



Smales Goldie Group
CREATING ADVANTAGE

**Smales Goldie
Copy**

REGISTERED CHARITY NUMBER: 226675

Ann Watson's Trust

Financial Statements

31st December 2021



SD-0204055-1-6

Ann Watson's Trust

Contents of the Financial Statements

for the year ended 31st December 2021

	Page
Reference and Administrative Details	1 to 2
Report of the Trustees	3 to 5
Report of the Independent Auditors	6 to 9
Statement of Financial Activities	10
Balance Sheet	11
Cash Flow Statement	12
Notes to the Cash Flow Statement	13
Notes to the Financial Statements	14 to 23

Ann Watson's Trust

Reference and Administrative Details

for the year ended 31st December 2021

TRUSTEES	A A Dunn (resigned 4.2.2022) P Overvoorde (Co-opted Trustee) Miss P O'Brien (Co-opted Trustee) Archdeacon A C Broom (Nominated Trustee) Rev G Naylor (Ex-officio Trustee) J M V Redman (Chairman) S Pulko (Ex-officio Trustee) N J Penton (Associate trustee) (appointed 19.1.2021) Rev D Black (Ex-officio Trustee)
PRINCIPAL ADDRESS	Flat 4 The College College Street Sutton Hull East Yorkshire HU7 4UP
REGISTERED CHARITY NUMBER	226675
AUDITORS	Smailes Goldie Chartered Accountants Statutory Auditor Regent's Court Princess Street Hull East Yorkshire HU2 8BA
BANKERS	Barclays Bank PLC Hull Corporate Banking Centre Hull East Yorkshire HU1 1RN
SOLICITORS	Gosschalks Queens Gardens Hull HU1 3DZ Loxley Langford Mill Wotton-under-Edge GL12 8RL

Ann Watson's Trust

Reference and Administrative Details

for the year ended 31st December 2021

ADVISERS

Land and Property Agents:
Dee Atkinson & Harrison
The Exchange
Drifffield
East Yorkshire
YO25 7LJ

Stockbrokers:
Smith and Williamson Investment
Management
25 Moorgate
London
EC2R 6AY

Ann Watson's Trust

Report of the Trustees

for the year ended 31st December 2021

The trustees present their report with the financial statements of the charity for the year ended 31st December 2021. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects of the Charity are to provide accommodation and relief in need for poor women who are members of the Church of England, preference being given to such persons who are widows or unmarried daughters of clergymen of the Church of England and for the advancement of education in promoting the education of persons under the age of 25 who are residents of the East Riding of Yorkshire or who attend a school in that area and for providing any special benefits for schools in that area which will not have effect of relieving statutory expenditure.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The charity has continued throughout the year to apply its income to support and promote its objectives in providing education and grants to individuals, schools and similar organisations. The charity has continued to improve its residential care facility in Sutton having incurred further expenditure on refurbishment of living accommodation.

FINANCIAL REVIEW

Financial position

The charity has net incoming resources of £1,128,725 (2020 net outgoing resources £132,631) including realised gains on investments of £13,192 (2020 losses £66,264), and unrealised gains on investments of £983,893 (2020 losses £277,975).

The trustees have considered The Charity Commission's guidance on public benefit and are of the opinion that this is fulfilled by the charity's continued educational and care facilities.

Investment policy and objectives

The portfolio of investments is managed by Smith and Williamson Investment Management who report to the trustees on a quarterly basis.

The farm investment properties are managed by Land Agents Dee Atkinson & Harrison who report to the trustees on a periodic and quarterly basis. The trustees inspect these properties on an annual basis.

The residential investment properties are split into two separate portfolios, these being the Holderness based properties and the urban properties. The Holderness based properties are managed by Dee Atkinson & Harrison and the urban properties are managed by Haller Evans. The trustees receive period reports from the Land agents for the residential properties.

Reserves policy

The charity has free reserves defined as unrestricted funds of £22,844,205 and designated funds of £738,066 at 31st December 2021.

The designated fund is the Extraordinary Repair Fund, the purpose of which is to ensure funds are separately available for improvement, maintenance and refurbishment of the properties owned by the charity.

