

# **The Eileen Trust**

**Annual Report and Audited Accounts**

**For the year ended 31 March 2016**

Registered Charity No. 1028027

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## **Trustees' Report – General Information**

### **Trustees**

Mr Peter Stevens (Chairman)  
Mrs Susan Phipps  
Mr Russell Mishcon  
Mr Patrick Spellman  
Mrs Elizabeth Boyd (deceased January 2016)

### **Trust Staff**

Joyce Matarego - Finance Manager (to October 2015 )\*  
Yusuf Firat - Interim Finance Manager (from October 2015 )\*  
Susan Daniels - Case Worker and Secretary\*

\*Staff of the Caxton Foundation appointed by the Trustees to act for the Eileen Trust in their respective capacities

### **Bankers**

Lloyds TSB plc  
1 Butler Place  
Victoria Street  
London  
SW1H 0PR

### **Auditors**

Glazers  
Chartered Accountants and Registered Auditors  
843 Finchley Road  
London  
NW11 8NA

### **Registered Office**

Alliance House  
12 Caxton Street  
London  
SW1H 0QS

### **Registered Charity Number**

1028027



## **TRUSTEES' REPORT**

### **OBJECTIVES**

The Eileen Trust was established in 1993 to administer a £500,000 fund provided by Her Majesty's Government (and subsequently supplemented) to assist people, other than those with bleeding disorders, who had contracted HIV through NHS treatment with contaminated blood products. The Trust's objectives, as set out in the Trust Deed, are "to relieve those qualifying persons .... who are in need of assistance or the ... dependants of qualifying persons and ... of qualifying persons who have died".

### **THE TRUST'S OPERATIONS**

During the year the Trust continued to provide support to 17 registrants who are "qualifying persons" and to a small number of dependants of deceased registrants. Sadly in the course of the year one registrant died.

Towards the end of the year the Department of Health ("the Department") accepted that, on the balance of probabilities, two people who applied during the year to become registrants of the Trust were eligible because their HIV infection arose as a result of NHS treatment. One of these having been infected at or before birth by his mother, who had received a contaminated transfusion, his father also became eligible for help from the Trust as a bereaved spouse. The approval of these applications came too late in the year for the Trust to provide them with any financial support during the year. Their registration brings to 19 the number of registrants, including dependents, for whom the Trust will have responsibility in the year beginning 1 April 2016.

The Trust's registrants receive annual non-discretionary payments from the Department through a company called MFET Ltd. These payments, which have been index-linked to the Consumer Prices Index, amounted to £14,749 per head in the year ended 31 March 2016 and will remain the same in the current year. The registrants' need for further assistance from the Trust continues to be less than before those payments were initiated. Two registrants are co-infected with hepatitis C and have received additional non-discretionary payments from Skipton Fund Limited ("Skipton").

During the year the Trust made regular monthly payments to supplement the MFET payments to seven individuals (one with dependent children) in order to bring their household income up to a level that the Trustees determined to be justified by their household needs; in addition winter payments of £750 each were made to most of the Trust's beneficiaries. As in previous years, a small number of single grants were also made in response to specific requests for help, which were reviewed by the Trustees, or by the case worker, Mrs Susan Daniels, under delegated authority, and approved if they were deemed to come within the terms of the Trust Deed. The Trust also held a weekend event at which registrants and their families were able to meet, which, as in previous years, was particularly welcome to those attending, who were able to mix and talk freely to others similarly affected without fear of prejudice or stigmatisation. The total resulting expenditure on beneficiaries was £65,917 (2015 £86,829).

The Trust liaises with its community of care on a regular basis and keeps under review their financial and other needs. Visits to beneficiaries are undertaken mainly by Mrs Daniels, to whom applications for assistance are generally made. The Trustees are immensely grateful to Mrs Daniels for her dedication and sympathetic work helping the Trust's beneficiaries.

**TRUSTEES' REPORT - continued****ADMINISTRATION**

The Trust is governed by the Trust Deed and is under the control of Trustees who are appointed by the Secretary of State for Health and met as a Board several times during the year. Four of the Trustees are or have been Trustees of the Macfarlane Trust ("MFT"), a charity set up in 1987 to perform a similar function to that of the Trust for people infected with HIV through treatment of haemophilia. Mrs Phipps has been a Trustee of the Trust since its inception.

