

# **The Eileen Trust**

## **Annual Report and Accounts**

**for the year ending  
31<sup>st</sup> March 1999**

**GLAZERS**

CHARTERED ACCOUNTANTS

# **The Eileen Trust**

## **TRUSTEES**

The Reverend Prebendary Alan Tanner OBE (Chairman) ♦ London  
Mr Kenneth Bellamy CBE ♦ North Yorkshire  
Mrs Susan Phipps ♦ London  
Dr Mark Winter ♦ Canterbury  
Miss Patricia Winterton CBE ♦ Bromley

## **TRUST STAFF**

(staff of the Macfarlane Trust, appointed by the  
Trustees to act for the Eileen Trust in their respective capacities)

Ann Hithersay	♦ Chief Executive
Fran Dix	♦ Social Worker
Jenny Jackson	♦ Benefits Adviser
Steven Ball	♦ Administrative Secretary
Vacant	♦ Finance Officer

### **Bankers**

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

### **Auditors**

Glazers  
843 Finchley Road  
London  
NW11 8NA

### **Registered Office**

Alliance House  
12 Caxton Street  
London  
SW1H 0QS

**Registered Charity Number: 1028027**

## **TRUSTEES' REPORT**

### **ASSESSING THE TASK**

Whilst the Trust continues to be responsive to new registrants, there were no new notifications from The Department of Health in 1998. There were no deaths during the year and it would appear that therapeutic advances in the treatment of HIV/AIDS has improved the quality of life and life expectancy of those registered with the Trust.

The Trust continues to support nine registrants and two 'infected intimates'; however, Trustees are conscious that continuing financial and emotional support to bereaved partners and dependant children is becoming an increasingly significant part of the task.

In recent months, efforts have been made to trace children whose mothers have died as a result of HIV infection and are now living with widowed or remarried fathers. It is hoped to carry out some research into the needs of these children and provide opportunities for them to receive appropriate counselling and support. This research is felt to be necessary because there are eight widowers and a total of fourteen dependant children in this group and only one widow with a dependant child.

Research into the needs of the six children orphaned as a result of HIV infection of Trust registrants is also continuing.

### **MEETING THE NEEDS OF INDIVIDUALS**

Trust staff respond quickly to requests for help, and regularly review cases to ensure that registrants are aware of the range of assistance they can receive from the Trust.

The Trust Social Worker and Benefits Adviser will visit registrants if necessary, and staff are always ready to answer questions and provide help if they can. Those registered with the Eileen Trust are invited to seminars run by the Macfarlane Trust where this is appropriate and such gatherings may result in new opportunities for peer support and friendships to develop.

## **ASSISTANCE - FINANCIAL**

**Financial help continues to be give in three ways:**

### **Single Payments**

Twenty single payments were made in 1998/99, amounting to a total of £13,672. Payments included grants to three children/young people orphaned due to HIV infection.

### **Regular Payments**

Regular Payments are currently being made to 18 people or their families. Payments are made directly to the infected person to contribute towards the additional costs of living with HIV. Payments are also made to widows/partners of registrants who died leaving dependant children. Payments totalling £40,572 were made during the year. This total included continuing support for three orphaned children.

### **Winter Payments**

These payments are made in recognition of the additional costs of remaining healthy during the winter months. Payments were made to eleven registrants in November 1998. The lump sum payments remained at the 1997 level of £525 and payments totalled £5,805.

### **Total Payments**

A total of £68,549 was paid out in financial support to 23 people during the year. This figure includes a Special Payment of £8,500 made on behalf of the Department of Health to a registrant who had been wrongly categorised when originally registered with the Trust in 1997.

## **ASSISTANCE OTHER THAN FINANCIAL**

The staff team available to support registrants of the Trust included a qualified and experienced Social Worker, and an experienced Benefits Adviser. Both these members of staff make visits to registrants in their homes where necessary.

Whilst the staff team does not include anyone able to offer investment, mortgage or legal advice, the Trust is able to put registrants in touch with a Financial Adviser able to offer independent advice, and to pay for initial consultation if necessary. The Trust is also able to provide guidance on Legal Aid Franchise practices local to registrants' homes where legal assistance is required by registrants.

## ADMINISTRATION

The Trustee Group remained unchanged during the year; however Mr Kenneth Bellamy announced that he would be retiring at the first Trustees' Meeting in 1999. Trustees have notified The Department of Health, and hope that The Department will nominate a replacement to join the Trustee Board later in the year.

Mr Bellamy played an important role in developing the Eileen Trust, providing valuable guidance based on his expertise gained through his many years as a senior Civil Servant. Trustees and staff will miss his wise counsel and warm good humour. They note with gratitude his contribution to the work of the Trust.

The Board met on three occasions during the year to oversee the work of the Trust and receive applications for assistance to registrants that could not be responded to by the office Staff.