It is the charity's policy to retain sufficient funds to continue the long-term objectives as set out in this report. This requires sufficient reserves to be retained, in the form of investments, to produce a guaranteed income to maintain its assets and continue with its charitable activities for the foreseeable future.

The trustees consider the funds are adequate for the purposes of the charity for the foreseeable future.

Ann Watson's Trust

Report of the Trustees

for the year ended 31st December 2021

FUTURE PLANS

The charity was impacted by the COVID-19 pandemic and the control measures that were in place throughout most of 2020. However, in 2021 recovery has been made.

The charity's investment portfolio has increased in value and its income from the portfolio also increased in line with markets world wide recovering post pandemic. The charity has built up significant unrestricted reserves to be able to maintain its funding to the charities and deserving causes it supports, particularly at a time when that support is most needed. The charity intends to increase its grant giving volume to ensure funds are being used for the objective of the charity.

The charity also plans to invest further in property and so is building cash reserves to enable this.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Ann Watson's Trust was created by the Will of Mrs. Ann Watson dated 27th October 1720 and is subject to the regulation under a scheme approved on 31st August 1979 and as altered on 10th January 1984, 1st May 2001 and 20th February 2004 by the Charity Commissioners.

Recruitment and appointment of new trustees

The Nominated Trustees are appointed as representatives of the Archbishop of York and the Bishop of Hull.

The Ex-officio Trustees are appointed in their capacity as vicars of Hedon, Hull Minster and of Sutton and Wawne.

The Co-opted Trustees are appointed by personal introduction of existing trustees based on their skills and potential contribution towards the objectives of the charity.

Associate Trustees are appointed at a meeting of the Board of Trustees after consideration of the specific skills required to effectively deliver the objectives of the Trust.

The Chair of the Trustees is responsible for the induction of any new trustee which includes awareness of a trustee's responsibility, the governing document and the history and philosophy of the Trust. A new Trustee receives copies of the relevant documentation, along with the previous year's accounts, annual report and the governing document.

Organisational structure

The trustees meet on a quarterly basis to discuss future strategy and review the activities of the charity, consider matters arising and authorise grants and other expenditure. The Chairman of the Trustees is responsible for the day-to-day operation of the charity.

The residential facilities provided at The College are inspected by a rota of trustees on a regular basis. A salaried clerk/secretary assists the Chairman of the Trustees carrying out these duties, particularly those associated with The College premises.

Risk management

The trustees have reviewed the major risks to which the charity is exposed and appropriate systems have been established to mitigate those risks. Operational risks are minimised by the employment of suitable professional advisers. The charity also has insurance policies in place which further mitigates risk to the charity. A strategic risk management review and a full review of all the Trust's property insurances was undertaken in the year.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

Ann Watson's Trust

Report of the Trustees

for the year ended 31st December 2021

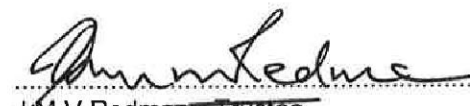
STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 12 April 2022 and signed on its behalf by:


J M V Redman - Trustee

Report of the Independent Auditors to the Trustees of Ann Watson's Trust

Opinion

We have audited the financial statements of Ann Watson's Trust (the 'charity') for the year ended 31st December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st December 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 trustees' 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 charity'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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 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.

Report of the Independent Auditors to the Trustees of Ann Watson's Trust

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees 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 trustees are responsible for assessing the charity'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 trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Report of the Independent Auditors to the Trustees of Ann Watson's Trust

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was focused on specific laws and regulations which we considered may have a direct material effect on the charity only and consolidated financial statements or the operations of the charity, including the Companies Act 2006, the Charities Act 2011, data protection, anti-bribery, employment, fundraising regulations, health and safety legislation, health and social care regulations and childcare regulations. An understanding of these laws and regulations and the extent of compliance was obtained through discussion with management and inspecting legal and regulatory correspondence.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we performed analytical procedures to identify any unusual or unexpected relationships; tested journal entries to identify unusual transactions; assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to agreeing charity financial statement disclosures to underlying supporting documentation; reading the trustee meeting minutes; enquiring of management as to actual and potential litigation and claims; and reviewing correspondence with HMRC, relevant regulators and the charity's legal advisors.

