

**Addendum to the Report of
The Macfarlane Special Payments Trust**

Introduction

A full Report on the work of the Macfarlane Special Payments Trust was published in January 1992, and that Report included Accounts audited to 30th September 1991.

In the conclusion to the Report the Trustees affirmed that it was not their intention to publish a further detailed report, but that an Addendum and closing Accounts would be prepared when all payments had been completed.

This intention was based on the assessment that all matters of policy had been dealt with and that further Trust activity would be routine and minimal. This assessment has been borne out in practice and hence this addendum is brief and factual.

TRUSTEES' REPORT

No modifications to policies or procedures have been called for. The new activities recorded in this addendum have been carried out in continuance of those previously reported.

A further 8 payments have been completed, including 3 reported in the main Report, but subsequent to the first audit. These bring the overall total to 1232½. In this period the total registration with the Macfarlane Trust has risen to 1235. The two and a half payments not made refer to persons deceased where no alternative beneficiary in accordance with the terms of the Trust Deed could be discovered.

All work for the Trust which can be identified at present has therefore been completed. The Trust Fund is exhausted (see Financial Report) and Bank accounts have been closed.

The Trust is therefore now dormant. However, further eligibility under the Terms of the Trust Deed could still arise and the Trust will continue in existence for a further period in case this should happen.

FINANCIAL REPORT

At the time of the previous audit (30 Sep 91) the Trust Fund stood at £69,016. In the period of this Report the assets have fluctuated between the original figure and near zero. To meet cash requirements during this time four further payments have been received from HM Government, totalling £90,000.

With this variation of assets and the need to have monies on call for payments, no coherent investment policy could be implemented and the fund has been lodged in a Bank deposit account. Interest revenue has therefore been relatively low.

Accounts for the period 1st October 1991 to 31st December 1992 are on pages 3 and 4. A summary covering the full period of the Trust's activities is at Annex A.

Final administrative costs slightly exceeded the remaining assets of the Trust Fund. This shortfall has been met by a refund from the Macfarlane Trust Management account of part of the fees previously charged.

Should any late request for registration with the Macfarlane Trust be validated the Trustees will approach the Department of Health to request the appropriate funds for payment.

Report of the Auditors to the Trustees of The Macfarlane Special Payments Trust

We have audited the financial statements on pages 3 and 4 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of the Trust's affairs at 31st December 1992 and of the income and expenditure of the period then ended and comply with the terms of the Trust Deed.

11th February 1993

DODSON LIFFORD HALL

1st October 1991 to 31st December 1992

	<u>Notes</u>	£	£
INCOME			
Government Payments		90,000	
Bank Interest net	1	1,159	
Refund from			
The Macfarlane Trust	2	120	
		<u> </u>	91,279
EXPENDITURE			
Payments made (8)		160,000	
Bank Charges		85	
Auditors' Fees		705	
		<u> </u>	160,790
Excess of Expenditure over Income			<u>(69,511)</u>

BALANCE SHEET AS AT 31ST DECEMBER 1992

			<u>Notes</u>
ASSETS			
Cash at Bank		1,087	
Due from Macfarlane Trust		120	
		<hr/>	1,207
LIABILITIES			
Income Tax due	1	502	
Accruals		705	
		<hr/>	1,207
			<hr/>
			£-
			<hr/>
Represented by: Trust Fund	3		£-
			<hr/>

Signed: C H GRINSTED)
A J TANNER) Trustees

5th February 1993

NOTES TO THE ACCOUNTS FOR THE PERIOD
1st October 1991 to 31st December 1992

1. INTEREST

The Trust capital fluctuated considerably, and from the initial £69,000 was down to under £1,000 a year later. Under these circumstances the balance was held in a Bank deposit account as no planned investment programme was possible. Interest received: gross £1,661 less tax due £502, net £1,159.

2. REFUND FROM THE MACFARLANE TRUST

A refund was made from the management fund of the Macfarlane Trust of part of the charges levied in the previous accounting period.

3. TRUST FUND	£
As at 1st October 1991 (per balance sheet)	69,016
Add:	
Reserve for tax, not called for (Reserve £2,483, Demanded £1,988)	495
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As at 1st October 1991 (adjusted)	69,511
Less:	
Excess of Expenditure over income	69,511
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Fund at 31st December 1992	£-
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CONCLUSION

All possible work of the Macfarlane Special Payments Trust has been completed in respect of the 1235 persons (living and deceased) registered with the Macfarlane Trust at 31st December 1992.

Accounts have been completed and audited, the Fund is empty and the Trust becomes dormant.

The Trust Deed provides for the duty to make payments in accordance with the terms of the Deed until the "Perpetuity Day". This day is set at 29th January 2011 (a period of 21 years) unless an earlier date is set under the discretionary powers of the Trustees. The present Trustees agree that consideration of use of these discretionary powers should first be given in January 1995 when the Trust will have been in existence for five years. By that date it should be possible better to judge the continuing need for the Trust.

The Trustees place on record this Addendum to their Report in the reasonable expectation that it records the completion of the work for which the Trust was established.