

2

WellBeing (the Health Research Charity for Women and Babies)

Report and Consolidated Accounts

for year ended 31 December 2003

Company Registered Number	824076
Registered Charity Number	239281



WellBeing (the Health Research Charity for Women and Babies)

GENERAL INFORMATION

for the year ended 31 December 2003

PRESIDENT

Prof William Dunlop FRCOG

CHAIRMAN

Sir Victor Blank Hon FRCOG

TRUSTEE MANAGEMENT BOARD

Mr Peter Bowen-Simpkins FRCOG

Prof Iain Cameron MD FRCOG *
Chairman Research Advisory Committee

Mrs Jackie Gittins ¹

Mrs Carol Leonard ***

Mr Muir Moffat **

Chairman, Audit Committee

Dr Liz Nelson OBE *

Mrs Trina Pogmore ***

Miss Eve Pollard *** Vice Chairman and
Chairman Development Committee

Mr Marcus Setchell FRCS FRCOG ***

Prof Robert W Shaw CBE MD FRCS (Ed) FRCOG ³

Prof Stephen Smith FRCOG ³

Dr Miriam Stoppard *

Prof David Taylor FRCOG ²

Mrs Rosalind Wythe **

¹ appointed 28th May 2003

³ resigned 20th May 2004

² resigned 28th May 2003

* Research Advisory Committee

** Audit Committee

*** Development Committee

MEMBERS OF THE COURT

Mr Anthony Brown FRCOG

Mr Michael Brudenell FRCS FRCOG

Dame Karlene Davis

Mr John Day FRCS FRCOG

Mr Ivan Fallon

Mrs Hilary Fallon

Mr Robert Fraser MD DCH FRCOG

Sir David Frost OBE

Mr Richard Grogan

Lady Hodgson

Prof Ian Jacobs MRCP

Mr Martin Lamb FRCOG

Sir Geoffrey Leigh

Lady Leigh

Mrs Bunty Lewis

Mr Bruce Noble

Lord Patel FRCOG

Lady Patten

Mr David Pring FRCOG

Mr Paul Rogers

Mr Christopher Roseblade FRCOG

Mr Roland Rudd

Mr Norman Sanson

Mr Martin Scicluna FCA

Sir Stanley Simmons FRCOG

Mr Peter Spira FCA

Prof Allan Templeton FRCOG

Mr Etienne de Villiers

Mr John Wates

Mr Bertie Way

Mrs Debra Ziff BA Hons

WellBeing (the Health Research Charity for Women and Babies)

GENERAL INFORMATION

for the year ended 31 December 2003

COMPANY SECRETARY

Mr Paul Barnett

REGISTERED OFFICE

27 Sussex Place
Regent's Park
London NW1 4SP

AUDITORS

Horwath Clark Whitehill
25 New Street Square
London EC4A 3LN

BANKERS

National Westminster Bank PLC
10 Marylebone High Street,
London W1A 1FH

DIRECTOR AND STAFF

Mrs Shirley Farmer *MInstF - Director*
Mrs Holly Bedford
Mrs Anina Castle
Mr Martin Jeffery *ACMA*
Mrs Beth Mitcheson
Miss Nicola Retter
Ms Lesley Palmer
Ms Beccy Thompson
Ms Una Walker

CafCash Limited
Kings Hill
West Malling
Kent ME19 4TA

SOLICITORS

Hempsons
40 Villiers Street
London WC2N 6NJ

INVESTMENT ADVISERS

Cazenove Fund Management Limited
3 Copthall Avenue
London EC2R 7BH

WellBeing (the Health Research Charity for Women and Babies)

TRUSTEES REPORT

for the year ended 31 December 2003

ACCOUNTS

The trustees submit their report and the audited accounts for the year ended 31 December 2003.

ORGANISATION

WellBeing funds vital research in reproductive health. It is a registered charity and a company limited by guarantee and is governed by its memorandum and articles of association dated 21 August 1964, as amended on several occasions and most recently on 9 March 2001 as approved by the Charity Commissioners for England and Wales on 24 May 2001.

OBJECTS OF THE CHARITY

The objects of the Charity are to promote the sciences of obstetrics and gynaecology and to promote study, research work and education in those sciences.

BOARD OF TRUSTEES

The By Laws of the Charity established a Board of Trustees, now known as the Trustee Management Board (the Board) who act as the directors and trustees of the charity. The Board ratifies the annual audited accounts, appoints auditors and new trustees. Meetings are held every two months. The Council of WellBeing is now known as the Court of WellBeing. Members meet annually and are kept informed of all major policy decisions.

