

Company Registration No. 05084964 (England and Wales)

**SKIPTON FUND LIMITED**

(A company limited by guarantee and not having a share capital)

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2012**

# SKIPTON FUND LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	E A C Boyd P R Stevens P Spellman (Appointed 24 May 2011) M C Harvey
<b>Secretary</b>	N M D Fish
<b>Company number</b>	05084964
<b>Registered office</b>	Bay Lodge 36 Harefield Road Uxbridge UB8 1PH
<b>Auditors</b>	Ward Williams Park House 25 - 27 Monument Hill Weybridge Surrey KT13 8RT
<b>Business address</b>	Alliance House 12 Caxton Street London SW1 0QS
<b>Bankers</b>	Lloyds TSB Butler Place Branch PO Box 132 1 Butler Place London SW1H OPR  Bank of Scotland 2nd Floor Pentland House Edinburgh Park Edinburgh EH12 9DJ
<b>Solicitors</b>	Wilsons Solicitors LLP Steynings House Summerlock Approach Salisbury Wiltshire SP2 7RJ

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# SKIPTON FUND LIMITED

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# SKIPTON FUND LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 MARCH 2012

The directors present their report and financial statements for the year ended 31 March 2012.

Skipton Fund Limited ("the company") is a company limited by guarantee and does not have a share capital.

#### Principal activities

The principal activity of the company is to implement and manage the UK-wide ex gratia payments scheme for people infected with hepatitis C from NHS treatment with blood, blood products or tissue ("the scheme"). The company acts as agent for the Department of Health ("the Department"), which in turn acts for the health departments of the devolved administrations.

The company was established in 2004 following the announcement of the scheme on 29 August 2003 by the Secretary of State for Health. The company began operating on 5 July 2004. The scheme, which was at that time limited to people who were alive on the announcement date, initially comprised Stage 1 payments of £20,000 to anybody who had been infected, and additional Stage 2 payments of £25,000 to those whose infection had led to liver cirrhosis or cancer. The volume of payments made in each of the first six years of the company's existence is shown below:

Year ending 31 March	Stage 1	Stage 2	Cumulative proportion of Stage 2 to Stage 1 %
2005	3,034	294	10
2006	433	188	14
2007	246	101	16
2008	205	101	17
2009	131	79	19
2010	163	78	20

On 10 January 2011 the Secretary of State announced enhancements of the payments scheme:

- the introduction of an annual payment to people who had received a Stage 2 payment; this was set at £12,800, to be index-linked to the Consumer Prices Index.
- the doubling of the Stage 2 payment to £50,000, both for future claimants and for those who had already received the original amount of £25,000.
- the opening of the scheme to the estates of those who had died before 29 August 2003.
- the introduction of annual prescription pre-payment certificates ("PPC") for those covered by the scheme who were not already exempt from prescription charges.

All these changes were to be administered by the company.

There was a consequent increase in the volume of transactions handled by the company:

Year ending 31 March	2011	2012
<u>Stage 1</u>		
Living or deceased after 29 August 2003	117	148
Deceased before 29 August 2003	0	436
<u>Stage 2</u>		
Living or deceased after 29 August 2003	82	148
Deceased before 29 August 2003	0	169
"Top-up" payments	0	697
<u>Annual payments</u>		
Receiving annual payments at 31 March	0	548
<u>PPC</u>		
England only	0	104

# SKIPTON FUND LIMITED

## DIRECTORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2012

The company analyses its disbursements according to the location of the treatment that gave rise to the infection, the Department recovering the respective costs of funding from the Devolved Administration. The cost to each region is broadly the same for each category of payment and throughout the company's history, namely 77% England, 15% Scotland, 5% Wales and 3% Northern Ireland.

Cumulative Stage 2 payments as a proportion of cumulative Stage 1 payments in the original scheme have had an upwards trend and now stand at about 21%. It is expected that this proportion will continue to rise. The January 2011 announcement set a deadline of about 3 months for applications for Stage 1 payments in respect of people who had died before 29 August 2003. The company waived this deadline in a number of cases where circumstances clearly made it impossible to be met; however, as a result of this timetable, by the end of 2011 new applications in this category had largely ceased, and it seems likely that payments of both Stages in respect of this group of people had largely ceased by 31 March 2012.

