

Company Registration No. 07121661 (England and Wales)

**MFET LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2012**

# MFET LIMITED

## COMPANY INFORMATION

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**Directors**

P R Stevens  
C F FitzGerald  
R Evans (Appointed 30 April 2012)

**Secretary**

M C Harvey

**Company number**

07121661

**Registered office**

Alliance House  
12 Caxton Street  
London  
SW1H 0QS

**Auditors**

Glazers  
843 Finchley Road  
London  
NW11 8NA

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# MFET LIMITED

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# MFET LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 MARCH 2012

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

#### Principal activities

The company, which was incorporated on 11 January 2010 and is funded wholly by the Department of Health ("the Department"), started operations on 1 April 2010 to administer, on a non-profit basis, a scheme of payments ("the scheme") to infected registrants of The Macfarlane Trust ("MFT") and Eileen Trust ("ET"). These charitable trusts ("the charities"), also wholly funded by the Department, make discretionary payments to people infected with HIV through the use by the NHS of contaminated blood, blood products or tissue in the treatment of, respectively, haemophilia and conditions other than bleeding disorders. The scheme, set up by the Government in response to the Report of the Archer Inquiry (the independent inquiry, chaired by Lord Archer of Sandwell, into NHS-supplied contaminated blood, blood products and tissue), supplements these discretionary disbursements with a non-discretionary annual payment.

Under the terms of an agreement with the Secretary of State for Health, the company is also the conduit for the transfer of funds from the Department to the charities to finance their charitable disbursements and their operating expenses; to the funds transferred in this manner was added the donation of the company's interest earnings.

#### Review of operations

Payments for the respective years were as follows:

<b>Scheme Payments</b>	<b>2012</b>		<b>2011</b>	
	<b>£</b>	<b>Number of Registrants</b>	<b>£</b>	<b>Number of Registrants</b>
To MFT Registrants	4,871,900	370	4,889,580	380
To ET Registrants	<u>211,200</u>	<u>16</u>	<u>192,000</u>	<u>15</u>
Total Scheme Payments	<u>5,083,100</u>	<u>386</u>	<u>5,081,580</u>	<u>395</u>

#### **Funding of the charities (including donation of interest received on deposits)**

MFT	2,410,045	2,348,542
ET	<u>100,419</u>	<u>97,836</u>
Total funding of Charities	<u>2,510,464</u>	<u>2,446,398</u>
Total payments made in the year	<u>7,593,564</u>	<u>7,527,978</u>

# MFET LIMITED

## DIRECTORS' REPORT (CONTINUED)

### ***FOR THE YEAR ENDED 31 MARCH 2012***

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The scheme payments in the company's first year of operation amounted to £12,800 annually per head, and were paid either monthly or quarterly. In the year ended 31 March 2012 these payments were index-linked to the Consumer Prices Index and in consequence were increased to £13,200.

The company operated from offices in Alliance House, 12 Caxton Street, London SW1, which were also the offices leased and occupied by MFT, which also employed the staff of the charities, the company and a number of other associated organisations. The company paid management fees to MFT of £28,250 (2010/11 £47,500).

The scheme originated in May 2009. During the year ended 31 March 2010 the scheme payments were made by a non-discretionary trust, The Macfarlane (Special Payments) (No.2) Trust ("MSPT2"). Five MFT registrants who were entitled to receive scheme payments could not be traced by MSPT2, so the liability and the funds for those payments, amounting to £55,410, were transferred to the company on 1 April 2010. Contact has now been made with one of those registrants who has now received the payments due; the funds for the other four have been reclaimed by the Department.

During the year one person came forward who should have been registered with ET in 1994. It was decided that he should have received scheme payments since their inception; the company, therefore, made a payment to him of the appropriate amount that should have been paid, first by MSPT2 and then by the company since 1 April 2010.

From 1 September 2011 the functions of leasing office space and employing staff have been transferred from MFT to a new charity, Caxton Foundation ("Caxton"), also funded by the Department. While the company continues to receive funding from the Department to cover operating expenses it incurs directly, it is not required to pay a management fee to Caxton, any costs incurred by Caxton in respect of the company being funded by an adjustment of the Department's funding of the two entities and appropriately noted in their financial statements.

#### **Directors**

The following directors have held office since 1 April 2011:

P R Stevens

C F FitzGerald (Resigned 29 April 2012)

R Evans (Appointed 29 April 2012)

The Directors are *ex officio* appointments, being the Chairmen of MFT and ET. Since the year-end, at the end of April 2012, Mr Christopher FitzGerald retired from the chair of MFT and was succeeded as a Director of the company by his successor at MFT, Mr Roger Evans.