The Macfarlane Trust restructured the staff group during the year, resulting in the redundancy of the Office Manager and the part time Secretary. These posts were replaced by a Finance Officer and an Administrative Secretary.

The Department of Health and the Charity Commission approved Variations to the Trust Deed during the year. The Variations provided powers to allow the Trust to wind up, should it no longer be needed, and also made it clear that it was The Secretary of State's intention when setting up the Eileen Trust that capital as well as income should be used to support registrants.

## FINANCE

During the year Trustees decided that advice should be sought about when some funds should be moved from Schroders Charity Equities Fund into 'fixed interest stocks' to move towards a split of assets between equities and fixed interest holdings, and aim for a ratio of 60:40 over time. However, due to continuing uncertainty in the markets during a large part of the year, the majority of Trust investments remained in the Schroder Equities Fund at the end of the year, with a smaller proportion of investments being held in M&G Charifund Units.

**Schroders Charities Equities Fund**

At the beginning of the year, assets to the value of £349,947 were held in Schroders CEF. At the end of the year 8536 Units valued at £25,000 had been sold and transferred to the Schroders Charities Special Deposit Fund to contribute towards Trust payments to registrants. Therefore Trustees recorded a reduction in value of investments of £15,093, but after taking into consideration sales of units to the value of £25,000 in the year, recorded a net realised gain of £9,907.

**M&G Charifund**

At the beginning of the year 4,814 M&G Charifund Units were held, valued at £53,306. At the end of the year these units were valued at £50,364, the fall in value of £2,942 being accounted for by fluctuations in the market during the year.

**Cash**

Cash on Deposit with the CAFGold Account stood at £5,533 at the end of the financial year.

Cash on deposit in the Schroder Special Interest Deposit Account stood at £6,710 at the end of the year.

Cash held in the Lloyds Business Call Account in the sum of £47,943 at the end of the year included assets arising from holding the sum of £43,500 on behalf of the Department of Health. The sum was held as a Special Payment, to be paid to a new registrant when details of the registrant were provided by the Department.

**Administration Charges**

The final charge levied by the Macfarlane Trust for the year was £21,939, which included costs of replacing outdated computer equipment and consultancy to achieve Year 2000 compliance totalling £2,638.

**CONCLUSION**

The Trustees report another effective but uneventful year of work. The low level of activity reflects the small number of Trust beneficiaries and the level of demand they make on the Trust. Trustees believe it to be unlikely that this situation will change significantly in the future unless unforeseen circumstances cause an increase in those infected with HIV through NHS treatments.

### **Responsibilities of Trustees**

The Trustees of the Eileen Trust are responsible for the preparation of the financial statements for each financial year which shall give a true and fair view of the state of affairs of the Trust and the surplus or deficit for that year. In preparing those financial statements the Trustees are required to:

Select suitable accounting policies and then apply them consistently

Make judgements and estimates that are prudent and reasonable

Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue its operations

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the Trust which will enable it to ensure that the financial statement comply with the Terms of the Trust. The Trustees are also responsible for safeguarding the assets of the Trust and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Accounts on pages 6 to 9 have been prepared in accordance with these responsibilities. The Auditors Report is on page 10.

## Consolidated Statement of Financial Activities For the Year Ended 31 March 1999

	Notes	Unrestricted Funds		Previous Year 31.3.98
		<u>General</u>	<u>Designated (Management)</u>	
		£	£	£
<b>Resources Arising</b>				
Investment Income				
Bank Deposit Interest		216	-	216
CAF Cash Interest		777	-	777
Schroders Interest		1,090	-	1,090
M & G Dividends		2,435	-	2,435
D.O.H. Special Grant		8,500	-	8,500
Section 64 Grant	(4)	-	23,000	23,000
		<u>13,018</u>	<u>23,000</u>	<u>36,018</u>
Gross resources arising in the year		<u>13,018</u>	<u>23,000</u>	<u>36,018</u>
<b>Use of Resources</b>				
Direct Charitable Expenditure	(2)			
Grants		13,672	-	13,672
Special Winter Payments		5,805	-	5,805
Regular Payments		40,572	-	40,572
Special Payment – D.O.H.		8,500	-	8,500
Administrative Costs	(3)	-	25,658	25,658
Resources used in year		<u>68,549</u>	<u>25,658</u>	<u>94,207</u>
<b>Changes in resources before transfers and valuations</b>		<b>(55,531)</b>	<b>(2,658)</b>	<b>(58,189)</b>
<b>Realised &amp; Unrealised Gains &amp; Losses</b>				
Realised Gains	(5)	10,125	-	10,125
Unrealised Losses	(5)	(3,160)	-	(3,160)
Net decrease in resources in year		<u>(48,566)</u>	<u>(2,658)</u>	<u>(51,224)</u>

