

WellBeing (the Health Research Charity for Women and Babies)

Report and Accounts

30 September 1997



WellBeing (the Health Research Charity for Women and Babies)

GENERAL INFORMATION

for the year ended 30 September 1997

MEMBERS OF COUNCIL

PRESIDENT

Sir Naren Patel FRCOG

CHAIRMAN

Mr Victor Blank

MEMBERS

Lady Bellinger

Mr Anthony Brown FRCOG *

Mr Michael Brudenell FRCS FRCOG *

Mr William Costley FRCOG **

Mrs Karlene Davis

Mr Peter Davis FCA

Mr John Day FRCOG *

Sir Evelyn de Rothschild **

Professor William Dunlop PhD FRCS (Ed) FRCOG

Mr Ivan Fallon

Mr Robert Fraser MD DCH FRCOG

Sir David Frost OBE

Mr Richard Grogan

Mrs Fiona Hodgson

Professor Peter W Howie MD FRSE FRCOG

Mr Martin Lamb FRCOG *

Sir Geoffrey Leigh

Lady Leigh **

Mrs Carol Leonard *

Mr John Malvern BSc FRCS (Ed) FRCOG

Mrs Susie Marwood *

Mrs Donna McDonald

Dr Elizabeth Nelson OBE *

Mr Bruce Noble

Lady Patten

Sir George Pinker KCVO FRCS(Ed) FRCOG

Mr David Pring FRCOG *

Mr Marcus Setchell FRCS FRCOG

Professor Robert W Shaw MD FRCS (Ed) FRCOG

Sir Stanley Simmons FRCOG

Mrs James Smith

Mr Peter Spira

Mr Stephen Walkinshaw BSc MRCOG

Mr John Wates

Mr Bertie Way

Mr Geraint Williams TD MD FRCOG **

Mrs Debra Ziff BA Hons

* denotes appointed during the year

** denotes resigned during the year

COMPANY SECRETARY

Mr Paul Barnett

DIRECTOR

Mrs Christina Lebus

REGISTERED OFFICE

27 Sussex Place

Regent's Park

London NW1 4SP

WellBeing (the Health Research Charity for Women and Babies)

GENERAL INFORMATION

for the year ended 30 September 1997

REGISTERED NUMBER

239281

REGISTERED CHARITY NUMBER

824076

AUDITORS

Ernst & Young,
Rolls House,
Fetter Lane,
London EC4A 1NH

BANKERS

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

SOLICITORS

Hempsons
33 Henrietta Street
Covent Garden
London WC2E 8NH

INVESTMENT ADVISERS

Cazenove Fund Management Limited
3 Copthall Avenue
London EC2R 7BH

WellBeing (the Health Research Charity for Women and Babies)

DIRECTORS' REPORT

for the year ended 30 September 1997

1. ACCOUNTS

The Council submits its report and the audited accounts for the year ended 30 September 1997.

2. ORGANISATION

WellBeing (the Health Research Charity for Women and Babies) is a registered charity and a company limited by guarantee and is governed by its memorandum and articles of association.

3. MEMBERS OF COUNCIL

The members of Council, who are the trustees of the charity, are shown on page one.

4. PRINCIPAL ACTIVITIES

WellBeing is the research arm of the Royal College of Obstetricians and Gynaecologists. Established over 30 years ago, the charity funds medical and scientific research in hospitals and universities around the UK into all matters of women's health, as well as the health of newborn babies.

The research it funds falls into three main categories. The first addresses all aspects of pregnancy, birth and the care of newborns. The second is seeking better screening procedures, improved diagnostic techniques and more effective treatment for women's cancers. Thirdly, its commitment extends to quality of life issues for women including fertility, endometriosis, period problems, incontinence, the menopause and osteoporosis.

The charity also publishes information on women's health to help them seek the best possible advice and treatment. Further details of the activities of the charity and its financial results are given in the Chairman's Report.

5. REVIEW OF ACTIVITIES

The achievements of the past year have consisted in the raising of funds to provide the research grants. The results of research are always difficult to quantify as it may take years for the practical benefits to become apparent. A fuller review of the grants awarded and their associated research are given elsewhere in the Chairman's Report.

6. ASSETS

In the opinion of the Members of Council, the charity's assets are sufficient to meet its obligations on a fund by fund basis.

7. CHANGE IN PRESENTATION OF FINANCIAL STATEMENTS

The presentation of the financial statements has been amended to conform with the Statement of Recommended Practice "Accounting by Charities".

WellBeing (the Health Research Charity for Women and Babies)

DIRECTORS' REPORT

for the year ended 30 September 1997

8. AUDITORS

Ernst & Young are not to seek re-election as auditors of the company. Horwath Clark Whitehill will be appointed in their place.

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

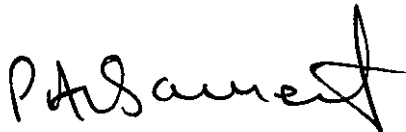
9. FIXED ASSETS

Movements on fixed assets are shown in note 11 and 12 to the accounts.

10. NATIONAL BIRTHDAY TRUST FUND

During the year 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 assets of this Fund are held separately from those of WellBeing and are not consolidated within the WellBeing accounts.

By order of the Council



Secretary

16 MAR 1998

WellBeing (the Health Research Charity for Women and Babies)

STATEMENT OF MEMBERS OF COUNCIL 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 Council 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;
- 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)

REPORT OF THE AUDITORS

REPORT OF THE AUDITORS to the members of WellBeing (the Health Research Charity for Women and Babies)

We have audited the accounts on pages 6 to 17 which have been prepared under the historical cost convention as modified to include the revaluation of certain fixed assets, and on the basis of the accounting policies set out on pages 9 and 10.

