

The Eileen Trust

Annual Report and Accounts

for the period ending

31st March 1995

The Eileen Trust

Trustees

The Reverend Prebendary Alan Tanner (Chairman)
Dr Elizabeth Mayne
Alan Palmer
Susan Phipps
Patricia Winterton

Registered Office

PO Box 627
London
SW1H 0QG

Trust Staff

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

John Williams - Secretary to the Trustees
Tudur Williams - Social Worker
Patricia Le Sage - Secretary
Funmi Hassan - Clerical Officer

Bankers

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

Auditors

Glazers
843 Finchley Road
London
NW11 8NA

Introduction

This Report covers the second year of operation of the Eileen Trust, to the 31st March 1995.

It is becoming apparent that the number eligible for the Government scheme of settlement to people infected with HIV through whole blood or tissue transplant or use of blood products (other than people with haemophilia) is smaller than originally expected.

To date just over sixty people have received a settlement payment (including the relatives of infected persons who have died) and only three other applications are still in process. Not all of these people are eligible for help from the Eileen Trust, such help being available only to people themselves infected or their needy relatives.

If the task of the Trust is therefore less in quantitative terms than was forecast, the need for the Trust is no less urgent in qualitative terms to those who have registered.

The activities of the Trust have followed the two objectives of bringing help to those who have made contact, and trying to discover and make contact with those who have not yet made themselves known to us but who may now or in future need the help of the Trust.

Trustees' Report

The establishment of the Trust was fully described in our first Annual Report (June 1994).

At that time 57 people had qualified for a settlement payment under the scheme, and of these 24 had made contact with the Trust. Although not every settlement payment results in eligibility for help from the Eileen Trust, it was nonetheless felt by the Trustees that this gap was too large, and that there could be many people who were eligible and who might need help but were unaware that help was available. It has therefore been one of the major concerns of the Trust to identify and enrol those who are eligible.

This action has rested mainly on two projects. First it was arranged with the Department of Health that they would send out another circulation to potential beneficiaries who had not registered with the Trust with a further invitation to do so. Secondly the Trust wrote to medical and social work staff at hospitals and to contacts in voluntary organisations connected with HIV giving information about the Trust and inviting referrals.

Both of these methods achieved some (but limited) success, and the Trust has also arranged to appear in the directory of National Aids Manual and other publications of this type. Additionally, the staff take all opportunity to follow up any leads, however slight.

At 31st March 1995 the number of people who had received a settlement payment from the Government had gone up by only five to 62, but the number registered with the Trust had gone up by ten to 34.

The importance of making contact with all potential beneficiaries relates not only to the wish to bring help to each individual who needs it but also to the Trustees' need to be able to assess the likely demands on the Trust and to match the resources to this.

Fortunately since the Trust is currently under-subscribed, and the requests for help of those registered have been moderate, the Trustees have been able to take a pragmatic view, and to meet the great majority of requests for financial help without undue concern about the erosion of Trust resources.

Nonetheless it would be a great advantage to have more information and to be able to plan the Trust's activities and expenditure rather than to be confined to the present reactive role.

There have been no major changes in policy over the past year and the assistance offered follows the same pattern. The Trustees have however looked progressively at the requests received and have been able to agree guidelines which allow authority to the staff to make some payments without the need for reference to the Trustees.

This speeds reaction time in many cases. The staff do not however reject any applications; any which are outside the guidelines either in type or in financial limit are referred to Trustees for decision.

Assistance - Financial

Financial assistance has been in three forms:

Single Payments A number of single payments have been approved. The 19 payments made total £13,373. Each of these payments has been considered individually and no standard responses have been developed. However, general guidelines are being developed in order that authority for making payments for certain purposes can be delegated to the staff within specified financial limits.

Regular Payments It was agreed that the extra cost of living directly attributable to HIV is a considerable burden, irrespective of health or means, and this is recognised by payment on a continuous basis to anyone with HIV who requests it. The extra burden to those on lower incomes, particularly those living entirely on benefits, is also considered as justifying a graded addition to this basic payment; and the rapidly escalating costs of advancing sickness as calling for a further supplement over whatever basic or higher payment is made.

The regular payments system was started in August 1993 at a standard basic rate of £70 a month. Income based higher rates, up to a maximum of £230 a month were introduced in January 1994 and the sickness related addition of £50 a month was available from March 1994.

Regular payments are made in some situations to needy relatives of registered people who have died. There is no set scheme for this and discretion is applied according to the individual circumstances.

At the end of the year a total of 17 people were receiving a regular payment of some kind. A total of £35,110 had been paid out in this way.