# MFET LIMITED

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2012**

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### **Auditors**

The auditors, Glazers, 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 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.

### **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 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**

Date: 19 June 2012

# MFET LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MFET LIMITED

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We have audited the financial statements of MFET Limited for the year ended 31 March 2012 set out on pages 6 to 9. 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 - 3, 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, including APB Ethical Standard - Provisions Available for Small Entities (Revised), in the circumstances set out in note 7 to the financial statements.

### **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 profit 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.

# **MFET LIMITED**

## **INDEPENDENT AUDITORS' REPORT (CONTINUED)**

### **TO THE MEMBERS OF MFET 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.

**Jessie Kho (Senior Statutory Auditor)**  
for and on behalf of Glazers

19 June 2012

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

843 Finchley Road  
London  
NW11 8NA



# MFET LIMITED

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

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		2012	2011
	Notes	£	£
Turnover		7,634,846	7,600,000
Direct expenses		<u>(7,596,736)</u>	<u>(7,527,978)</u>
<b>Gross surplus</b>		38,110	72,022
Administrative expenses		<u>(41,253)</u>	<u>(75,296)</u>
<b>Operating deficit</b>	2	(3,143)	(3,274)
Other interest receivable and similar income	3	<u>3,143</u>	<u>3,274</u>
<b>Deficit on ordinary activities before taxation</b>		-	-
Tax on deficit on ordinary activities	4	-	-
<b>Deficit for the year</b>		<u>-</u>	<u>-</u>

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# MFET LIMITED

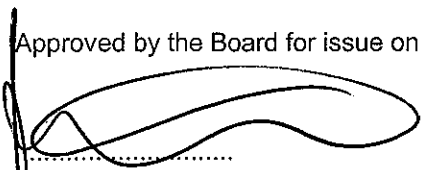
## BALANCE SHEET

AS AT 31 MARCH 2012

	Notes	2012 £	£	2011 £	£
<b>Current assets</b>					
Cash at bank and in hand		337,011		174,789	
Creditors: amounts falling due within one year	5	<u>(337,011)</u>		<u>(174,789)</u>	
<b>Total assets less current liabilities</b>			<u>-</u>		<u>-</u>
<b>Capital and reserves</b>					
<b>Total funds</b>	6		<u>-</u>		<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 19 June 2012

  
P R Stevens  
Director

  
R Evans  
Director

Company Registration No. 07121661

# MFET 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 Turnover

Income represents grants received from the Department of Health, which are recognised on receipt.

<b>2 Operating deficit</b>	<b>2012</b>	<b>2011</b>
	£	£
Operating deficit is stated after charging:		
Auditors' remuneration	4,426	4,560
	<u>          </u>	<u>          </u>

<b>3 Investment income</b>	<b>2012</b>	<b>2011</b>
	£	£
Bank interest	3,143	3,274
	<u>          </u>	<u>          </u>
	<u>3,143</u>	<u>3,274</u>

### 4 Taxation

No provision has been made for UK Corporation Tax based on these financial statements.

<b>5 Creditors: amounts falling due within one year</b>	<b>2012</b>	<b>2011</b>
	£	£
Other creditors	337,011	174,789
	<u>          </u>	<u>          </u>

<b>6 Reconciliation of movements in members' funds</b>	<b>2012</b>	<b>2011</b>
	£	£
Deficit for the financial year	-	-
Opening members' funds	-	-
	<u>          </u>	<u>          </u>
Closing members' funds	-	-
	<u>          </u>	<u>          </u>

# MFET LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*FOR THE YEAR ENDED 31 MARCH 2012*

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### **7 Auditors' Ethical Standards**

In common with many businesses of its size and nature the company uses its auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

### **8 Company limited by guarantee**

The company is limited by guarantee of members and does not have share capital. On a winding up of the company, any surplus assets must be given or transferred to the Eileen Trust and the Macfarlane Trust, in proportion to the number of Eligible Persons registered with each of them, to enable them to pursue their charitable purposes.

### **9 Related party relationships and transactions**

Under the terms of agreement with the Secretary of State for Health, payments of £2,407,028 (2011 £2,345,400) were made to the Macfarlane Trust and £100,293 (2011 £97,725) to the Eileen Trust, of which the directors C F FitzGerald and P R Stevens respectively were trustees.

Management fees of £28,250 (2011 £47,500) were paid to the Macfarlane Trust.

Interest received of £3,017 (2011 £3,144) and £126 (2011 £130) was donated to The Macfarlane Trust and the Eileen Trust respectively.