

# Committee on the Jean F Watson Bequest

10.00am, Friday, 7 February 2020

## Jean F. Watson Financial Statement 2019/20

Executive/routine  
Wards  
Council Commitments [46](#)

### 1. Recommendations

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- 1.1 Members of the Committee on the Jean F Watson Bequest are asked to note the content of this report.

**Stephen S. Moir**

Executive Director of Resources

**Paul Lawrence**

Executive Director of Place

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# Report

## Jean F Watson Financial Statement 2019/20

### 2. Executive Summary

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- 2.1 This report provides an update on the financial position of the Miss Jean Fletcher Watson (known as Jean F Watson) Charitable Trust (SC018971) since the last Committee meeting on 30 November 2018.

### 3. Background

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- 3.1 The purpose of this report is to update the Committee with the financial position of the Jean F Watson Charitable Trust.
- 3.2 The Committee last met on [30 November 2018](#) when a financial statement was included which provided an expected out-turn position for the 2018/19 financial year.
- 3.3 The City of Edinburgh Council Charitable Trusts Audited Trustee's Annual Report and Accounts for 2018/19 were approved by Finance and Resources Committee on [26 September 2019](#) and submitted to OSCR in November 2019.

### 4. Main report

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- 4.1 Appendix 1 of this report provides an update on the actual 2018/19 outturn financial position of the Trust as well as providing a forecast for the 2019/20 financial year.
- 4.2 Appendix 1 shows that the funds available at the start of the 2019/20 financial year were £128,623 and are forecast to be £124,851 by the end of the 2019/20 financial year. This is subject to investment income remaining stable for the final quarter of the financial year, with outstanding purchases and funding being completed before the end of the financial year and no further purchases being undertaken.
- 4.3 If the recommended acquisitions were to be approved, and the purchases completed by 31 March 2020, the revised forecast funds available by the end of the 2019/20 financial year will be £116,985.
- 4.4 The value of the investments held by the Trust as at 31 March 2019 was £974,727 and the value of the artwork was recorded as £5,317,394.

## **5. Next Steps**

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- 5.1 Members of the Committee on the Jean F Watson Bequest are asked to note the content of this report.

## **6. Financial impact**

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- 6.1 There is no direct financial impact arising from the contents of this report, but it sets out the financial position of the Jean F Watson Charitable Trust, with investment income exceeding governance costs allowing the on-going expansion of the Edinburgh Museums and Galleries collections.

## **7. Stakeholder/Community Impact**

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- 7.1 The Jean F. Watson Charitable Trust continues to serve its purpose and purchase works of art by artists who have connections with the city of Edinburgh.

## **8. Background reading/external references**

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- 8.1 [‘Charitable Trusts Reserves Policy’](#), Finance and Resources Committee, 17 March 2016
- 8.2 [‘Miss Jean Fletcher Watson Bequest’](#), OSCR Website
- 8.3 [Guidance and good practice for Charity Trustees’](#), OSCR Website
- 8.4 [2018/19 Audited Accounts](#) Finance and Resources Committee, 26 September 2019

## **9. Appendices**

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- 9.1 Appendix 1 – Jean F Watson Committee Financial Statement 2019/20

**Jean F. Watson Committee Financial Statement 2019/20****Appendix 1**

	£	£	Notes
<b>Funds Available as at 1 April 2018</b>		<b>118,603</b>	<b>1</b>
Income from Investments 2018/19	34,132		<b>2</b>
	<hr/>	<b>34,132</b>	
Total Acquisitions 2018/19	(16,760)		<b>3</b>
Governance Costs 2018/19	(7,352)		<b>4</b>
	<hr/>	<b>(24,112)</b>	
<b>Funds Available as at 1 April 2019</b>		<b>128,623</b>	
Forecast Income from Investments 2019/20		<b>31,104</b>	<b>5</b>
Net Acquisitions 2019/20	(29,150)		<b>6</b>
Forecast Governance Costs 2019/20	(5,726)		<b>7</b>
	<hr/>	<b>(34,876)</b>	
<b>Forecast Funds Available by 31 March 2020</b>		<b>124,851</b>	<b>8</b>

**Notes :**

- 1** £118,603 is the accumulated surplus carried forward from previous years.
  - 2** £34,132 represents the income from interest on investments held with CCLA and M&G, as well as a small amount from the bank account.
  - 3** Acquisitions made in 2018/19 are listed in the table 1 below, approved by the Committee on 30 November 2018. Total acquisitions in 2018/19 were £42,220 and total grant aid received was £25,460.
  - 4** The governance costs covers audit fee and central support costs.
  - 5** The forecast income from investments in 2019/20, subject to market conditions, is £31,104.
  - 6** The forecast acquisition cost for artwork approved, less the funding expected, is estimated to be a net cost of £29,150.
  - 7** The forecast governance costs (audit fee and central support costs) are £5,726 for 2019/20.
  - 8** The forecast funds available by 31 March 2020 are £124,851.
- If the recommended acquisitions were to be approved and the purchases completed by 31 March 2020 the revised Forecast Funds Available, as shown in table 2 below, will be £116,985 (or £111,741 without NFA grants).
  - The value of the investments held by the Trust as at 31 March 2019 was £974,727. The value of the artwork was recorded as £5,317,394.
  - The **2018/19 Audited Accounts** were approved by Finance and Resources Committee on 26 September 2019.

**Table 1****Acquisitions made in 2018/19**

<b>Name of Artwork</b>	<b>Name of Artist</b>	<b>Financial Year</b>
<i>Print Portfolio - 14 Original Prints</i>	D'Arcy Thompson	2018/19
<i>Kiyembe Lane</i>	Bronwen Sleigh	2018/19
<i>7 February 2017</i>	Charles Poulsen	2018/19
<i>Griffin Silver Sculpture</i>	Bryony Knox	2018/19
<i>Understanding versus Sympathy</i>	Roderick Buchanan	2018/19
<i>Silver Ovoid Coffee Urn</i>		2018/19
<i>Three Bridge Evening</i>	Kate Downie	2018/19
<i>Suite of Photographs</i>	Robin Gillanders	2018/19
<i>Three Photograph Artworks</i>	Flannery O'Kafka	2018/19

**Table 2****Revised Forecast Funds Available**

	£	£
<b>Forecast Funds Available by 31 March 2020</b>		<b>124,851.00</b>
<b>Recommended Acquisitions:</b>		
Michael Craik	(1,500.00)	
Edinburgh Printmakers (Prints Portfolio)	(5,750.00)	
Eric Cruikshank	(3,960.00)	
James Lumsden	(1,900.00)	
		(13,110.00)
		111,741.00
<b>Grants</b>		5,244.00
<b>Revised Forecast Funds Available by 31 March 2020</b>		<b>116,985.00</b>