

**Company Registration No. 07121661 (England and Wales)**

**MFET LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2013**

# MFET LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	P R Stevens R Evans	(Appointed 29 April 2012)
<b>Secretary</b>	J Barlow	
<b>Company number</b>	07121661	
<b>Registered office</b>	Alliance House 12 Caxton Street London SW1H 0QS	
<b>Auditors</b>	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 2013

The directors present their report and financial statements for the year ended 31 March 2013.

#### Principal activities

The Company, which is funded wholly by the Department of Health ("DH"), administers, on a non-profit basis, a scheme of payments ("the scheme") to infected registrants of The Macfarlane Trust ("MFT") and The Eileen Trust ("ET"). These charitable trusts ("the charities"), also wholly funded by DH, 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 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 has also been the conduit for the transfer of funds from DH, together with the Company's interest earnings, to the charities to finance their charitable disbursements and some of their operating expenses. This activity, other than the transfer of interest earnings, ceased with effect from 31 March 2013.

Payments made during the year were as follows:

	Year ended 31 March			
	2013		2012	
	£	Number	£	Number
Scheme payments				
To MFT registrants	4,988,889	361	4,871,900	370
To ET registrants	234,062	17	211,200	16
Total scheme payments	5,222,951	378	5,083,100	386
of which in England		328		335
Scotland		26		26
Wales		18		19
Northern Ireland		6		6

(as a result of a number of deaths and one new registration, all MFT, there were 372 registrants alive at 31 March 2013).

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

MFT	1,999,870	2,410,045
ET	83,328	100,419
Total funding	2,083,198	2,510,464
Total payments	7,333,289	7,596,736

# MFET LIMITED

## DIRECTORS' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2013

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The scheme payments, of £13,886 annually paid either monthly or quarterly, are index-linked to the Consumer Prices Index, so will rise to £14,191 in the year beginning 1 April 2013. In addition to the scheme payments, the Company also finances Prescription Pre-payment Certificates to a number of eligible beneficiaries. The expenditure on these during the year was £3,640 (2012 £3,172).

The Company operates from offices in Alliance House, Caxton Street, London SW1, which it shares with a number of other entities, all funded by DH and involved with financial support to people infected through the use of contaminated blood. Besides MFT and ET, these include the Caxton Foundation ("Caxton"), established in 2011 to provide support to people, other than registrants of MFT and ET, who were infected with hepatitis C.

For reasons of efficiency, Caxton has taken over certain 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. Rather than make cross-charges to allocate the costs of these services to the entities for which they were performed, an adjustment is made through the DH funding mechanism, and appropriately noted in the entities' financial statements.

The Company's payments to the charities and their beneficiaries were funded by an allocation from DH of £7,500,000 less a sum to cover service delivery payments, administered by Caxton, amounting to £225,103, of which £25,924 was paid in advance; £25,716 of the total sum was applicable to the Company. The Company's funding for the year was, therefore, £7,300,821. The Company's Accounts still show its own direct costs, such as legal fees and bank charges, amounting to £9,515, including its proportion of shared service costs, such as IT services and stationery, as administrative expenses, which amounted to £3,478.

There are no comparable figures for any of these expense categories in the previous year because the financing of service delivery payments of the various Alliance House entities through Caxton was introduced in the course of that year. The difference in total funding from 2012 to 2013 is due to the 2011/12 figure reflecting only 6 months of service delivery payments, compared with 12 months for 2012/13, combined with the effect of the RPI increase to MFET payments.

#### Directors

The following directors have held office since 1 April 2012:

P R Stevens

C F FitzGerald

R Evans

(Resigned 29 April 2012)

(Appointed 29 April 2012)

The directors of the company who are named above are ex officio appointments, being the Chairmen of MFT and ET. The directors wish to express their appreciation of the work done for the company by the staff of Caxton in Alliance House. During the year, the Company Secretary, Martin Harvey, who has been Chief Executive of MFT since 2003 and of Caxton since it was established, had to retire through ill health. The directors thank him for his work for the company and welcome his successor, Jan Barlow.

#### Auditors

In accordance with the company's articles, a resolution proposing that Glazers be reappointed as auditors of the company will be put at a General Meeting.

# MFET LIMITED

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2013**

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### 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.

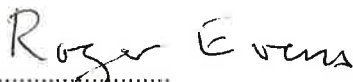
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies 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.