Winter Payments The payments made in recognition of the extra costs of caring for health in the winter (principally by way of domestic heating costs but also from clothing and dietary needs) were continued this year in the form of a lump sum extra payment of £500, made in November. A total of 17 such payments (including 2 for infected intimates) was made at a cost of £8,500.

Total Payments A total of £56,983 was therefore paid in financial help during the year. For three quarters of this total (£43,610) the choice of the use of the money was deliberately given to the individuals so that they could determine their own priorities according to their needs. This spares the stress of having to make repeated applications for day-to-day expenses which are not individually significant but overall can add up to a major burden.

Assistance Other than Financial

The Trust maintains a telephone helpline open throughout normal office hours. Advice and assistance is available on a number of potential problems, particularly in dealing with welfare benefits, mortgages and housing and general financial matters.

The Trust does not have anyone qualified to give specialist legal or investment advice but can give basic advice and guide enquirers on how to obtain any professional help they may need.

Equally the Trust has no-one qualified to offer in-depth counselling but the staff are always available for confidential discussion of personal problems of any kind with a view to providing practical advice and guidance.

In addition to this telephone service a home visit service is available where this would be of value. This has invariably been offered at first registration, to enable people to get to know someone from the Trust and to receive a full explanation of the Trust service and a review of their personal needs.

Contact

The Trustees are aware that some of the people registered with the Trust may suffer from feelings of isolation and the lack of contact with others with similar problems, with whom they could share experiences and give and gain mutual support.

A letter was circulated suggesting the possibility of a meeting which could consider ways of dealing with this problem. However, only a very few people wished, and were able, to take part. Additionally those who agreed were so widespread around the country that the opportunity for follow up would have been extremely limited.

For these reasons the Trustees agreed that the project was not viable and the meeting was not held. The Trustees will continue to consider whether this is a problem that the Trust can do anything to help with.

Finance

When the Trust was first able to invest the original Government grant in November 1993 it turned out that the investments were bought very near the top of a peak of market values which subsequently fell sharply showing a marked loss in value of the Trust assets.

This fall in the market continued through much of the Financial year 1994/95 and the Trustees had little option but to hold on and wait for improvement rather than accept selling and buying costs with no promise of gain. However, based on a poorer than average showing on the middle tier investment with the Charities Aid Foundation it was decided to sell these shares and reinvest in the longer term accumulation fund with Schroders.

The ongoing rate of expenditure has meant that the liquid cash resources would be likely to last longer than at first expected, and thus enabled acceptance, at least on a temporary basis, of a two tier structure of a cash investment plus a long term growth fund.

The change is being vindicated by results, and an upward move of the markets towards the end of the year meant that the loss in value of investments was only £4,333 compared with £35,742 in the previous year. The Trustees hope that the recovery will continue in the coming year, and that original values will be regained at an early date.

Conclusion

The Trustees wish to acknowledge their continued satisfaction with the administrative service provided by the Macfarlane Trust. They also wish to record the support of the Department of Health and the good working relationships which exists at all levels of contact with the Department.

Although there have been no events or decisions of great significance during the year, the Trustees consider that the position of the Trust has been soundly consolidated, and that the Trust is well placed to continue the work required to meet the objectives of the Trust Deed.

Accounts

for the Financial Year ending 31st March 1995

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 of 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 judgments and estimates that are reasonable and prudent
- 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 statements comply with the terms of the Trust. They are also responsible for safeguarding assets and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Accounts on pages 7 to 10 have been prepared in accordance with these responsibilities. The Auditors' Report is on page 11.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 1995

	<u>Notes</u> (1)	<u>Unrestricted Funds</u> <u>General</u>	<u>Designated</u> <u>(Management)</u>	<u>Total</u>	<u>Previous Year</u> 31.03.94
		£	£	£	£
Resources Arising					
Investment Income					
Bank Deposit Interest		666	-	666	17,347
CAFCash Interest		3,768	-	3,768	1,071
CAFINVEST Interest		10,730	-	10,730	-
Section 64 Grant		-	23,000	23,000	25,000
		-----	-----	-----	-----
Gross resources arising in the year		15,164	23,000	38,164	43,418
		-----	-----	-----	-----
Use of Resources					
Direct Charitable Expenditure (2)					
Grants		13,373	-	13,373	11,149
Special Winter Payments		8,500	-	8,500	8,500
Regular Payments		35,110	-	35,110	13,585
Administrative Costs (3)		-	16,210	16,210	19,919
Returnable Sect 64 Grant (4)		-	6,790	6,790	5,081
		-----	-----	-----	-----
Resources used in year		56,983	23,000	79,983	58,234
		-----	-----	-----	-----
Changes in resources before transfers & valuations		(41,819)	-	(41,819)	(14,816)
Realised & Unrealised Gains & Losses					
Realised Gains & (Losses) (5)		(16,712)	-	(16,712)	
Unrealised Gain & (Loss) (5)		12,379	-	12,379	(35,742)
		-----	-----	-----	-----
Net increase (decrease) of resources in year		(46,152)	-	(46,152)	(50,558)
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Balance Sheet for the year ended 31 March 1995