By 31 March 2012 the total number of applications that had been received since the inception of the scheme which were judged to be ineligible for payments under the scheme was 596, of which about 200 were ineligible for the scheme because the applicants had cleared the hepatitis C virus during the acute stage of infection. About 400 applications, representing some 7% of all potentially eligible applications, were rejected because either there was insufficient evidence that infection resulted from NHS treatment using contaminated blood or tissue or there were more significant risk factors. Applicants in respect of people who had died before 29 August 2003 and did not have haemophilia have frequently had difficulty obtaining evidence of the cause of infection. In all cases where the cause of infection is uncertain, assessments of eligibility for payment are made on the basis of the balance of probability.

At 31 March 2012 a further 270 Stage 1 applications were being held pending resolution of queries, while 245 Stage 2 applications had not been paid because they did not yet meet the scheme criteria.

The annual payment made to living recipients of Stage 2 payments will be £13,886 for the year ended 31 March 2013.

It is expected that there will be a substantial reduction in the company's activity in the coming year.

#### Note on the financial statements

The Income & Expenditure account on page 7 shows that the company's direct costs, consisting of payments to eligible beneficiaries, were about 12 times those of the previous year, as indicated in the statistics on page 1, whereas the costs of administering this substantially increased volume of transaction after taking in to account additional costs borne by Caxton were only 29% higher. It is expected that the volume of business processed in the year ending 31 March 2013 will be considerably lower, although still above the levels which it had reached before the January 2011 announcement.

Movement in most other financial entries compared with the previous year are largely the result of small differences in the timing of receipt of income from the Department to meet direct expenditure.

The company operates, as it has done from the outset, in offices in Alliance House, Caxton Street, London SW1, which it shares with a number of other entities involved with financial support to people infected through the use during NHS treatment of contaminated blood, blood products and tissue. All these entities are funded by the Department. Before 2011 the principal such entity was the Macfarlane Trust ("MFT"), a charity, established in 1987, that supports people with bleeding disorders who were infected with HIV.

As a further consequence of the January 2011 announcement, a new charity was established, The Caxton Foundation ("Caxton"), to provide support to those infected with hepatitis C; this support, which would be discretionary, would supplement the non-discretionary payments made by the company.

# SKIPTON FUND LIMITED

## DIRECTORS' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 MARCH 2012*

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For reasons of efficiency, Caxton, which was established on 22 June 2011, has taken over the administrative functions formerly provided by MFT, including the employment of the staff of the various Alliance House entities and the ownership of the lease for the space occupied by the entities, including the company. The costs of performing these functions are now borne by Caxton. Hitherto 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 revised arrangements that have come into force this year, that part of Caxton's costs that is attributable to the company is the subject of an adjustment through the Department's funding mechanism, which appears as a supplementary note (Note 13) to the company's accounts.

### **Directors**

The following directors have held office since 1 April 2011:

E A C Boyd  
P R Stevens  
P Spellman  
M C Harvey

(Appointed 24 May 2011)

The directors are most grateful for the hard work of a number of staff in the Alliance House office that has enabled the company to process the large volume of applications resulting from the January 2011 announcement, many of which gave rise to considerable difficulty of assessment and led to prolonged investigation by and on behalf of applicants.

This difficulty in turn led to a significant increase in the number of applications that needed to be referred to the independent Appeal Panel, the members of which have continued to be unstinting in the time and commitment that they give to the company to enable the eligibility of applications to be established when the evidence is not clear-cut. The directors wish to express their considerable gratitude to the chairman and members of this Panel.

### **Auditors**

The auditors, Ward Williams, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

### **Statement of directors' responsibilities**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# SKIPTON FUND LIMITED

## DIRECTORS' REPORT (CONTINUED)

*FOR THE YEAR ENDED 31 MARCH 2012*

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### **Statement of disclosure to auditors**

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board

P R Stevens  
Director  
5 June 2012



# SKIPTON FUND LIMITED

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF SKIPTON FUND LIMITED

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We have audited the financial statements of Skipton Fund Limited for the year ended 31 March 2012 set out on pages 7 to 14. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. 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 Practices Board's Ethical Standards for Auditors.

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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2012 and of its deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.



# SKIPTON FUND LIMITED

## INDEPENDENT AUDITORS' REPORT (CONTINUED)

### TO THE MEMBERS OF SKIPTON FUND LIMITED

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report.