Due to the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Report of the Independent Auditors to the Trustees of Ann Watson's Trust

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Smailes Goldie
Chartered Accountants
Statutory Auditor
Regent's Court
Princess Street
Hull
East Yorkshire
HU2 8BA

Date: 12 April 2022

Ann Watson's Trust

Statement of Financial Activities

for the year ended 31st December 2021

	Notes	Unrestricted fund £	Designated fund £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Investment income	2	464,282	21,638	485,920	492,524
EXPENDITURE ON					
Raising funds	3	125,475	-	125,475	101,950
Charitable activities	4				
Provision of accommodation		57,167	-	57,167	47,293
Advancement of education		127,795	-	127,795	92,770
Management and administration of the Charity		43,843	-	43,843	38,903
Total		354,280	-	354,280	280,916
Net gains/(losses) on investments		932,144	64,941	997,085	(344,239)
NET INCOME/(EXPENDITURE)		1,042,146	86,579	1,128,725	(132,631)
RECONCILIATION OF FUNDS					
Total funds brought forward		21,802,059	651,487	22,453,546	22,586,177
TOTAL FUNDS CARRIED FORWARD		22,844,205	738,066	23,582,271	22,453,546

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

Ann Watson's Trust

Balance Sheet

31st December 2021

	Notes	Unrestricted fund £	Designated fund £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	11	25,395	-	25,395	1,263
Investments					
Investments	12	8,200,419	738,066	8,938,485	8,210,606
Investment property	13	13,377,075	-	13,377,075	13,377,075
		21,602,889	738,066	22,340,955	21,588,944
CURRENT ASSETS					
Debtors	14	16,278	-	16,278	41,452
Cash at bank and in hand		1,287,229	-	1,287,229	872,599
		1,303,507	-	1,303,507	914,051
CREDITORS					
Amounts falling due within one year	15	(62,191)	-	(62,191)	(49,449)
NET CURRENT ASSETS		1,241,316	-	1,241,316	864,602
TOTAL ASSETS LESS CURRENT LIABILITIES		22,844,205	738,066	23,582,271	22,453,546
NET ASSETS		22,844,205	738,066	23,582,271	22,453,546
FUNDS	16				
Unrestricted funds				23,582,271	22,453,546
TOTAL FUNDS				23,582,271	22,453,546

The financial statements were approved by the Board of Trustees and authorised for issue on 12th April 2022 and were signed on its behalf by:


M V Redman - Trustee

Ann Watson's Trust

Cash Flow Statement

for the year ended 31st December 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(75,537)</u>	<u>(18,493)</u>
Net cash used in operating activities		<u>(75,537)</u>	<u>(18,493)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(25,472)	(1,894)
Purchase of fixed asset investments		(190,018)	(563,514)
Sale of fixed asset investments		459,224	333,890
Interest received		3,317	1,251
Dividends received		<u>243,116</u>	<u>241,348</u>
Net cash provided by investing activities		<u>490,167</u>	<u>11,081</u>
Change in cash and cash equivalents in the reporting period		414,630	(7,412)
Cash and cash equivalents at the beginning of the reporting period		<u>872,599</u>	<u>880,011</u>
Cash and cash equivalents at the end of the reporting period		<u><u>1,287,229</u></u>	<u><u>872,599</u></u>

The notes form part of these financial statements

Ann Watson's Trust

Notes to the Cash Flow Statement

for the year ended 31st December 2021

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	1,128,725	(132,631)
Adjustments for:		
Depreciation charges	1,339	632
(Gain)/losses on investments	(997,085)	344,239
Interest received	(3,317)	(1,251)
Dividends received	(243,116)	(241,348)
Decrease/(increase) in debtors	25,174	(9,264)
Increase in creditors	12,743	21,130
Net cash used in operations	<u>(75,537)</u>	<u>(18,493)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.21 £	Cash flow £	At 31.12.21 £
Net cash			
Cash at bank and in hand	<u>872,599</u>	<u>414,630</u>	<u>1,287,229</u>
	<u>872,599</u>	<u>414,630</u>	<u>1,287,229</u>
Total	<u>872,599</u>	<u>414,630</u>	<u>1,287,229</u>

Ann Watson's Trust

Notes to the Financial Statements

for the year ended 31st December 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, 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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Charitable activities

Grants of an expenditure nature which are made to satisfy the objectives of the charity for the advancement of education of persons under the age of 25 who are residents of the East Riding of Yorkshire or who attend a school in that area and for providing any special benefit for schools in that area are charged to the statement of financial activities in the period in which they become payable.