Membership of the Trustee Management Board comprises:

- The President of the Royal College of Obstetricians & Gynaecologists (RCOG) – ex officio
- An Officer of RCOG, and the Chairman of the WellBeing/RCOG Research Advisory Committee – both ex officio
- Up to ten further trustees, of which two may be appointed by the RCOG

One of the Trustees is appointed as Chairman of the Trustee Management Board and another Trustee is appointed Vice-Chair of the Board and Chairman of the Development Committee.

The Board has appointed a Development Committee chaired by the Vice Chairman of the Charity. The role of the Committee is to identify opportunities that will lead to new income as well as to develop existing income streams. The Committee meets up quarterly and reports regularly on its activities to the Board. The Board has also appointed an Audit Committee chaired by a trustee, which meets quarterly and advises the Board on matters of audit and risk.

Trustees also take specific responsibility for different elements of the charity according to individual skills and experience and report progress to the Board so that it may make key decisions.

MEMBERS

The members are shown on page one and are elected in accordance with the Memorandum and Articles of Association of the company by existing trustees.

PRINCIPAL ACTIVITIES

The Charity was established in 1964. It funds research in reproductive health and makes a long-term investment in medical research and the acquisition of specialist knowledge.

WellBeing achieves this by:

- Funding medical research programmes whose outcomes inform best practice
- Investing in research training fellowships to create future experts
- Publishing results widely as a source of respected information
- Raising awareness across society of the need to invest in and promote women's health

WellBeing (the Health Research Charity for Women and Babies)

TRUSTEES REPORT

for the year ended 31 December 2003

Vision

WellBeing's vision is one of a world where no woman need suffer or fear reproductive problems. The charity is working towards this goal through funding pioneering research, investing in training experts in the fields of obstetrics and gynaecology, developing productive partnerships with supporters, raising awareness of need amongst women and influencing change.

Aims and Objectives

The charity's aim in 2003 was to meet four main objectives. These were:

- Raising more funds to contribute to research
- Increasing awareness of the work of WellBeing
- Reporting outcomes of research in train
- Generating interest for further development

REVIEW OF ACTIVITIES

The information below shows progress towards achieving these together with broad aims for 2004:

Raising funds for research and increasing awareness

Two specific and successful campaigns in March and December focused on ovarian cancer and premature birth and raised £90,000 and £77,000 respectively. They attracted new donors, gleaned useful information from an online survey that attracted over 3,000 participants, featured in magazines and national press and generally increased public awareness of these important areas of concern. Aim for 2004: To develop further campaigns including a celebration programme linked to WellBeing's 40th Anniversary. The charity was founded in late 1964.

WellBeing's Branches of supporters increased from 26 to 31 through the revitalisation of some existing branches and recruitment of new supporters. These exercises reflected on the money raised and £143,000 was achieved overall. A Volunteer Conference in October was well attended by branch members and individual fundraisers who listened to the outcomes of two WellBeing funded research projects – a Clinical Trial in 'chronic pelvic pain' and 'determining the mechanisms that bring on premature birth'. Aim for 2004: To focus on the 40th Anniversary programme to further increase the fundraising potential of branches and individual fundraisers.

A Regional Ambassadors network of medical experts was initiated. The aim of the network is to influence potential donors, endorse the work of the charity within members' spheres of activity across the UK and to encourage more support for WellBeing's aims amongst the medical profession. Aim for 2004: To increase the network, conduct all of the above and to focus fundraising efforts on a specific training need which will enhance the charity's research portfolio.

Considerable emphasis was placed on developing Challenge Events such as marathons and bike rides. An encouraging £35,000 was raised and work to develop this area will continue in 2004. Aim for 2004: To collaborate with a like-minded charity on an overseas challenge event and build on the number of event participants and sponsored events. Other events included the highly successful annual Celebrity Cricket match, an evening with Rory Bremner at the Savoy and Wellbeing's City Christmas Fair, which overall raised an impressive £344,000. Aim for 2004: To enhance the formula of all major events so as to keep them attractive to existing and new supporters, whilst maintaining cost-effectiveness.

Corporate and trust support remained strong at £535,000, the former attracting two new partners and several others of longer standing expressing further support for WellBeing's initiatives in 2004. Aim for 2004: To

WellBeing (the Health Research Charity for Women and Babies)

TRUSTEES REPORT

for the year ended 31 December 2003

generate a wider programme of approaches to trusts than in 2003, to expand the income stream from current corporate supporters and to develop more staff initiatives that will result in individual committed giving.