**Craig Tribe (Senior Statutory Auditor)**  
for and on behalf of Ward Williams

13 June 2012

**Chartered Accountants**  
**Statutory Auditor**

Park House  
25 - 27 Monument Hill  
Weybridge  
Surrey  
KT13 8RT

# SKIPTON FUND LIMITED

## INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2012

	Notes	2012 £	2011 £
Direct Income	2	37,284,346	19,478,496
Direct costs	3	(52,307,168)	(4,370,000)
		(15,022,822)	15,108,496
Administrative expenses		(125,578)	(144,457)
Operating (deficit)/surplus	4	(15,148,400)	14,964,039
Other interest receivable and similar income		9,901	14,106
(Deficit)/surplus on ordinary activities before taxation		(15,138,499)	14,978,145
Tax on (deficit)/surplus on ordinary activities	5	(1,980)	(2,962)
(Deficit)/surplus for the year	10	(15,140,479)	14,975,183

# SKIPTON FUND LIMITED

## BALANCE SHEET

AS AT 31 MARCH 2012

	Notes	2012 £	£	2011 £	£
<b>Fixed assets</b>					
Tangible assets	6		14,135		7,343
<b>Current assets</b>					
Debtors	7	589,248		17,373	
Cash at bank and in hand		1,060,757		16,662,198	
		<u>1,650,005</u>		<u>16,679,571</u>	
<b>Creditors: amounts falling due within one year</b>	8	<u>(135,463)</u>		<u>(17,758)</u>	
<b>Net current assets</b>			<u>1,514,542</u>		<u>16,661,813</u>
<b>Total assets less current liabilities</b>			<u><u>1,528,677</u></u>		<u><u>16,669,156</u></u>
<b>Reserves</b>					
Revenue reserves	10		<u>1,528,677</u>		<u>16,669,156</u>
<b>Member funds</b>			<u><u>1,528,677</u></u>		<u><u>16,669,156</u></u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Board for issue on 5 June 2012

P R Stevens  
Director

E A C Boyd  
Director

Company Registration No. 05084964

# SKIPTON FUND LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2012

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

#### 1.2 Changes in accounting policies

The company operates, as it has done from the outset, in offices in Alliance House, Caxton Street, London SW1, which it shares with a number of other entities involved with financial support to people infected through the use during NHS treatment of contaminated blood, blood products and tissue. All these entities are funded by the Department of Health. During the year a new charity, The Caxton Foundation ("Caxton"), was established and for reasons of efficiency, Caxton, with effect from 1 October 2011, has taken over the administrative functions formerly provided by The Macfarlane Trust, including the employment of the staff of the various Alliance House entities and the ownership of the lease for the space occupied by the entities, including the company. The costs of performing these functions are now borne by Caxton. Hitherto 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 revised arrangements that have come into force this year, that part of Caxton's costs that is attributable to the company is the subject of an adjustment through the Department's funding mechanism. Actual services costs incurred by Caxton on behalf of the company in the period 1 October 2011 to 31 March 2012 totalled £60,197. There is no effect on the previous year or brought forward reserves and as such there is no requirement for a prior year adjustment. For further details please refer to note 13.

#### 1.3 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

#### 1.4 Direct Income

Direct income represents amounts receivable from H.M. Government and the devolved administrations to fund the company's principal activity, net of VAT payable on recharged administration expenses.

#### 1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computer equipment	20% on cost
Fixtures, fittings & equipment	20% on cost

#### 1.6 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

#### 1.7 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the income and expenditure account in the year they are payable.

# SKIPTON FUND LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2012

### 2 Direct income

#### Geographical Split

	2012 £	2011 £
England	27,854,216	18,503,496
Northern Ireland	1,567,852	45,000
Scotland	4,829,075	770,000
Wales	3,033,203	160,000
	<u>37,284,346</u>	<u>19,478,496</u>

### 3 Direct Expenses

	England £	Northern Ireland £	Scotland £	Wales £	2012 Total £	2011 Total £
New stage 1 claims	2,440,000	60,000	280,000	180,000	2,960,000	2,320,000
New stage 2 claims	5,175,000	100,000	850,000	125,000	6,250,000	2,050,000
Stage 2 'top up' payments	14,075,000	425,000	1,975,000	950,000	17,425,000	-
Pre 2003 claims stage 1	7,540,000	260,000	300,000	620,000	8,720,000	-
Pre 2003 claims stage 2	6,800,000	500,000	350,000	800,000	8,450,000	-
Non-Discretionary payments	6,835,292	222,852	1,074,075	358,203	8,490,422	-
Prescription payments	11,746	-	-	-	11,746	-
	<u>42,877,038</u>	<u>1,567,852</u>	<u>4,829,075</u>	<u>3,033,203</u>	<u>52,307,168</u>	<u>4,370,000</u>

The company analyses its payments according to the location of the treatment that gave rise to the infection. The Funding with regards the above payments has come from H.M. Government, or the relevant devolved administration.