Allocation and apportionment of costs

Where costs cannot be directly attributed to a particular heading they have been allocated to activities on a basis consistent with the use of the resource.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- Straight line over 10 years
Computer equipment	- 33% on cost

Investment property

Freehold farm properties and other freehold investment properties are included at market valuation. No depreciation is considered necessary on these properties.

No valuation has been included for the freehold property at Sutton College, College Street, Sutton which is used for charitable purposes.

Taxation

Ann Watson's Trust is a U.K. registered charity, number 226675. All the Charity's income is applied to its charitable objectives and the Charity is, therefore, exempt under current legislation from most forms of taxation.

Ann Watson's Trust

Notes to the Financial Statements - continued

for the year ended 31st December 2021

1. ACCOUNTING POLICIES - continued

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. The charity's general funds consist of funds which the charity may use for its purposes at its discretion.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

The Extraordinary Repair Fund is designated for the specific purpose of property improvements. The fund's assets are invested in NAACIF accumulation shares. Until 31st December 1993 an annual contribution of £4,000 was transferred from income account and is invested in the above mentioned shares. Due to the value accumulated in the fund the trustees have deemed that since that date no further transfers were necessary.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charity contributes into the private pension scheme of its employee. Contributions payable to the pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Listed investments

Listed investments are included in the accounts at market value. The variations between the valuation of investments at the balance sheet date and their purchase price if acquired during the year and the market value at the previous balance sheet date for investments held throughout the year are shown as unrealised gains or losses in the statement of financial activities.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

2. INVESTMENT INCOME

	2021	2020
	£	£
Residential property rents received	50,205	49,532
Farm property rents received	189,282	200,393
Dividends received	243,116	241,348
Deposit account interest	3,317	1,251
	<u>485,920</u>	<u>492,524</u>

Ann Watson's Trust

Notes to the Financial Statements - continued for the year ended 31st December 2021

3. RAISING FUNDS

Investment management costs

	2021 £	2020 £
Investment portfolio management	28,594	25,735
Property management and rent collection	16,421	21,216
Property repairs	24,582	17,208
Property insurance	7,404	15,392
Legal and professional fees	48,474	22,399
	<u>125,475</u>	<u>101,950</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 5) £	Grant funding of activities (see note 6) £	Support costs (see note 7) £	Totals £
Provision of accommodation	57,167	-	-	57,167
Advancement of education	-	127,795	-	127,795
Management and administration of the Charity	-	-	43,843	43,843
	<u>57,167</u>	<u>127,795</u>	<u>43,843</u>	<u>228,805</u>

5. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2021 £	2020 £
Rates and water	4,532	2,563
Insurance	3,395	7,167
Light and heat	9,437	8,516
Telephone	1,166	935
Lifeline	1,737	2,050
Maintenance and repairs	32,014	21,137
Garden maintenance	4,886	4,925
	<u>57,167</u>	<u>47,293</u>

Ann Watson's Trust

Notes to the Financial Statements - continued

for the year ended 31st December 2021

6. GRANTS PAYABLE

	2021 £	2020 £
Advancement of education	127,795	92,770
	<u>127,795</u>	<u>92,770</u>

The total grants paid to institutions during the year was as follows:

	2021 £	2020 £
Holy Trinity Education Officer	1,000	4,000
Holy Trinity Children and Families Worker	3,000	3,000
Holy Trinity Music Support	18,000	4,000
Holy Trinity Youth Worker	8,000	8,000
Dyslexia Institute	21,255	17,442
St James C.E. Primary School	2,290	-
Other Institutions	1,400	5,983
St Columba Church	2,500	5,000
HETA	39,375	20,000
Rotary club of Humberside	1,750	-
St James Church	-	6,500
Hull Women's Aid	1,000	-
Market Weighton Youth Action Group	1,000	-
Sutton and Wawne Museum	2,680	-
Read for Good	2,000	-
	<u>105,250</u>	<u>73,925</u>