Reporting outcomes of research in train and generating interest for further development:

Some research projects completed in the year were reported in scientific journals aimed at the medical community. Emerging information from these and others at an interim stage of development was used in lay form to describe examples of research funded by WellBeing in its applications and campaigns, and published in the charity's twice yearly magazine. Aim in 2004: To put in place new reporting mechanisms for grant-holders, to revise the application forms and terms and conditions of WellBeing's grants so as to keep abreast with changes in protocols.

WellBeing Grant:

Trustees agreed an overall grant of £685,864 in support of new research projects to commence in 2004, plus a Clinical Trial and a Research Training Fellowship. As Corporate Trustee of the National Birthday Trust Fund, charity registration number 220122, the trustee board agreed that an award of c£100,000 be added to the grant total for a project that met the Fund's objectives in epidemiology.

Trading Subsidiary:

Income from the Trading subsidiary has reduced to £39,074 (2002 £138,413). This is due to a number of events in 2002 not being repeated or being reported in the charity accounts.

Other Factors:

The Trustees agreed to make an investment in expenditure during the year in recognition of the need to increase the corporate supporter base and to raise the profile of WellBeing through intense promotion of the two awareness campaigns (ovarian cancer and prematurity). In addition a new relational database was purchased.

Five staff left in the period including the Director and one member of staff was on maternity leave. The hiatus between staff leaving and new appointments being made created difficulties with continuity. These were further exacerbated by a serious loss of research and financial data, due to circumstances outside Wellbeing's control. However it meant that some activities had to be scaled back and others postponed until 2004.

FUTURE PLANS

In the 40th Anniversary year Trustees will be reviewing WellBeing's positioning, focus and its strategic direction so as to:

- a) Better reflect the environment within which the charity operates
- b) Create a robust operational framework for the next three years
- c) Produce a research strategy that reflects the needs described overleaf
- d) Develop fundraising and awareness raising programmes that enable it to:
 - ✓ Fund more research in reproductive health
 - ✓ Build a higher public and media profile
 - ✓ Become the reproductive health charity of first choice for women and the obstetricians and gynaecologists treating them
 - ✓ Influence policy making in reproductive health

As part of the review process Trustees have resolved to clarify the name of the charity from 'WellBeing' a widely used generic word, by expanding it to that of 'WellBeing of Women'.

WellBeing (the Health Research Charity for Women and Babies)

TRUSTEES REPORT

for the year ended 31 December 2003

Trustees have also agreed a new strap line that better reflects the mission of the charity from 'the health research charity for women and babies' to that of 'funding vital research in reproductive health'.

In addition the charity will also seek to expand its income streams where feasible, for example with high net worth supporters.

A programme of celebrations commencing in late 2004 will highlight the many advances in obstetrics and gynaecology since 1964 to which WellBeing has made a contribution. Whilst acknowledging these successes the charity will use the opportunity to confirm its intention to focus on specific aspects of reproductive health that continue to challenge scientists and clinicians in the areas of:

- Gynaecological Cancers
- Pregnancy and Birth
- Quality of Life problems such as menopause, endometriosis, incontinence

Trustees look forward to working with supporters and partners to achieve mutual goals and will value and invest in each relationship.

ASSETS

In the opinion of the members of the Board, the Charity's assets are sufficient to meet its obligations on a fund by fund basis.

INVESTMENT POWERS

Under the powers of the Articles of Association Council has delegated the management of its investment portfolio to the fund manager.

INVESTMENT POLICY AND PERFORMANCE

The fund managers work with the trustees towards a benchmark return. During the year the return on the portfolio was 18.8% against the benchmark return of 18.2 %. Trustees also agreed an exchange of the portfolio's equities for units in the fund manager's Growth Trust for Charities, whose content follows the UK equity model previously used by the portfolio. It is the policy of the charity to specifically exclude investments in the tobacco industry.

NATIONAL BIRTHDAY TRUST FUND

During the period WellBeing continued as the corporate trustee of the National Birthday Trust Fund, a registered charity providing funds for medical research projects and surveys in the field of maternal and child health and welfare. The Fund is registered under a separate charity registration number, and its assets are held separately from those of WellBeing and are not consolidated within the WellBeing accounts. However, see Review of Activities Point 7.

