The George Watson's College Endowment Trust

Trustees' Annual Report and Financial Statements

for the year ended 31 March 2024

Scottish Charity No. SC048956

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Reference and administrative details

Trustees:	Gavin Gemmell (retired 17 August 2023) Norman Murray (appointed 5 September 2023) Richard Davidson Magdalene Miller Lynn Dewar (appointed 28 August 2023) Melvyn Roffe (retired 12 August 2024) Lisa Kerr (appointment 12 August 2024)
Secretary:	James Mills
Scottish charity number:	SC048956
Registered office:	George Watson's College 69 – 71 Colinton Road Edinburgh EH10 5EG
Independent Examiner:	Henderson Loggie LLP Ground Floor 11-15 Thistle Street Edinburgh EH2 1DF

Trustees' Annual Report

The Trustees present their Report and the accounts for the period to 31 March 2024.

The Charity information set out on page 1 forms part of this report.

Objectives and Activities

The purpose of the Trust is to apply such of the free income of the Trust as the Trustees think fit, to provide means tested financial assistance in the form of fully funded places to pupils of George Watson's College, known as *Foundation Places*, who, by reason of financial hardship, require support to help fund tuition fees and such other costs as to allow them to participate in the life of the School.

The Trustees may also at their discretion apply an amount of the capital of the Trust for the above purposes, such amount not to exceed 4% of the net asset value of the Trust at the end of the previous accounting period.

Structure, Governance and Management

The George Watson's College Endowment Trust was set up on 6 November 2018 by Sir Andrew Cubie, the Settlor, who appointed Gavin Gemmell, Richard Davidson and Melvyn Roffe as Trustees.

The Trust was granted charitable status by the Office of the Scottish Charity Regulator and registered as a charity in Scotland on 15 January 2019.

The Trustees appointed Magdalene Miller as a Trustee with effect from 15 January 2019.

Gavin Gemmell retired as Chair of the Trustees on 17 August 2023 and Norman Murray was appointed as his successor on 5 September 2023.

Lynn Dewar was appointed as a Trustee on 28 August 2023.

Melvyn Roffe retired as a Trustee and was succeeded by Lisa Kerr on 12 August 2024.

Principal activities

The principal activities of the Trust are to receive donations and gifts granted for the purposes of the Trust and to invest these to generate income to support Foundation Places at George Watson's College.

Review of achievements and performance

A donation of £40,000 was received in the year (*2023: £nil*).

The Trustees granted £15,000 to support Foundation Places at George Watson's College in the year.

Finance review

A donation of £40,000 was received in the year (*2023: £nil*).

Trustees' Annual Report (*continued)*

Finance review (*continued)*

Investments generated income of £20,908 (2023: £16,333) and increased in market value during the year by £121,264 (2023: decreased in value by £47,597).

Out of investment income, the Trustees granted £15,000 to support Foundation Places at George Watson's College.

Reserves policy

The Trustees may only apply the free income of the Trust and up to 4% of the net asset value of the Trust as at the end of the previous accounting period. The Trust does not employ any staff and other expenditure, including investment management fees, bank interest and charges and audit and other professional fees, is minor in relation to its net asset value. The reserves of the Trust are more than adequate to cover all foreseeable expenditure.

Future plans

The long-term aim of the Trust is to provide a charitable vehicle for receiving up to £10m of donations and investing these funds to generate income to support up to 20 Foundation Places at George Watson's College,

Approval of the Trustees' Annual Report

So far as each Trustee is aware, there is no relevant information of which the independent examiners are unaware. Each trustee has taken the appropriate steps as a trustee to make themselves aware of such information and to establish that the independent examiners s are aware of it.

Signed on behalf of the Trustees

Norman Murray

Norman Murray
Chair of Trustees

21 November 2024

Trustees' Responsibilities

The Trustees are responsible for preparing the annual report and the financial statements in accordance with applicable Law and United Kingdom Generally Accepted Accounting Practice (UK GAAP).

In preparing 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;
- 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; and
- prepare the financial statements 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 which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and 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.

Independent Examiner's Report to the Trustees of George Watson's College Endowment Trust

I report on the financial statements of the charity for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet and the related notes.

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 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 trustees, as a body, for my work or for this report.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the financial statements 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 report

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements with those records. It also includes consideration of any unusual items or disclosures in the financial statements, 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 financial statements.