Towards the end of the year Mrs Elizabeth Boyd died after several years undergoing treatment for cancer; she had been a trustee since 2010 and her commitment to the Trust and thoughtful concern for its beneficiaries will be greatly missed.

At their meetings the Trustees undertake a detailed case-by-case review of the Trust's work for and contacts with each of the beneficiaries, greatly aided by Mrs Daniels' knowledge and recommendations. The Trustees will continue to review each household's circumstances on a regular basis. The Trustees are also greatly helped in their work by the office staff.

**FINANCE**

The Trust is funded wholly by the Department.

In January 2011 the Secretary of State for Health announced further changes to the Government's policies in respect of the use of contaminated blood during NHS treatment. Most of the changes concerned infection with Hepatitis C. They included the establishment of a new charity, Caxton Foundation Limited ("Caxton"), to provide charitable help to people infected with hepatitis C (other than those who, being co-infected with HIV, were already registered with MFT or the Trust). Caxton was set up on 28 March 2011 and began operating in October of that year.

Hitherto MFT had been the resourcing body for the group of associated entities operating at Alliance House (MFT, the Trust, Skipton and MFET). The establishment of Caxton increased the resources (staff and office space) needed for this group of entities to a scale that could no longer be supplied within the confines of MFT's Trust Deed. Caxton, therefore, assumed the resourcing function, becoming the employer of all staff and managing the leases of the space in Alliance House occupied by the group. When this function was performed by MFT, a number of cross-charges were made between the various entities in order to allocate the costs of services to the entities for which they were performed. Under the revised arrangements, that part of Caxton's service delivery costs, comprising salaries and related expenses and property expenses and amounting to £24,739 (2015 £23,945), that is attributable to the Trust, is the subject of an adjustment through the Department's funding mechanism, which appears in a supplementary note (Note 8) to the Trust's Accounts. The Trust's Accounts still show its own direct costs, such as legal fees and bank charges, and its proportion of shared service costs, such as IT services and stationery, as administrative expenses, amounting in total to £5,585 (2015 £4,582).

**TRUSTEES' REPORT - continued**

The Trust received general funding in the year from the Department of £100,000, including the contribution via Caxton towards service delivery costs, noted above, the same as in the previous year. The Department has allocated a sum of £100,000 on which the Trust will be able to draw, for all purposes, in the year to 31 March 2017.

The Trustees keep under review means of reducing the costs of administration. Most administrative services are now undertaken by Mrs Daniels from offices outside London.

At the year-end the value of the investment portfolio managed by Skandia was £110,048, (2015 £112,744). The Trust are grateful for the considerable help given by Mrs Daniels in reviewing and overseeing the Trust's investments.

The Trustees of Caxton have identified the major risks to which Caxton and the other Alliance House entities might be exposed and have satisfied themselves, through regular and periodic reviews of these risks, that both the risk assessment and risk management procedures remain up to date and effective. The management of risk is an embedded feature of Caxton's approach to its operational management. The Trustees of the Trust are satisfied that this is an adequate risk management strategy for the Trust.

In line with the Charity Commission requirement that there should be a policy concerning reserves, the Trust maintains a reserve level that the Trustees believe to be adequate.

**THE FUTURE OF THE TRUST**

Towards the end of the previous financial year the All-Party Parliamentary Group on Haemophilia and Contaminated Blood published a report on its inquiry into the support for those affected by the use of contaminated blood. Subsequently the Rt Hon Lord Penrose published his report of the Scottish Public Inquiry into Hepatitis C and HIV infection acquired from NHS treatment. After prolonged consideration of these reports, the Department published in January 2016 its proposals for "Infected blood: reform of financial and other support", and launched a consultation on these proposals, to end on 15 April 2016.