RESERVES POLICY

The Board has regard to the Charity's likely level of future income, together with its forecast of future expenditure. The trustees have resolved as part of their strategic review in 2004 to consider the purposes for which the charity holds investments and when funds need to be liquidated so that monies raised may be used for the maximum impact for research. The trustees recognise that if necessary any excess reserves should be utilised to expand activities quicker than might otherwise be possible through the charity's day-to-day fundraising activities. In the meantime the existing policy remains in force. This is to:

- Reach and maintain a maximum level of reserves after funding fully all committed projects for up to two years as provided in the Balance Sheet as liabilities sufficient to:
- Cover the running costs of the Charity for three months, plus sufficient to meet its residual contractual obligations.

WellBeing (the Health Research Charity for Women and Babies)

TRUSTEES REPORT

for the year ended 31 December 2003

- Provide to the WellBeing/RCOG Research Advisory Committee, as far as possible, a consistent level of funding for future project grant awards.

I. RISK MANAGEMENT

The Trustees are responsible for the management of the risks faced by the charity. Risks are identified, assessed and controls established throughout the year. A formal review of the charity's risk management processes is undertaken on an annual basis. The key controls used by the charity include:

- Formal agenda for trustees' activity
- Specific terms of reference for all sub-committees
- Comprehensive strategic planning budgeting and management accounting
- Established organisational and governance structure and lines of reporting
- Formal written policies
- Hierarchical authorisation and approval levels

Through the risk management processes established for the charity, the trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

- GRANT MAKING POLICY

WellBeing funds research into all aspects of reproductive health. The research aims to increase knowledge in the following three areas:

Pregnancy and Birth

Gynaecological Cancers

Quality of life conditions i.e. menstruation, incontinence, the menopause and endometriosis

WellBeing awards grants for research into these areas in hospitals and universities in the UK.

AUDITORS

A resolution re-appointing Horwath Clark Whitehill as auditors to the company will be put to the Annual General Meeting.

By order of the Council

Director



WellBeing (the Health Research Charity for Women and Babies)

STATEMENT OF THE BOARD OF TRUSTEES RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the group and of the surplus or deficit of the group for that period. All members of the Board of Trustees are directors of the company. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any departure disclosed and explained in the accounts and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the group will continue to operate.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the group and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

WellBeing (the Health Research Charity for Women and Babies)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 December 2003

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WELLBEING (THE HEALTH AND RESEARCH CHARITY FOR WOMEN AND BABIES)

We have audited the financial statements of WellBeing (the Health Research Charity for Women and Babies) for the year ended 31 December 2003 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheets and the related notes. These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 auditor's 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 opinion we have formed.

Respective responsibilities of the directors and auditors

The responsibilities of the directors, who are also the charity trustees for the purposes of charity law, for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Trustees' Annual Report is not consistent with the financial statements, if the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the charitable company is not disclosed.

We read other information contained in the Trustees' Annual Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of opinion

We conducted our audit in accordance with United Kingdom 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 charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the financial statements are free from material misstatement, 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.

Unqualified opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the charitable company and the group as at 31 December 2003 and of their incoming resources and application of resources, including the group's income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985

Horwath Clark Whitehill

Horwath Clark Whitehill
Chartered Accountants and Registered Auditors

Date 21/1/04

25 New Street Square
London
EC4A 3LN

WellBeing (the Health Research Charity for Women and Babies)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 December 2003

				2003	2002
		<i>Restricted</i>	<i>Unrestricted</i>	<i>Total</i>	<i>Total</i>
	<i>Notes</i>	£	£	£	£
INCOME & EXPENDITURE					
INCOMING RESOURCES					
6					
Activities in furtherance of the charity's objects:					
Donations		79,869	896,185	976,054	992,542
Income from local branches		-	143,095	143,095	146,514
Income from legacies		40,490	3,337	43,827	1,454
Activities for generating funds:					
Income from events	7	-	230,639	230,639	216,243
Dividends and investment interest receivable		16,292	24,200	40,492	45,236
Rents receivable		-	74,910	74,910	84,834
Other Income		-	17,661	17,661	11,772
TOTAL INCOMING RESOURCES		136,651	1,390,027	1,526,678	1,498,595
RESOURCES EXPENDED					
Costs of generating funds	8	-	742,844	742,844	537,698
Costs of activities in furtherance of the charity's objects:					
Grant Expenditure	13	268,689	159,196	427,885	461,519
Support Costs	8	-	71,983	71,983	81,915
Management and administration	8	-	29,119	29,119	25,069
TOTAL RESOURCES EXPENDED		268,689	1,003,142	1,271,831	1,106,201
NET INCOMING RESOURCES FOR THE YEAR		(132,038)	386,885	254,847	392,394
GAINS/(LOSSES) ON INVESTMENT ASSETS					
Realised on listed investments		-	41,849	41,849	2,051
		(132,038)	428,734	296,696	394,445
Unrealised on listed investments		-	60,958	60,958	(275,708)
Unrealised gain on revaluation of property		-	160,000	160,000	85,000
NET MOVEMENTS IN FUNDS		(132,038)	649,692	517,654	203,737
ACCUMULATED FUNDS AT BEGINNING OF PERIOD		387,926	428,592	816,518	612,781
ACCUMULATED FUNDS AT 31 DECEMBER		<u>255,888</u>	<u>1,078,284</u>	<u>1,334,172</u>	<u>816,518</u>