	<u>Notes</u>	<u>Unrestricted Funds</u>		<u>1995</u>	<u>Previous</u>
		<u>General</u>	<u>Management</u>	<u>Total</u>	<u>year 1994</u>
					<u>Total</u>
Balance brought forward 1 Apr 94		449,452	-	449,452	500,010
Movements in year					
Changes to fixed assets		-	-	-	-
Net decrease of resources		(46,152)	-	(46,152)	(50,558)
Balance carried forward					
31 March 1995		403,300	-	403,300	449,452
Represented by:					
Investment assets: Schrodgers	(5)	359,914	-	359,914	140,375
CAInvest	(5)	-	-	-	223,883
Cash Assets: Bank		8,572	7,730	16,302	20,379
CAFcash		34,814	-	34,814	71,071
Current liabilities					
S64 Grant	(4)	-	(6,790)	(6,790)	(5,081)
Accruals		-	(940)	(940)	(1,175)
		403,300	-	403,300	449,452
Unrealised Gains/(Losses) included above:					
Schrodgers		12,379	-	12,379	(9,625)
CAInvest		-	-	-	(26,117)
Total unrealised Gain/(Loss)		12,379	-	12,379	(35,742)

The financial statements on pages 6 to 10 were approved by the Trustees on 15th June 1995 (Minute 95.12) and are signed on their behalf by:-

GRO-C
 Secretary to the Trustees

16th June 1995

Notes to the Accounts

1. Accounting Policies

- a. The Accounts have been prepared under the historical costs convention.
- b. The Accounts have been prepared on the basis of payments and receipts in the year and not on an accruals basis, excepting only the Audit fee.

2. Direct Charitable Expenditure

- a. 20 single grants were made of amounts varying from £63 to £2,500.
- b. 17 winter payments were made at a standard rate of £500.
- c. 18 people have received regular payments at rates varying from £70 to £225 a month according to circumstances. To this a supplement of £50 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	1994 Total
	<u>By fee</u>	<u>Direct</u>	<u>Costs</u>	<u>Costs</u>
Salaries	7,900	-	7,900	7,860
Travel and subsistence	-	609	609	1,263
Rent and rates	3,220	-	3,220	3,004
Premises maintenance	630	-	630	748
Telephone and fax	470	-	470	928
Equipment and furniture	1,044	-	1,044	3,163
Stationery and printing	636	82	718	1,042
Postage	460	-	460	575
Audit and accountancy	-	940	940	1,175
Bank charges	-	199	199	110
General expenses	20	-	20	51
	-----	-----	-----	-----
	14,380	1,830	16,210	19,919 *
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* The 1994 total included initial setting-up costs

4. Section 64 Grant.

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

5. Investments

At the beginning of the year medium and long-term investment funds were held in the CAF Income Fund (£223,883) and Schrodgers Charity Equity Fund Accumulation Units (£140,375). Because of the poor performance of CAF these funds were withdrawn and reinvested with Schrodgers in November. A summary of investment transactions is shown on page 10.

5. (continued)

Investment Holdings and Transactions

	CAFINVEST	SCHRODERS(A)	SCHRODERS(B)	Total
Value at 1 Apr 94	223,883	140,375		364,258
Trading at Market Value				
Disposals	(207,171)	-	-	
Additions	-	-	207,160 (a)	
	-----	-----	-----	-----
Net Addition(Disposal)	(207,171)	-	207,160	(11) (b)
Realised gain(loss)	(16,712)			(16,712)
Unrealised gain(loss)	-	7,153	5,226	12,379
Market value at 31 Mar 95	-	147,528	212,386	359,914 (c)

Notes:

- The proceeds of the CAFINVEST sale were invested in the same type of units as the original Schroders Investment but have been kept in a separate numbered account for comparison with the subsequent performance of CAF.
- This represents a transfer from investment capital to cash.
- The net capital loss in the year was therefore £4,344. During the year cash holdings in the general account were also reduced by £41,808. (Total decrease in resources £46,152 - page 1.)

Auditors' Report to the Trustees of the Eileen Trust

We have audited the financial statement on pages 7 to 10 which have been prepared on the basis of the accounting policies set out on page 9.

Respective Responsibilities of Trustees and Auditors

As described on page 6, 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 judgments 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 mis-statement, 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 affairs of the Eileen Trust as at 31st March 1995 and of the Trust's surplus/(deficit) for the year then ended.

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

19th June 1995

