

THE WATT MEMORIAL TRUST

REPORT and ACCOUNTS

For the year ended 5 April 2023

THE WATT MEMORIAL TRUST

LEGAL and ADMINISTRATIVE INFORMATION

For the year ended 5 April 2023

Trustees

Dr J R Watt
E C Watt
H Harrison
B Welsh
J R Meadows
R T Wightman
R Mac Vicar
R Hughes
Mrs A E Bennett WS: Honorary Secretary
D F Buckley: Honorary Treasurer

The trustees are the key management personnel.

Principal Address

The Watt Memorial Trust
42 Henderson Row
Edinburgh
EH3 5BL

Charity Number

SC016856

Bankers

Bank of Scotland
Edinburgh George Street Branch
PO Box 1000
BX2 1LB

Independent Examiners

Jeremy Chittleburgh CA
2 Braid Hills Avenue
Edinburgh EH10 6LQ

Stockbrokers

M & G Charities
PO Box 9038
Chelmsford
CM99 2XF

THE WATT MEMORIAL TRUST

TRUSTEES' ANNUAL REPORT and ACCOUNTS

For the year ended 5 April 2023

The trustees present their annual report and accounts of the charity for the year ended 5 April 2023. The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for smaller entities (second edition October 2019).

Governing Document

The Trust is governed by the Trust Deed which includes a description of how the Trustees are recruited and appointed. Two of the Trustees must be the Rector of The Edinburgh Academy and the Head of Fettes College. The Trustees must include a Member of The Society of Writers to Her Majesty's Signet.

Objectives, activities and achievements

The aim of the Trust is to give monetary support, by means of grants, to deserving past and present pupils of Fettes College and The Edinburgh Academy wishing to further their education and training, often by showing enterprise and initiative.

Grants

During the year the Trustees awarded 9 grants amounting in total to £7,950 compared to 6 grants amounting to £5,500 in 2022.

Reserves policy

General Fund

General Reserves held at 5 April 2023 amounted to £111,377.66 (2022: £119,840.00). This is used for the day to day operation of the Trust, for grants and awards. The uncertain financial climate, with low investment returns, has led the Trustees to conclude that it is prudent to hold a General Fund from which income can be drawn to maintain and extend its charitable activities. The General Fund is deemed an expendable reserve to be used in pursuit of the Trust's objectives, and it is managed to provide income to be used to ensure the availability of resources for its grant schemes and other continuing charitable activities in future years. In order for the Trust's activities to continue indefinitely at present levels, the Trustees have concluded that the Trust should aim for an annual income from investments of about £5,500.

Investment policy

Decisions about investments are made by the Trustees. They are made in order to maximise the benefit to the Trust.

Financial Review

A small cash reserve is considered desirable to enable the Trustees to cope with the natural fluctuation in demand.

Donated Facilities

There were no donated facilities or services during the year.

Risk management

The Trustees annually review the Trust's risk register identifying and quantifying potential risks to the Trust and its plans and objectives, and laying out systems and strategies for mitigating those risks. These are addressed under the following headings: Governance, Operational, Financial, External, and Compliance.

THE WATT MEMORIAL TRUST

TRUSTEES' ANNUAL REPORT and ACCOUNTS (continued)

For the year ended 5 April 2023

Statement of trustees' responsibilities

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

The law applicable to charities in Scotland requires the trustees to prepare accounts 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 of the charity for that period. In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities 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 accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution. 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.

ON BEHALF OF THE TRUSTEES

Barry Welsh

Signature

Barry Welsh

Name

17 October 2023

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**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES
OF THE WATT MEMORIAL TRUST**

I report on the accounts of the Watt Memorial Trust for the year ended 5 April 2023 which are set out on pages 5 to 9.

This report is made to the trustees, as a body, in accordance with the terms of my engagement. My work has been undertaken to enable me to prepare the accounts on behalf of the Trustees and to report my opinion as set out below and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the trustees, as a body, for my work or for this report.

Respective responsibilities of trustees and independent examiner

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 (the Act) and the Charities Accounts (Scotland) Regulations 2006 (as amended) (the Regulations). The charity trustees consider that the audit requirement of Regulation 10(1)(a) to (c) of the Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

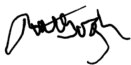
Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the Regulations. 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 seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
- to keep accounting records in accordance with Section 44(1)(a) of the Act and Regulation 4 of the Regulations, and
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the Regulations 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.