WellBeing (the Health Research Charity for Women and Babies)

CONSOLIDATED BALANCE SHEET

as at 31 December 2003

		2003	2002
	Notes	£	£
FIXED ASSETS			
Tangible assets	11	1,843	6,163
Investments	12	2,038,602	1,875,795
		<u>2,040,445</u>	<u>1,881,958</u>
CURRENT ASSETS			
Debtors and prepayments	14	164,713	216,939
Cash at bank and in hand		168,298	163,450
		<u>333,011</u>	<u>380,389</u>
CREDITORS: amounts falling due within one year	15	937,699	1,275,740
NET CURRENT LIABILITIES		<u>(604,688)</u>	<u>(895,351)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,435,757</u>	<u>986,607</u>
CREDITORS: grants falling due in more than one year	16	101,585	170,089
TOTAL ASSETS LESS LIABILITIES		<u><u>1,334,172</u></u>	<u><u>816,518</u></u>
FUNDS			
Unrestricted Funds	17	762,126	272,434
Restricted Funds	17 & 18	255,888	387,926
Funds held in Trading Subsidiary	17	316,158	156,158
		<u>1,334,172</u>	<u>816,518</u>
Revaluation reserve include above	19	745,216	482,409

Approved by the Members on
and signed on their behalf:



WellBeing (the Health Research Charity for Women and Babies)

BALANCE SHEET

as at 31 December 2003

	Notes	2003 £	2002 £
FIXED ASSETS			
Tangible assets	11	1,843	6,163
Investments	12	933,702	930,895
		<u>935,545</u>	<u>937,058</u>
CURRENT ASSETS			
Debtors and prepayments	14	907,587	992,315
Cash at bank and in hand		150,379	161,651
		<u>1,057,966</u>	<u>1,153,966</u>
CREDITORS: amounts falling due within one year	15	874,012	1,260,476
		<u>183,954</u>	<u>(106,510)</u>
NET CURRENT ASSETS/(LIABILITIES)			
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,119,499</u>	<u>830,548</u>
CREDITORS - grants falling due in more than one year	16	101,585	170,089
TOTAL ASSETS LESS LIABILITIES		<u>1,017,914</u>	<u>660,459</u>
UNRESTRICTED FUNDS		762,026	272,533
RESTRICTED FUNDS	18	255,888	387,926
		<u>1,017,914</u>	<u>660,459</u>

Approved by the Members on
and signed on their behalf:



WellBeing (the Health Research Charity for Women and Babies)

NOTES TO THE ACCOUNTS

at 31 December 2003

CONSTITUTION

WellBeing, a registered charity, is a company limited by guarantee, not having a share capital. Each of the members of the company is liable to contribute £1 towards the liabilities of the company in the event of liquidation.

ACCOUNTING POLICIES

The financial statements are prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Companies Act 1985 and Statement of Recommended Practice – “Accounting and Reporting for Charities” 2000. A Cash Flow Statement has not been prepared under the exemption provided by FRS1 for small companies.

Basis of consolidation

The consolidated accounts incorporate the accounts of the company, its subsidiary and branches for the year ended 31 December 2003.

Fixed Assets and Depreciation

It is the policy to capitalise all additions to fixed assets in excess of £1,000. The cost of tangible fixed assets is depreciated by equal annual instalments over the estimated useful lives of the assets as follows:

Office equipment	-	5 years
Computer equipment	-	3 years

Incoming Resources

Donations and income from local branches are accounted for as received by the branches. All other income is accounted for on an accruals basis, and where there is adequate certainty of receipt.