Independent examiner's statement

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

1. 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 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
    - to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations;

    have not been met, or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Jaslin Bhagrath CA

Partner

For and on behalf of Henderson Loggie

Chartered Accountants

11-15 Thistle Street

Edinburgh, EH2 1DF

21 November 2024

Statement of Financial Activities (including Income and Expenditure Account)
For the Year ended 31 March 2024

	Notes	**Year ended 31 March 2024 Unrestricted £**	Year ended 31 March 2023 Unrestricted £
Income and endowments from:			
Donations		**40,000**	-
Investments - dividends		**20,908**	16,333
Total		**60,908**	16,333
Expenditure on:			
Foundation Places grant		**15,000**	15,000
Independent Examiner's fee		**2,076**	1,980
Bank charges		**4**	2
Total		**17,080**	16,982
Net gains/(losses) on investments		**121,264**	(47,597)
Net movement in funds		**165,092**	(48,246)
Total funds brought forward		**1,483,761**	1,532,007
Total funds carried forward		**1,648,853**	1,483,761

Balance Sheet

at 31 March 2023

	Notes	**As at 31 March 2024**	As at 31 March 2023
		£	£
Fixed assets			
Investments	*3*	**1,580,142**	1,458,878
		1,580,142	1,458,878
Current assets			
Debtors	*4*	**4,258**	-
Cash at bank		**86,149**	44,503
		90,407	44,503
Creditors			
Amounts falling due within one year	*5*	**21,696**	19,620
Net current assets		**68,711**	24,883
Net assets		**1,648,853**	1,483,761
Funds			
Unrestricted Reserves		**1,648,853**	1,483,761

These financial statements were approved by the Trustees on 21 November and signed on their behalf by

Norman Murray

Norman Murray
Chairman of Trustees

Notes to the Financial Statements

1 Accounting policies

Charity Information

The George Watson's College Endowment Trust is a charitable trust registered in Scotland under charity reference numberSC048956. The registered office is George Watson's College, 69 – 71 Clinton Road, Edinburgh, EH10 5EG.

Basis of preparation

The financial statements have been prepared under the historical cost accounting rules, and in accordance with applicable accounting standards and the Statement of Recommended Practice (SORP FRS 102) 'Accounting and Reporting by Charities', FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The financial statements are prepared in sterling, which is the functional currency of the entity. Monetary amounts in these financial statements are rounded to the nearest £.

Going concern

The financial statements have been prepared on a going concern basis. The Trustees have assessed the Charity's ability to continue as a going concern and have reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. There are no material uncertainties relating to the Charity's ability to continue as a going concern and thus they continue to adopt the going concern basis of accounting in preparing these financial statements.

Income

Income is recognised when the charity has entitlement to the funds, when it is probable that the income will be received, and the amount can be measured reliably. Donations and gift aid income includes donations and similar income which are included in the period in which they are receivable, which is when the charity becomes entitled to the resource.

Expenditure

All expenditure (inclusive of irrecoverable VAT) is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure.

Debtors

Other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar.

Notes
(continued)

1 Accounting policies (*continued)*

Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

2 Remuneration

The Charity has no employees. No trustees received any remuneration or reimbursement of expenditure in the current period.

3 Investments

	Market value at 1 April 2023	**Additions**	**Unrealised/ cash movements**	**Market value at 31 March 2024**
Baillie Gifford:				
Responsible Global Stewardship Fund	247,809	-	26,328	274,137
Responsible Global Equity Income Fund	634,976	-	60,591	695,567
Worldwide Global Alpha Choice Fund	316,337	-	59,195	375,532
Ruffer:				
Charity Assets Trust	259,577	-	(24,671)	234,906
GBP Capital Account	179	-	(179)	-
Total	1,458,878	-	121,264	1,580,142

All investments are carried at fair value based on market value using the bid price.

The primary investment objective of the Trust is to invest funds over the long term to generate sufficient income and capital growth to support the Foundation Places Programme. Liquidity risk is considered low as all investments are traded in markets with good liquidity and high trading volumes and this is expected to continue.

4 Debtors

	As at 31 March 2024	As at 31 March 2023
	£	£
Accrued investment income	**4,258**	-
	4,258	-

Notes
(continued)

5 Creditors: amounts falling due within one year

	As at 31 March 2024	As at 31 March 2023
	£	£
Accruals	**2,076**	1,980
Grants payable	**15,000**	15,000
Other creditors	**4,620**	2,640
	21,696	19,620

6 Post balance sheet event

On the 12 October 2024 the Trust received a donation of £600,000 towards its charitable activities.