Among a wide range of proposals, this document proposed the replacement of all five existing Alliance House operations, including the Trust, by a single new body. The Trust and many of its beneficiaries have responded to the Department objecting to this proposed cessation of the Trust, whose beneficiaries have expressed their distress at the possible loss of the services, support and fellowship they receive through the Trust.

Other proposals would have removed the index-linking of the payments made by MFET (after an initial small uplift) and restricted possible financial grant support, of the type currently given by the Trust, to travel and accommodation costs relating to ill-health. These financial proposals would, in the view of the Trustees, have had a deleterious effect on the finances of all the Trust's beneficiaries, in a few cases substantially so. The Trustees pointed out these unacceptable effects to the Department.

**TRUSTEES' REPORT - continued**

Before the year-end and before the end of the consultation period on the Department's proposals, the Scottish Executive announced its acceptance of all the key financial support recommendations of the Financial Review Group established after the publication of the Penrose Report. These would involve a significant increase in the annual payments made by MFET and Skipton, an extension of these payments to recipients of Stage 1 payments from Skipton, and the provision of an annual payment to widows and widowers of a beneficiary of 75% of the payment to which their dead relative would have been entitled if still alive. It is believed that these changes would apply to two of the Trust's beneficiaries. While the Trustees welcome the possibility of enhanced financial support for these two, they await details of the implementation, in particular whether there will be a new body established solely for the benefit of Scottish beneficiaries of all the current schemes, or whether the Trust will be asked (and financed) to make the enhanced payments, discriminating between beneficiaries on no grounds other than nationality. If the two are required to register with a new Scottish entity, the Trustees are concerned that they might lose both the access to discretionary payments from the Trust and, just as important, membership of the community of Trust beneficiaries.

Shortly before these accounts for 2015/16 were due to be signed off, at the time of the resignation of Mr Cameron as Prime Minister, the Government announced its response to the consultation document issued in January 2016. While this response paid particular attention to those infected with Hepatitis C, of whom, as noted earlier, the Trust has only two beneficiaries, there were a number of proposals that affect all the beneficiaries of the Trust:

- annual payments for those infected with severe Hepatitis C (Stage 2) or with HIV, currently paid through MFET, would be continued at a rate in the current year (2016/17) of £15,500 from this year (an increase from the previously-announced rate of £14,749), rising to £18,500 in 2018/19.
- for those co-infected with HIV and Hepatitis C Stage 1 (this group includes the Trust's two registrants with Hepatitis C), annual payments will be £18,500 in 2016/17 and 2017/18, rising to £22,500 in 2018/19.
- the annual payments will be linked to the consumer price index (CPI) from next year and will include a £500 winter fuel payment (£250 less than the Trust has paid in recent years), meaning that the immediate change in annual payments to beneficiaries of the Trust will be just £1.
- there will be a continuation of a discretionary support scheme for those infected and affected, as well as 'softer' (i.e. non-financial) support, with an increased budget from 2018/19.
- there will be a one-off lump sum payment of £10,000 to all those who were the partner or spouse of a primary beneficiary when they passed away and where infection with HIV and/or Hepatitis C contributed to the death of their partner/spouse. This will apply to those already bereaved and newly bereaved from 2016/17 and beyond.
- all payments will continue to be *ex gratia*, which means that they are funded voluntarily by Government. These payments will also continue to be additional to any other income a beneficiary may receive, and will be disregarded for the purposes of calculating income tax and eligibility for other state benefits.
- there will be a single scheme administrator, combining the functions of the existing schemes, which will become operational during 2017/18.



**TRUSTEES' REPORT - continued**

At the time of publishing this report, we have no further information regarding the future of the Trust other than that the existing bodies will operate until the new scheme, and the new single administrator, become operational, which the Department plan to be the beginning of the 2017/18 financial year. The Chairman of the Trust is a member of a group working with the Department to review the detailed working and implementation of the proposals.

**RESPONSIBILITIES OF THE TRUSTEES**

The Trustees are responsible for the preparation of the financial statements for each financial year, which give a true and fair view of the state of affairs of the charity at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing the financial statements the Trustees should follow best practice and:

- 1) select suitable accounting policies and apply them consistently,
- 2) make judgements that are reasonable and prudent;
- 3) state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- 4) prepare financial statements on a going concern basis unless it is inappropriate to assume that the charity will continue on that basis.