Resources expended

All expenditure is accounted for on an accruals basis. Expenditure incurred in connection with the specific objects of the charity is included in charitable expenditure. Staff costs are allocated according to the nature of the work performed by each member of staff. Costs are allocated to the activity to which they relate on an actual basis.

Research grant expenditure

Medical research grants payable out of WellBeing's own resources are charged to the income and expenditure account in the period in which the grant commitment is made. Grants are regarded as committed when the recommendations of the Research Advisory Committee are formally approved by the trustees of WellBeing, and the grantees informed of the decision.

The grant expense of the WellBeing Oncology Research Centre is based on the costs incurred by that centre during the accounting period.

Pension costs

The charity shares a pension scheme providing defined benefits based on final salary. The pension costs for the scheme are charged to the Income and Expenditure account as they become payable.

WellBeing (the Health Research Charity for Women and Babies)

NOTES TO THE ACCOUNTS

at 31 December 2003

Investments

Investments are included in the Balance Sheet at market value.

Fund Accounting

Restricted funds are those the use of which is restricted by the conditions imposed by the donors.

Unrestricted funds are those which are used for the general advancement of WellBeing's objectives.

TRADING ACTIVITIES OF SUBSIDIARY

The Charity has a wholly owned trading subsidiary which is registered in England and Wales.

WellBeing Trading Limited undertakes various trading activities including fund raising events and the sale of Christmas cards and other items, and holds three investment properties. A summary of the trading results is shown below. Audited accounts have been filed with the Registrar of Companies.

<i>Profit and Loss Account</i>	<i>2003</i>	<i>2002</i>
	£	£
Turnover	47,965	220,350
Gross Profit	37,399	122,142
Administration	(44,091)	(37,647)
Other Income	75,337	84,993
Interest Payable - WellBeing	(29,571)	(31,075)
Net Profit/(Loss)	<u>39,074</u>	<u>138,413</u>
Amount covenanted to WellBeing charity	<u>(39,074)</u>	<u>(138,413)</u>

<i>Balance Sheet</i>	<i>2003</i>	<i>2002</i>
	£	£
Fixed Assets -- Investments	<u>1,105,000</u>	<u>945,000</u>
Current Assets	28,396	9,308
Creditors, falling due within one year *	<u>817,138</u>	<u>798,050</u>
Net Current Liabilities	<u>(788,742)</u>	<u>(788,742)</u>
Total Assets less Liabilities	<u>316,258</u>	<u>156,258</u>
Capital and Reserves		
Called up Share Capital	100	100
Revaluation Reserve	361,352	201,352
Profit and Loss Account	<u>(45,194)</u>	<u>(45,194)</u>
	<u>316,258</u>	<u>156,258</u>
* of which is due to WellBeing	751,055	774,955

WellBeing (the Health Research Charity for Women and Babies)

NOTES TO THE ACCOUNTS

at 31 December 2003

DEFICIT

In accordance with the exemptions allowed by Section 230 (3) of the Companies Act 1985, the company has not presented its own income and expenditure account. The surplus for the year of £357,652 (2002 - £118,736) has been dealt with in the accounts of the company.

EMOLUMENTS OF DIRECTORS

All members of the Board of Trustees are directors of WellBeing and received no emoluments for their services nor reimbursement of expenses as directors.

INCOMING RESOURCES

WellBeing receives a significant proportion of its income as donations from WellBeing branches and from other voluntary sources. Amounts held by WellBeing branches at the period end but not remitted to Head Office are included. All income arises from the continuing operations of the charity.

NET INCOME FROM EVENTS

	2003	2002
	£	£
Gross income from events	230,639	216,243
Cost of events	114,963	95,878
Net income from events	115,676	120,365

ANALYSIS OF RESOURCES EXPENDED

	Staff Costs	Other	Depreciation	Total	2002
Costs of generating funds:					
Investment management charges		4,061		4,061	4,761
Costs of events		114,963		114,963	95,878
Costs of annual Cricket Match		100,490		100,490	94,499
Fundraising and publicity	296,817	222,033	4,480	523,330	342,560
Support Costs	61,318	10,138	527	71,983	81,915
Management and Administration of the Charity:					
Audit fee and Professional charges		9,000		9,000	8,500
Management time and related charges	15,342	4,514	263	20,119	16,569
Total	373,478	465,199	5,270	843,946	644,682

WellBeing (the Health Research Charity for Women and Babies)

NOTES TO THE ACCOUNTS

at 31 December 2003

STAFF NUMBERS AND COSTS

The average number of persons employed by the group during the year was 8 (2002 - 8).