The notes on page 8 & 9 form part of these accounts



## Balance Sheet For The Year Ended 31 March 1999

	Notes	Unrestricted Funds			Previous Year 1998 £
		General £	Designated (Management) £	Total £	
Balance brought forward 1 April 1998		445,861	-	445,861	409,035
Net decrease in resources in year	(6)	(48,566)	(2,658)	(51,224)	36,826
Transfer between Funds		(2,658)	2,658	-	
Balance carried forward 31 March 1999		<u>394,637</u>	<u>-</u>	<u>394,637</u>	<u>445,861</u>

## Represented by:

Investment assets:					
Schroders CEF	(5)	334,854	-	334,854	349,947
M & G Charity fund		50,364	-	50,364	53,306
Cash Assets:					
Lloyds		40,676	7,267	47,943	9,932
Schroders		6,710	-	6,710	23,620
CAF cash		5,533		5,533	10,760
Current Liabilities					
Accruals and receipts in advance		(43,500)	(7,267)	(50,767)	(1,704)
		<u>394,637</u>	<u>-</u>	<u>394,637</u>	<u>445,861</u>

Unrealised (Loss) included above:

Schroders	(5)	(218)	-	(218)	174,147
M & G	(5)	(2,942)	-	(2,942)	3,306
		<u>(3,160)</u>	<u>-</u>	<u>(3,160)</u>	<u>177,453</u>

The financial statements on pages 6 to 9 were approved by the Trustees on 15.10.99 (Minute 99.22 (iv)) and are signed on their behalf by:-

GRO-C

Secretary to the Trustees

GRO-C

Chairman

The notes on page 8 & 9 form part of these accounts

## Notes to the Accounts

### 1. Accounting Policies

- a. The Accounts have been prepared under the historical cost convention.
- b. The Accounts have been prepared on an accruals basis, the only such items being the Audit Fee and legal fees.

### 2. Direct Charitable Expenditure

- a. 20 single grants were made of amounts varying from £51 to £2,370
- b. 11 winter payments were made at a standard rate of £525
- c. 23 people have received regular payments at rates varying from £13 to £3,203 per month according to circumstances. To this, a supplement of £55 per month may be added for health reasons.

### 3. Administrative Costs

The majority of administrative costs are paid by fee to the Macfarlane Trust under the terms of a management agreement made between the Trustees of the two Trusts.

	Payments		Total	1998 Total
	<u>by fee</u>	<u>direct</u>	<u>Costs</u>	<u>Costs</u>
	£	£	£	£
Salaries	12,854	-	12,854	11,787
Travel & Subsistence	-	466	466	259
Rent & Rates	2,166	-	2,166	2,000
Premises maintenance	1,596	-	1,596	650
Replacement of outdated computer equipment and consultancy (see below)	2,638	-	2,638	-
Equipment & Furniture	86	-	86	5,820
Telephone, fax & post	806	-	806	1,575
Stationery & Printing	940	71	1,011	1,437
Audit & Accountancy	-	1,762	1,762	1,410
Bank charges	-	140	140	196
Legal & Professional fees	595	1,280	1,875	801
General expenses	258	-	258	278
	<u>21,939</u>	<u>3,719</u>	<u>25,658</u>	<u>26,213</u>

With regard to the replacement of outdated computer equipment and consultancy to achieve Year 2000 Compliance, it is hoped that any deficit arising on the General fund due to these costs will be met by the Government as an addition to the Section 64 Core Grant.

### 4. Section 64 Grant

Section 64 Grants are made on the understanding that unused funds are returnable to the Department of Health.

## 5. Investments

Gains of £10,125 were realised in the year on the sale of 8,536 units in the Schroders Charity Equity Fund.

<u>Schroders</u>	<u>Current Period</u>	<u>Cumulative at 31.3.98</u>
110360 Units held:		
Value at 31 March 1999	334,854	334,854
Value at 31 March 1998	335,072	Cost (Nov 94) 160,925
Unrealised Gain/(Loss) - 98/99	<u>(218)</u>	<u>173,929</u>
 <u>M &amp; G</u>		
4814 Units held:		
Value at 31 March 1999	50,364	50,364
Value at 31 March 1998	53,306	50,000
Unrealised gain/(loss) 98/99	<u>(2,942)</u>	<u>364</u>
Total unrealised gains/(losses) - 98/99	<u>(3,160)</u>	<u>174,293</u>

## **AUDITORS' REPORT TO THE TRUSTEES OF THE EILEEN TRUST**

We have audited the financial statement on pages 6 to 9 which have been prepared on the basis of the accounting policies set out on page 8 (Note 1).

### **Respective Responsibilities of Trustees and Auditors**

As described on page 5, the Trustees of the Eileen Trust are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

### **Basis of Opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates, and judgements made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the circumstances, are consistently applied and are adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

### **Opinion**

In our opinion, the financial statements give a true and fair view of the state of the affairs of the Eileen Trust as at 31 March 1999 and of the Trust's deficit for the year then ended.

**GRO-C**

Glaziers

Chartered Accountants

Registered Auditors

843 Finchley Road

London

NW11 8NA

Date. 15/10/99.....