The Trustees are responsible for maintaining 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 and the provisions of the trust deed. The Trustees 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.

The financial statements on pages 7 to 11 have been prepared in accordance with these responsibilities. The Auditors Report is on pages 12 and 13.

Approved by the Trustees on 17/5/16..... and signed on their behalf by:

GRO-C

Chairman



# Consolidated Statement of Financial Activities for the year ended 31 March 2016

	<u>Notes</u>	<u>General</u> £	<u>Designated</u> <u>(Management)</u> £	<u>Designated</u> <u>(Registrants)</u> £	<u>Total</u> £	<u>Previous</u> <u>Year</u> <u>31.3.15</u> £
<b>Incoming Resources</b>						
Incoming resources from generated funds						
Investment Income						
Investment Fund		1,561	-	-	455	3,082
Management Income						
Bank Deposit Interest		275	-	-	275	126
Grants received	(2)	74,884	-	-	74,884	76,055
Donations		-			-	255
Total incoming resources		<u>76,720</u>	<u>-</u>	<u>-</u>	<u>76,720</u>	<u>79,518</u>
<b>Resources Expended</b>						
Charitable Activities						
Direct Charitable Expenditure	(3)					
Grants		4,899	-	-	4,899	34,184
Event for registrants		9,318	-	-	9,318	7,645
Winter Payments		14,250	-	-	14,250	12,000
Regular Payments		37,450	-	-	37,450	33,000
Cost of investment management						-
Support costs	(4)	5,585	-	-	5,585	4,582
Total Resources Expended		<u>71,502</u>	<u>-</u>	<u>-</u>	<u>71,502</u>	<u>91,411</u>
<b>Net Incoming Resources/ (Resources Expended)</b>		5,218	-	-	5,218	(11,893)
<b>Other Recognised Gains &amp; Losses</b>						
(Loss )/Profit on investments		(4,257)	-	-	(4,257)	7,200
<b>Net Movement in Funds</b>		<u>961</u>	<u>-</u>	<u>-</u>	<u>961</u>	<u>(4,693)</u>
Balance at 1 April 2015		189,436	-	-	189,436	194,129
<b>Balance at 31 March 2016</b>		<u>190,397</u>	<u>-</u>	<u>-</u>	<u>190,397</u>	<u>189,436</u>

**The Eileen Trust****Annual Report 2016****Balance Sheet as at 31 March 2016**

	<u>Notes</u>	<u>General</u>	<u>Designated</u>	<u>Designated</u>	<u>Total</u>	<u>Previous</u>
		£	(Management) £	(Registrants) £	£	year 2015 £
<b>Fixed Assets</b>						
Investments						
Old Mutual Wealth	(5)	148,295	-	-	148,295	151,985
<b>Current Assets</b>						
Debtors		456	-	-	456	8,566
Cash at Bank & in Hand:						
Lloyds		86,069	-	-	86,069	71,997
		86,525	-	-	86,525	80,563
<b>Current Liabilities</b>						
Accruals and receipts in						
Advance – falling due		(6,176)	-	-	(6,176)	(3,871)
within one year		80,349	-	-	80,349	76,692
<b>Net Current assets</b>		80,349	-	-	80,349	76,692
<b>Creditors falling due after</b>						
<b>more than one year</b>	(7)	(38,247)	-	-	(38,247)	39,241
<b>Total Net Assets</b>		190,397	-	-	190,397	189,436
<b>Unrestricted Funds</b>		190,397	-	-	190,397	189,436

The financial statements on pages 7 to 11 were approved by the Trustees on .....17/8/16..... and are signed on their behalf by:-

GRO-C  
Trustee

GRO-C  
Chairman

## Notes to the Accounts for the year ended 31 March 2016

### 1. Principal Accounting Policies

#### a. Accounting Convention

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of investments at market value. In preparing the financial statements the charity follows best practice as laid down in the Statement of Recommended Practice "Accounting and Reporting by Charities" published in July 2014 and applicable UK Accounting Standards and the Charities Act 2011.