	2003	2002
	£	£
Wages and salaries	338,079	266,910
Social security costs	28,152	23,630
Pension costs	16,247	16,453
	<u>382,478</u>	<u>306,993</u>

One employee earned between £70,000 - £80,000 during the year (including defined benefit pension contributions of £11,266). (2002 – one employee earned between £80,000 - £90,000 (including defined benefit pension contributions of £8,353)).

AUDIT AND FINANCIAL SERVICES

The cost of Audit and other Financial Services during the year was as follows:-

	2003	2002
	£	£
Audit	9,000	8,500

WellBeing (the Health Research Charity for Women and Babies)

NOTES TO THE ACCOUNTS

at 31 December 2003

TANGIBLE FIXED ASSETS

<i>Group and Company</i>	<i>Office equipment £</i>	<i>Computer equipment £</i>	<i>Total £</i>
Cost:			
At 1 January 2003	9,375	13,411	22,786
Additions	-	950	950
At 31 December 2003	9,375	14,361	23,736
Depreciation:			
At 1 January 2003	6,514	10,109	16,623
Charged in the period	2,455	2,815	5,270
At 31 December 2003	8,969	12,924	21,893
Net book value:			
At 31 December 2003	406	1,437	1,843
At 31 December 2002	2,861	3,302	6,163

FIXED ASSET INVESTMENTS

	<i>2003 £</i>	<i>Group 2002 £</i>	<i>2003 £</i>	<i>Company 2002 £</i>
Freehold property at market value	1,105,000	945,000	-	-
Investments at market value	933,602	930,795	933,602	930,795
	2,038,602	1,875,795	933,602	930,795
Shares in subsidiary at cost	-	-	100	100
Total investments	2,038,602	1,875,795	933,702	930,895

The company's wholly owned subsidiary is WellBeing Trading Limited which was registered in England and Wales to undertake WellBeing's trading activities and is empowered by its articles to covenant income to WellBeing.

WellBeing (the Health Research Charity for Women and Babies)

NOTES TO THE ACCOUNTS

at 31 December 2003

FIXED ASSET INVESTMENTS (CONTINUED)

The freehold properties were valued by Ross Jaye Sayer & Co. Limited, Chartered Surveyors, at their open market value at 31 December 2003. The results of that valuation have been incorporated into the Balance Sheet as at the period end.

The movements on investment properties in the period were as follows:

	2003	2002
	£	£
Market value at 1 January	945,000	860,000
Revaluation	160,000	85,000
Market value at 31 December	<u>1,105,000</u>	<u>945,000</u>

The movements on listed investments during the period were as follows:

	2003	2002
	£	£
Market value at 1 January	930,795	1,226,120
Proceeds of sales	(380,469)	(382,198)
Cost of acquisitions	269,122	352,905
Net investment gains/(losses)	<u>102,807</u>	<u>(273,657)</u>
Market value at 31 December	922,255	923,170
Cash	11,347	7,625
	<u>933,602</u>	<u>930,795</u>

The cost of the listed investments at 31 December 2003 was £960,235 (2001 - £1,145,827).

All investments relate to the UK.

SIGNIFICANT HOLDINGS

Holdings with a market value greater than 5% of the total portfolio value:

BP	7.4%
Cazenove Income Trust for Charities	11.8%
Vodafone	7.1%
GlaxoSmithKline	6.0%
HSBC Holdings	6.2%

WellBeing (the Health Research Charity for Women and Babies)

NOTES TO THE ACCOUNTS

at 31 December 2003

GRANTS

The following is a list of the Grants awarded from unrestricted funds in 2003.

Research Training Fellowship – Bristol University, three years	<u>£128,409</u>
----------------------------------------------------------------	-----------------

Balances brought forward – due within one year	855,707
- due in more than one year	<u>170,089</u>
	1,025,796
Payments made in year	<u>(646,967)</u>
	378,829

Per Statement of Financial Activities:-

Grants awarded – as above	128,409	
Adjustments in respect of earlier years	<u>30,787</u>	<u>159,196</u>

Balance carried forward – due within one year	(436,440)
- due in more than one year	<u>(101,585)</u>

WellBeing (the Health Research Charity for Women and Babies)

NOTES TO THE ACCOUNTS

at 31 December 2003

DEBTORS AND PREPAYMENTS

	<i>Group</i>		<i>Company</i>	
	2003	2002	2003	2002
	£	£	£	£
Prepayments and accrued income	164,713	216,939	156,532	217,360
Amount owed by subsidiary	—	—	751,055	774,955
Other debtors	—	—	—	—
	<u>164,713</u>	<u>216,939</u>	<u>907,587</u>	<u>992,315</u>