### 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



R Evans

**Director (and Chairman of Macfarlane Trust)**



P R Stevens

**Director (and Chairman of Eileen Trust)**

Date: 13 May 2013

# **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 2013 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 2013 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 FCCA (Senior Statutory Auditor)  
for and on behalf of Glazers

13 May 2013

Chartered Accountants  
Statutory Auditor

843 Finchley Road  
London  
NW11 8NA



# MFET LIMITED

## INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2013

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		2013	2012
	Notes	£	£
Turnover		7,341,013	7,634,846
Direct expenses		<u>(7,333,289)</u>	<u>(7,596,736)</u>
<b>Gross surplus</b>		7,724	38,110
Administrative expenses		<u>(9,515)</u>	<u>(41,253)</u>
<b>Operating deficit</b>	<b>2</b>	(1,791)	(3,143)
Other interest receivable and similar income	<b>3</b>	<u>1,791</u>	<u>3,143</u>
<b>Deficit on ordinary activities before taxation</b>		-	-
Tax on deficit on ordinary activities	<b>4</b>	<u>-</u>	<u>-</u>
<b>Deficit for the year</b>		<u><u>-</u></u>	<u><u>-</u></u>

# MFET LIMITED

## BALANCE SHEET

AS AT 31 MARCH 2013

	Notes	2013 £	£	2012 £	£
<b>Current assets</b>					
Cash at bank and in hand		75,469		337,011	
<b>Creditors: amounts falling due within one year</b>	<b>5</b>	<u>(75,469)</u>		<u>(337,011)</u>	
<b>Total assets less current liabilities</b>			<u>-</u>		<u>-</u>
<b>Capital and reserves</b>					
<b>Total funds</b>	<b>6</b>		<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 13 May 2013

  
P R Stevens  
Director

  
R Evans  
Director

Company Registration No. 07121661

# MFET LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2013

#### 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>2013</b>	<b>2012</b>
	£	£
Operating deficit is stated after charging:		
Auditors' remuneration	4,560	4,426
	<u>          </u>	<u>          </u>

<b>3 Investment income</b>	<b>2013</b>	<b>2012</b>
	£	£
Bank interest	1,791	3,143
	<u>          </u>	<u>          </u>
	<u>1,791</u>	<u>3,143</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>2013</b>	<b>2012</b>
	£	£
Other creditors	75,469	337,011
	<u>          </u>	<u>          </u>

<b>6 Reconciliation of movements in members' funds</b>	<b>2013</b>	<b>2012</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 2013**

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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 £1,998,151 (2012 £2,407,028) were made to the Macfarlane Trust and £83,256 (2012 £100,293.) to the Eileen Trust, of which the directors R Evans and P R Stevens respectively were trustees.

Management fees of £nil (2012 £28,250) were paid to the Macfarlane Trust.

Interest received of £1,719 (2012 £3,017) and £72 (2012 £126) was donated to The Macfarlane Trust and Eileen Trust respectively.

Administration costs of £25,716 were charged by The Caxton Foundation, a charity, by way of a deduction in the funding received from the Department of Health. Mr Peter Stevens was a director of Caxton Trustee Limited, the corporate trustee of the Caxton Foundation, until 28 March 2013.

**MFET LIMITED**  
**MANAGEMENT INFORMATION**  
**FOR THE YEAR ENDED 31 MARCH 2013**

# MFET LIMITED

## DETAILED TRADING AND INCOME AND EXPENDITURE

FOR THE YEAR ENDED 31 MARCH 2013

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	2013		2012	
	£	£	£	£
<b>Turnover</b>				
Grants; Department of Health		7,341,013		7,634,846
<b>Direct expenses</b>				
Payments to registrants	5,222,951		5,083,100	
Payments to Trusts	2,081,407		2,507,321	
MSPT2 payments	23,500		-	
Donations	1,791		3,143	
PPC payments	3,640		3,172	
		<u>(7,333,289)</u>		<u>(7,596,736)</u>
<b>Gross surplus</b>		7,724		38,110
<b>Administrative expenses</b>		<u>(9,515)</u>		<u>(41,253)</u>
<b>Operating deficit</b>		(1,791)		(3,143)
<b>Other interest receivable and similar income</b>				
Bank interest received		<u>1,791</u>		<u>3,143</u>
<b>Deficit before taxation</b>		<u>-</u>		<u>-</u>

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# MFET LIMITED

## SCHEDULE OF ADMINISTRATIVE EXPENSES

*FOR THE YEAR ENDED 31 MARCH 2013*

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	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
<b>Administrative expenses</b>		
Rent	-	6,750
Service charges	-	1,702
Management charges	3,479	28,250
Accountancy	1,321	-
Audit fees	4,560	4,426
Bank charges	120	90
Sundry expenses	35	35
	<u>9,515</u>	<u>41,253</u>

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