#### b. Investment Income

Investment Income is accounted for in the period in which the charity is entitled to its receipt.

#### c. Resources Expended

Expenditure is included on an accruals basis.

#### d. Fixed Asset Investments

Investments are included at market value at the balance sheet date. Any gain or loss on revaluation is taken to the Statement of Financial Activities.

#### e. Grants Receivable

Grants are recognised as income upon receipt.

### 2. Grants Received

The figure for 2016 consists of £74,884 received from the Department of Health (2015 £76,828).

### 3. Direct Charitable Expenditure

a. 3 single grants were made of amounts varying from £600 to £3,000.

b. 7 people have received regular payments at rates varying from £100 to £1,050 per month according to circumstances.

c. 19 people received additional winter payments at £750 each.

## Notes to the Accounts for the year ended 31 March 2016 - continued

## 4. Support Costs

	Total Costs	
	2016	2015
	£	£
Recharged overheads	2,130	1,592
Travel & subsistence	990	420
Audit & accountancy	2,400	2,400
Legal & professional	-	-
Bank charges	30	135
General expenses	35	35
	<b>5,585</b>	<b>4,582</b>

## 5. Investments

	2016	2015
	£	£
Portfolio – at cost	119,563	118,912
Unrealised gains to date	28,732	33,073
	<b>148,295</b>	<b>151,985</b>

## 6. Trustees' Expenses

A total of £83 (2015 - £59) was paid to trustees in respect of travelling costs relating to trustee meetings.

## 7. Creditors - amounts falling due after more than one year

This sum represents arrears of regular payments etc. owing to the minor children of a deceased registrant, payable, in whole or in part in the event of need being established, on their reaching the age of 18. The corresponding assets are included in investments on the balance sheet.

## 8. Employees

There were no employees during the year

**Notes to the Accounts for the year ended 31 March 2016 - continued**

**9. Related party transactions**

Administration costs of £24,739 (2015 £23,945) were charged by The Caxton Foundation, a charity, by way of a deduction in the funding received from the Department. Mr Peter Stevens was a director of Caxton Trustee Limited, the corporate trustee of The Caxton Foundation, until 28 March 2013. He is also, ex officio as Chairman of the Trust, a director of MFET Limited, the other director of which is the Chairman of MFT.

**10. Auditors Ethical Standards**

In common with many organisations of our size and nature the charity uses its auditors to assist with the preparation of our financial statements.

**Independent Auditors Report to the Trustees of The Eileen Trust**

We have audited the financial statements of The Eileen Trust for the year ended 31 March 2016 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied to their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under Section 154 of that Act. 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 auditor's 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of the trustees and auditors**

As explained more fully in the Trustees Responsibilities statement set out on page 6, the trustees are responsible for the preparation of the financial statements which give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practice Board's (APB's) Ethical Standards for Auditors, including APB Ethical Standard- Provisions Available for Small Entities (Revised) in the circumstances set out in note 10 to the financial statements.

**Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm)

**Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the charity's affairs at 31 March 2016 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 ; and
- have been properly prepared in accordance with the requirements of the Charities Act 2011

**Independent Auditors Report to the Trustees of The Eileen Trust (contd.)**

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion,

- the information given in the Trustees' Annual Report is inconsistent in any material aspect with the financial statements, or
- the charity has not kept sufficient accounting records, or
- the financial statements are not in agreement with the accounting records, or
- we have not received all the information and explanations we require for our audit

**GRO-C**

Jessie Kho (Senior Statutory Auditor)  
For and on behalf of Glazers Chartered Accountants  
Statutory Auditor

843 Finchley Road  
London NW11 8NA

Date: 17 September 2016

Glazers Chartered Accountants are eligible to act as an auditor under section 1212 of the Companies Act 2006.



GLAZERS

CHARTERED ACCOUNTANTS

843 Finchley Road · London · NW11 8NA  
Tel 020 8458 7427 · Fax 020 8458 8504  
email [quality@glazers.co.uk](mailto:quality@glazers.co.uk) · [www.glazers.co.uk](http://www.glazers.co.uk)