CREDITORS: amounts falling due within one year

	<i>Group</i>		<i>Company</i>	
	2003	2002	2003	2002
	£	£	£	£
Trade creditors	208,852	260,391	202,556	260,315
Research grants payable - unrestricted	436,440	855,707	436,440	855,707
- restricted	180,634	90,505	180,634	90,505
Accruals and deferred income	55,129	11,275	17,630	8,923
Other creditors	56,644	57,862	36,752	45,026
	<u>937,699</u>	<u>1,275,740</u>	<u>874,012</u>	<u>1,260,476</u>

CREDITORS: grants falling due in more than one year

These are grants payable in 1 – 2 years from the balance sheet date. £Nil relates to restricted grants.

FUNDS

	<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>Total</i>
	£	£	£
Tangible Assets	1,843		1,843
Investments	2,038,602		2,038,602
Cash	(32,699)	197,412	164,713
Net current liabilities	(827,877)	58,476	(769,401)
Creditors, due in more than one year	(101,585)	—	(101,585)
	<u>1,078,284</u>	<u>255,888</u>	<u>1,334,172</u>

WellBeing (the Health Research Charity for Women and Babies)

NOTES TO THE ACCOUNTS

at 31 December 2003

RESTRICTED FUNDS

	<i>Brought forward</i>	<i>Received</i>	<i>Awarded</i>	<i>Interest received</i>	<i>2003 carried forward</i>	<i>2002 carried forward</i>
	£	£	£	£	£	£
Infertility Research	11,640	-	-	373	12,013	11,640
GOCRU	51,574	-	-	1,653	53,227	51,574
Ovarian Cancer	290,682	36,839	268,689	10,498	69,330	290,682
Cervical Cancer	18,440	30	-	592	19,062	18,440
Other	15,590	83,490	-	3,176	102,256	15,590
Total	387,926	120,359	268,689	16,292	255,888	387,926

The Restricted Fund "Infertility Research" has been received for the purpose of funding Infertility Research at Hammersmith Hospital. The Restricted Fund "GOCRU" has been received for funding a Gynaecological Ovarian Cancer Research Unit. The Restricted Fund "Ovarian Cancer" has been received for funding research into Ovarian Cancer at Addenbrookes Hospital, Cambridge.

RECONCILIATION OF MOVEMENTS ON RESERVES

Grants are committed annually in March of each year. The accumulated funds at 31 December 2003, including the net deficit for the year then ended, are available for future grant commitments to be approved in March 2003.

	<i>Restricted</i>	<i>Unrestricted</i>	<i>Unrestricted</i>	
		<i>Revaluation</i>		
	£	Reserve	Other	Total
	£	£	£	£
At 1 January 2003	387,926	482,409	(53,817)	816,518
Net incoming/(outgoing) resources for the period	(132,038)	-	386,885	254,847
Realised revaluation surplus	-	160,000	-	160,000
Revaluation of investments in the period	-	102,807	-	102,807
At 31 December 2003	255,888	745,216	333,068	1,334,172

NOTES TO THE ACCOUNTS

at 31 December 2003

20. PENSION COSTS

WellBeing staffs are entitled to become members of the Royal College of Obstetricians and Gynaecologists Pension Scheme which provides for defined benefits based on final pay. The assets of the scheme are held separately from those of the College.

The pension cost relating to the scheme is assessed in accordance with the advice of a qualified actuary on the basis of triennial valuations using the attained age method. The most recent valuation was at 1 April 2003. It was assumed that the return on the scheme's investments would be 9% per annum, salaries would increase at an average of 7% per annum (inclusive of an allowance for promotional increases), and future pensions would increase at the rates guaranteed. The market value of the scheme's assets as at 1 April 2003 was £3,696,818, and the actuarial value of those assets represented 59% of the value of benefits accrued to members allowing for expected future increases in salaries.

The defined benefits pension scheme is a multi-employer scheme as defined in Financial Reporting Standard 17 (FRS 17) "retirement benefit" and under the provisions of FRS 17 relating to multi-employer schemes the charity will account for contributions paid to the scheme as though it were a defined scheme.

21. RELATED PARTY TRANSACTIONS

WellBeing acts as corporate trustee of the National Birthday Trust Fund to which it also provides management services for which it has charged £10,000 in 2003. (2002 - £10,000)