The total grants paid to individuals during the year was as follows:

	2021 £	2020 £
Education Grants	<u>22,545</u>	<u>18,845</u>

Ann Watson's Trust

Notes to the Financial Statements - continued for the year ended 31st December 2021

7. SUPPORT COSTS

	Finance £	Governance costs £	Totals £
Management and administration of the Charity	<u>1,082</u>	<u>42,761</u>	<u>43,843</u>

Support costs, included in the above, are as follows:

	2021 Management and administration of the Charity £	2020 Total activities £
Bank charges	1,082	496
Wages	9,840	10,230
Pensions	1,830	1,830
Auditors' remuneration	6,610	6,415
Auditors' remuneration for non audit work	7,015	6,020
Postage and stationery	3,442	2,745
Sundries	11,783	9,681
Indemnity Insurance	902	854
Depreciation of tangible fixed assets	<u>1,339</u>	<u>632</u>
	<u>43,843</u>	<u>38,903</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st December 2021 nor for the year ended 31st December 2020.

Trustees' expenses

There were trustees' expenses paid for the year ended 31st December 2021 of £16 to one trustee for reimbursement of refreshments, none were paid for the year ended 31st December 2020.

9. STAFF COSTS

	2021 £	2020 £
Wages and salaries	9,840	10,230
Other pension costs	<u>1,830</u>	<u>1,830</u>
	<u>11,670</u>	<u>12,060</u>

The average monthly number of employees during the year was as follows:

	2021	2020
Administration and support	<u>1</u>	<u>1</u>

No employees received emoluments in excess of £60,000.

Ann Watson's Trust

Notes to the Financial Statements - continued

for the year ended 31st December 2021

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Designated fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Investment income	466,119	26,405	492,524
EXPENDITURE ON			
Raising funds	101,950	-	101,950
Charitable activities			
Provision of accommodation	47,293	-	47,293
Advancement of education	92,770	-	92,770
Management and administration of the Charity	38,903	-	38,903
Total	280,916	-	280,916
Net gains/(losses) on investments	(296,233)	(48,006)	(344,239)
NET INCOME/(EXPENDITURE)	(111,030)	(21,601)	(132,631)
RECONCILIATION OF FUNDS			
Total funds brought forward	21,913,089	673,088	22,586,177
TOTAL FUNDS CARRIED FORWARD	21,802,059	651,487	22,453,546

11. TANGIBLE FIXED ASSETS

	Plant and machinery £	Computer equipment £	Totals £
COST			
At 1st January 2021	-	1,895	1,895
Additions	25,472	-	25,472
At 31st December 2021	25,472	1,895	27,367
DEPRECIATION			
At 1st January 2021	-	632	632
Charge for year	708	632	1,340
At 31st December 2021	708	1,264	1,972
NET BOOK VALUE			
At 31st December 2021	24,764	631	25,395
At 31st December 2020	-	1,263	1,263

Ann Watson's Trust

Notes to the Financial Statements - continued for the year ended 31st December 2021

11. TANGIBLE FIXED ASSETS - continued

Freehold land and buildings, being The College, 14 College Street, Hull, owned by the Charity and used for charitable purposes have not been professionally valued and are included in the accounts at £nil value.

12. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1st January 2021	8,210,606
Additions	190,018
Disposals	(446,032)
Increase in market value	<u>983,893</u>
At 31st December 2021	<u>8,938,485</u>
NET BOOK VALUE	
At 31st December 2021	<u>8,938,485</u>
At 31st December 2020	<u>8,210,606</u>

	2021 £	2020 £
Analysis of investments:		
UK Government Stocks	207,174	199,032
UK Equities and Unit Trusts	8,493,684	7,661,821
International Bonds	<u>237,627</u>	<u>349,753</u>
	<u>8,938,485</u>	<u>8,210,606</u>

	2021 £	2020 £
Investments exceeding 5% of market value of portfolio:		
NAACIF 21,711 accumulation shares	2,273,218	2,008,608

Cost or valuation at 31st December 2021 is represented by:

	Listed investment £
Valuation in 2021	<u>8,938,485</u>

Ann Watson's Trust

Notes to the Financial Statements - continued for the year ended 31st December 2021

13. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1st January 2021	
and 31st December 2021	<u>13,377,075</u>
NET BOOK VALUE	
At 31st December 2021	<u>13,377,075</u>
At 31st December 2020	<u>13,377,075</u>

Farm properties were valued on an open market value basis subject to existing tenancies as at 31st December 2017 by Dee Atkinson and Harrison, Chartered Surveyors.

Other freehold properties were valued on an open market value basis at 31st December 2017 by Haller Evans Chartered Surveyors.

The trustees confirm that to the best of their knowledge and having taken appropriate professional advice that the valuations above are consistent with the fair value of the properties at 31st December 2021.

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Rental debtors	10,402	10,322
Prepayments and accrued income	<u>5,876</u>	<u>31,130</u>
	<u>16,278</u>	<u>41,452</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	38,427	1,657
VAT	5,145	9,964
Accrued expenses	<u>18,619</u>	<u>37,828</u>
	<u>62,191</u>	<u>49,449</u>

16. MOVEMENT IN FUNDS

	At 1.1.21	Net movement in funds	At 31.12.21
	£	£	£
Unrestricted funds			
Unrestricted Fund	21,802,059	1,042,146	22,844,205
Designated fund	<u>651,487</u>	<u>86,579</u>	<u>738,066</u>
	<u>22,453,546</u>	<u>1,128,725</u>	<u>23,582,271</u>
TOTAL FUNDS	<u>22,453,546</u>	<u>1,128,725</u>	<u>23,582,271</u>

Ann Watson's Trust

Notes to the Financial Statements - continued for the year ended 31st December 2021

16. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Unrestricted Fund	464,282	(354,280)	932,144	1,042,146
Designated fund	21,638	-	64,941	86,579
	<u>485,920</u>	<u>(354,280)</u>	<u>997,085</u>	<u>1,128,725</u>
TOTAL FUNDS	<u>485,920</u>	<u>(354,280)</u>	<u>997,085</u>	<u>1,128,725</u>

Comparatives for movement in funds

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
Unrestricted funds			
Unrestricted Fund	21,913,089	(111,030)	21,802,059
Designated fund	673,088	(21,601)	651,487
	<u>22,586,177</u>	<u>(132,631)</u>	<u>22,453,546</u>
TOTAL FUNDS	<u>22,586,177</u>	<u>(132,631)</u>	<u>22,453,546</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
Unrestricted Fund	466,119	(280,916)	(296,233)	(111,030)
Designated fund	26,405	-	(48,006)	(21,601)
	<u>492,524</u>	<u>(280,916)</u>	<u>(344,239)</u>	<u>(132,631)</u>
TOTAL FUNDS	<u>492,524</u>	<u>(280,916)</u>	<u>(344,239)</u>	<u>(132,631)</u>

Unrestricted Fund

The charity's general funds consist of funds which the charity may use for its charitable purposes at its discretion.

Designated Fund

The designated extraordinary repair fund is designated for the specific purpose of property improvements. The fund's assets are invested in NAACIF accumulation shares. Until 31st December 1993 an annual contribution of £4,000 was transferred from income account and is invested in the above mentioned shares. Due to the value accumulated in the fund the trustees have deemed that since that date no further transfers were necessary.

Ann Watson's Trust

Notes to the Financial Statements - continued *for the year ended 31st December 2021*

17. RELATED PARTY DISCLOSURES

A related party transaction occurred between the charity and the daughter, Olivia Overoorde, of a trustee, Peter Overoorde, for services in relation to website design. The cost incurred by the charity in the financial year was £1,092 (2020: £1,217) which was settled in full in the year. Three quotes were obtained for the provision of these services and a decision was made based on value for money and the applicant's knowledge of the charity.