**Jeremy Chittleburgh CA
Chartered Accountant and Independent Examiner
2 Braid Hills Avenue
Edinburgh
EH10 6LQ**

17 October 2023

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THE WATT MEMORIAL TRUST**RECEIPTS and PAYMENTS ACCOUNT****For the year ended 5 April 2023**

	2023	2022
	£	£
Receipts		
Charifund dividends	6,191.14	5,560.91
	-----	-----
Total Receipts	6,191.14	5,560.91
	-----	-----
Payments		
Grants made	(7,950.00)	(5,500.00)
	-----	-----
Total Payments	(7,950.00)	(5,500.00)
	-----	-----
Surplus/(Deficit) transferred to Accumulated Fund	(1,758.86)	60.91
	=====	=====

The notes on pages 8 to 9 form part of these accounts.

THE WATT MEMORIAL TRUST**STATEMENT of FUNDS****As at 5 April 2023**

	2023	2022
	£	£
Accumulated Fund at 5 April	55,555.99	55,495.08
(Deficit)/surplus for the year	(1,758.86)	60.91
	-----	-----
	53,797.13	55,555.99
	-----	-----
Investment Revaluation	57580.53	64,284.01
	-----	-----
Total Funds	111377.66	119,840.00
	=====	=====

Represented by:

Investments held at 5 April at market value

7,414.537 M & G Charifund Units (original cost: £52,788.56)

110,369.09 117,072.57

Cash at Bank

Treasurer's Account

1,008.57 2,767.43

111,377.66 119,840.00
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Approved by the Trustees and signed on their behalf by:

Barry Welsh

Trustee

Barry Welsh

Print name

17 October 2023

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Charity number: SC016856

The notes on pages 8 to 9 form part of these accounts.

THE WATT MEMORIAL TRUST**CASH FLOW STATEMENT****As at 5 April 2023**

	2023	2022
	£	£
Cash at 6 April	2,767.43	2,706.52
Surplus (Deficit) for the year	(1,758.86)	60.91
	-----	-----
Cash at 5 April	1,008.57	2,767.43
	=====	=====

The notes on pages 8 to 9 form part of these accounts.

THE WATT MEMORIAL TRUST

NOTES to the ACCOUNTS

For the year ended 5 April 2023

1. Accounting Policies

Basis of preparation

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The accounts have been prepared in accordance with the Statement of Recommended Practice: 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) – (Charities SORP FRS 102)(second edition – October 2019), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The Scottish charity constitutes a public benefit entity as defined by FRS 102.

Going Concern

The accounts have been prepared on a going concern basis. The trustees have assessed the Trust's ability to continue as a going concern and have reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the accounts.

Income recognition

Income is recognised once the Trust has received the income.

Donations are recognised when received.

Dividends are recognised once the dividend has been received.

Interest on funds held on deposit is included upon receipt of the interest paid by the Bank.

Expenditure recognition

Liabilities are recognised as resources expended as soon as paid.

Grants, awards and prizes are payments made to third parties in the furtherance of the charitable objects of the Trust.

Charitable activities

Costs of charitable activities include grants made.

Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Funds structure

The unrestricted general fund is used for the day to day operation of the Trust, for grants and awards.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value.

THE WATT MEMORIAL TRUST

NOTES to the ACCOUNTS (continued)

For the year ended 5 April 2023

2. Employees

The Trust has no employees.

3. Remuneration and reimbursement of expenses to trustees

Trustees, who are key management personnel, received no remuneration from the charity.

Trustees received reimbursement of expenses for the following reason:

- travel expenses and accommodation of trustees attending meetings, stationery and postage costs.

Total reimbursement of expenses paid to trustees was £Nil (2022: £Nil).

4. Grants

During the year the Trustees awarded 9 grants amounting in total to £7,950.00 compared to 6 grants amounting to £5,500.00 in 2022.

5. Investments

The value of Charifund units decreased by 5.7% over the year (2022 – increase 7.3%) following considerable political upheaval and consequent financial uncertainty. Dividend income increased by 11.3% (2022 – increase 16.3%) during the year.

6. Related parties

The Trust has not undertaken transactions with any related parties.