### 4 Operating (deficit)/surplus

	2012 £	2011 £
Operating (deficit)/surplus is stated after charging:		
Depreciation of tangible assets	4,810	3,917
Auditors' remuneration	2,500	2,400
Directors' emoluments	<u>1,550</u>	<u>300</u>

# SKIPTON FUND LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2012

5	Taxation	2012 £	2011 £
	<b>Domestic current year tax</b>		
	U.K. corporation tax	1,980	2,962
	<b>Total current tax</b>	<u>1,980</u>	<u>2,962</u>

The company is a non-trading company which administers a hepatitis C ex gratia payment scheme on behalf of the Department of Health. Corporation tax is payable only on profits and gains from non-trading loan relationships.

6	Tangible fixed assets	Plant and machinery etc £
	<b>Cost</b>	
	At 1 April 2011	68,910
	Additions	11,602
	Disposals	(9,258)
	At 31 March 2012	<u>71,254</u>
	<b>Depreciation</b>	
	At 1 April 2011	61,567
	On disposals	(9,258)
	Charge for the year	4,810
	At 31 March 2012	<u>57,119</u>
	<b>Net book value</b>	
	At 31 March 2012	<u>14,135</u>
	At 31 March 2011	<u>7,343</u>



# SKIPTON FUND LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2012

<b>7 Debtors</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>

Funding debtors	566,533	-
Other debtors	22,715	17,373
	<u>589,248</u>	<u>17,373</u>

<b>8 Creditors: amounts falling due within one year</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>

Funding creditors	123,807	-
Taxation and social security	6,106	12,558
Other creditors	5,550	5,200
	<u>135,463</u>	<u>17,758</u>

### 9 Pension costs

#### Defined contribution

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Contributions payable by the company for the year	<u>1,329</u>	<u>2,177</u>

# SKIPTON FUND LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2012

### 10 Statement of movements on revenue reserves

	Revenue Reserves £
Balance at 1 April 2011	16,669,156
Deficit for the year	(15,140,479)
Balance at 31 March 2012	<u>1,528,677</u>

In the event of the company ceasing after completion of all payments, the company has agreed to pay any funds remaining in reserves to the Department of Health.

### 11 Financial commitments

At 31 March 2012 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2013:

	2012 £	2011 £
Operating leases which expire:		
Between two and five years	<u>-</u>	<u>40,500</u>

The company operates, as it has done from the outset, in offices which are shared with a number of other entities. Before 2011 the principal such entity was The Macfarlane Trust ("MFT"), and the lease for the premises is in the name of this entity.

In previous years an agreement has been in place between the company and MFT whereby the company sub-letted the premises from MFT and took on the lease commitments. However during the year a new charity was established, The Caxton Foundation ("Caxton"), to provide support to those infected with hepatitis C, and this support, which would be discretionary, would supplement the non-discretionary payments made by the company.

For reasons of efficiency, Caxton, with effect from 1 October 2011, has taken over the administrative functions formerly provided by MFT, including the employment of the staff of the various Alliance House entities and the ownership of the lease for the space occupied by the entities, including the company (see further information in note 13). As a result therefore no commitment has been shown above regarding the company this year.

### 12 Control

There is no one controlling party as the company is limited by guarantee and does not have share capital. The directors have effective control and the day to day administration of the company is carried out by the Scheme Administrator.

# SKIPTON FUND LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2012

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#### 13 Related party transactions

The company operates from offices in Alliance House, Caxton Street, London SW1, which it shares with a number of other entities involved with financial support to people infected through the use of contaminated blood, blood products and tissue. These other entities are The Macfarlane Trust ("MFT"), The Caxton Foundation ("Caxton"), the Eileen Trust, and MFET Limited ("MFET"). Together they are sometimes referred to as the Alliance House entities.

One of the directors of the company is also a director of MFET, as well as being a trustee of both Caxton and the Eileen Trust. Two of the directors are trustees of both MFT and the Eileen Trust. Finally one of the directors is the Chief Executive of both MFT and Caxton.

