related party transactions

There are no transactions with related parties that require disclosure.