MFT supplied administration and other services to the company for the period covering 1 April 2011 to 30 September 2011 for which a management charge was raised of £20,000 (2011: £40,000). The company also supplied administration and other services to MFT regarding the same period which amounted to £4,032 (2011: £25,116) including VAT. At the year end MFT owed the company £4,032 (£nil).

During the year there were no recharges to MFET by the company (2011: £2,400 excluding VAT).

On 22 June 2011 The Caxton Foundation was established. Caxton is a new charity established to provide discretionary support payments to those infected with hepatitis C. These would supplement the non-discretionary payments made by the company. With effect from 1 October 2011 Caxton took over the administrative functions formerly provided by MFT, including the employment of the staff of the various Alliance House entities and the ownership of the lease for the Alliance House offices. The costs of performing these functions are now borne by Caxton.

Hitherto a number of recharges were made between the various entities in order to allocate the costs of services to the entities for which they were performed. Under revised arrangements that have come into force this year, the part of Caxton's costs that was attributable to the company was the subject of an adjustment through the Department of Health's funding mechanism. Actual services costs incurred by Caxton on behalf of the company in the period 1 October 2011 to 31 March 2012 totalled £60,197. Caxton received funding in the year from the Department of Health to cover these costs totalling £93,212. The balance remaining of £33,015 has been carried forward by Caxton for use against future service delivery costs. No adjustments have been made to the figures in the company's accounts regarding the above costs borne by Caxton and refunded to them by the Department of Health.

As well as the above service delivery costs, the Alliance House entities also have various shared costs. During the period 1 October 2011 to 31 March 2012 the company incurred various shared expenses totalling £17,727 (including VAT). The other entities also incurred between them various shared expenses. It was calculated that the actual costs incurred by the company were reasonable compared to what their share of the overall costs should have been, and therefore no recharges were deemed necessary.

During the year the company paid £6,513 (2011: £7,517) on behalf of Caxton relating to the setting up costs of that charity. At the year end the company was owed £14,030 (2011: £7,517).

**SKIPTON FUND LIMITED**  
**MANAGEMENT INFORMATION**  
**FOR THE YEAR ENDED 31 MARCH 2012**

# SKIPTON FUND LIMITED

## DETAILED INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2012

	2012	2011
	£	£
<b>Direct Income</b>		
Grants receivable - UK	37,306,068	19,500,000
Output VAT payable on administration expenses	(21,722)	(21,504)
	<u>37,284,346</u>	<u>19,478,496</u>
<b>Direct Costs</b>		
Stage 1 payments made	2,960,000	2,320,000
Stage 2 payments made	6,250,000	2,050,000
Stage 2 'top up' payments made	17,425,000	-
Pre 2003 Claimants Stage 1 payments made	8,720,000	-
Pre 2003 Claimants Stage 2 payments made	8,450,000	-
Non-Discretionary payments made	8,490,422	-
Prescription pre-payment certificates	11,746	-
	<u>(52,307,168)</u>	<u>(4,370,000)</u>
	(15,022,822)	15,108,496
<b>Administrative expenses</b>	<u>(125,578)</u>	<u>(144,457)</u>
<b>Operating (deficit)/surplus</b>	(15,148,400)	14,964,039
<b>Other interest receivable and similar income</b>		
Bank interest received	9,901	14,101
Other interest received	-	5
	<u>9,901</u>	<u>14,106</u>
<b>(Deficit)/surplus before taxation</b>	<u>(15,138,499)</u>	<u>14,978,145</u>

# SKIPTON FUND LIMITED

## SCHEDULE OF ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED 31 MARCH 2012

	2012	2011
	£	£
<b>Administrative expenses</b>		
Wages and salaries	54,259	29,509
Directors' remuneration	1,550	300
Employer's N.I. contributions	3,477	4,650
Staff pension costs	1,329	2,177
Staff welfare and travel	205	86
Appeal panel	6,530	3,538
Rent re operating leases	6,750	15,388
Service charges	1,702	4,275
Insurance	5,728	4,323
Repairs and maintenance	-	1,227
Printing, postage and stationery	10,918	3,273
Management charge	20,000	40,000
Computer running costs	3,076	1,829
Travelling expenses	22	589
Legal and professional fees	42	22,677
Accountancy	3,050	4,158
Audit fees	2,500	2,400
Bank charges	345	127
Sundry expenses	35	14
Depreciation on computers	2,783	3,076
Depreciation on FF & E	2,027	841
Profits/losses on disp of tangibles	(750)	-
	<u>125,578</u>	<u>144,457</u>