Respective responsibilities of directors and auditors

As described on page 4 the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

Basis of opinion

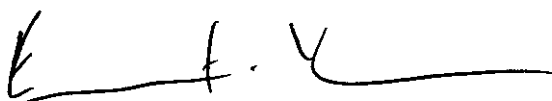
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the company and of the group as at 30 September 1997 and of the incoming resources and application of resources, including its income and expenditure, of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young
Chartered Accountants
Registered Auditor
London



26 MAY 1998

WellBeing (the Health Research Charity for Women and Babies)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

for the Year ended 30 September 1997

		<i>Restricted</i>	<i>Unrestricted</i>	<i>1997</i>	<i>1996</i>
	<i>Notes</i>		£	£	£
INCOME & EXPENDITURE ACCOUNT					
INCOMING RESOURCES					
	6				
Donations		141,574	675,298	816,872	705,728
Net income from events	7	-	42,908	42,908	151,324
Income from local branches		-	255,180	255,180	238,542
Other interest receivable		-	10,273	10,273	36,907
Dividends and investment interest receivable		-	90,619	90,619	95,309
Rents receivable		-	75,564	75,564	80,470
WellBeing of Women book sales		-	(2,431)	(2,431)	28,635
Christmas card and miscellaneous sales		-	(4,314)	(4,314)	20,135
Other Income		-	10,000	10,000	10,000
TOTAL INCOMING RESOURCES		141,574	1,153,097	1,294,671	1,367,050
RESOURCES EXPENDED					
Direct Charitable:-					
Grant Expenditure		141,574	908,752	1,050,326	1,432,625
Other Direct Charitable Expenditure	8	-	35,655	35,655	38,216
Fundraising	8	-	207,612	207,612	190,230
Management and administration	8	-	135,451	135,451	177,680
TOTAL RESOURCES EXPENDED		141,574	1,287,470	1,429,044	1,838,751
NET OUTGOING RESOURCES FOR THE YEAR		-	(134,373)	(134,373)	(471,701)
GAINS ON INVESTMENT ASSETS					
Realised		-	12,829	12,829	53,650
Unrealised		-	99,269	99,269	143,429
NET MOVEMENTS IN FUNDS		-	(22,275)	(22,275)	(274,622)
ACCUMULATED FUNDS AT BEGINNING OF YEAR		-	1,038,443	1,038,443	1,313,065
ACCUMULATED FUNDS AT 30 SEPTEMBER		-	1,016,168	1,016,168	1,038,443

WellBeing (the Health Research Charity for Women and Babies)

CONSOLIDATED BALANCE SHEET

as at 30 September 1997

	Notes	1997 £	1996 £
FIXED ASSETS			
Tangible assets	11	15,936	10,401
Investments	12	2,606,104	2,706,466
		<u>2,622,040</u>	<u>2,716,867</u>
CURRENT ASSETS			
Stocks	13	54,110	84,249
Debtors and prepayments	14	318,634	345,446
Cash at bank and in hand		224,602	360,877
		<u>597,346</u>	<u>790,572</u>
CREDITORS: amounts falling due within one year	15	1,732,995	1,941,464
NET CURRENT LIABILITIES		<u>(1,135,649)</u>	<u>(1,150,892)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,486,391	1,565,975
CREDITORS: grants falling due in more than one year		470,223	527,532
NET ASSETS	16	<u>1,016,168</u>	<u>1,038,443</u>
RESERVES			
Unrestricted revaluation reserve	16	411,971	464,521
Unrestricted charitable funds	16	649,391	600,551
Non-charitable trading funds	16	(45,194)	(26,629)
		<u>1,016,168</u>	<u>1,038,443</u>

Signed on behalf of Trustees



16 MAR 1998

WellBeing (the Health Research Charity for Women and Babies)

BALANCE SHEET

as at 30 September 1997

	Notes	1997 £	1996 £
FIXED ASSETS			
Tangible assets	11	15,936	10,401
Investments	12	1,836,204	1,876,566
		<u>1,852,140</u>	<u>1,886,967</u>
CURRENT ASSETS			
Debtors and prepayments	14	1,136,656	1,119,154
Cash at bank and in hand		157,925	293,125
		<u>1,294,581</u>	<u>1,412,279</u>
CREDITORS: amounts falling due within one year	15	1,641,488	1,792,994
NET CURRENT LIABILITIES		<u>(346,907)</u>	<u>(380,715)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,505,233	1,506,252
CREDITORS - grants falling due in more than one year		470,223	527,532
TOTAL ASSETS LESS LIABILITIES	16	<u>1,035,010</u>	<u>978,720</u>
RESERVES			
Unrestricted revaluation reserve		385,619	378,169
Unrestricted charitable funds	16	649,391	600,551
		<u>1,035,010</u>	<u>978,720</u>

Signed on behalf of Trustees



16 MAR 1998

WellBeing (the Health Research Charity for Women and Babies)

NOTES TO THE ACCOUNTS

at 30 September 1997

1. 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.

2. ACCOUNTING POLICIES

The accounts are prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Statement of Recommended Practice - Accounting for Charities.

Basis of consolidation

The consolidated accounts incorporate the accounts of the company and its subsidiary for the year ended 30 September 1997.

Depreciation

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
Motor Cars	-	4 years

Stocks

Stocks are valued at the lower of cost and net realisable value.

Income

Donations and income from local branches are accounted for as received by the branches. All other income is accounted for on an accruals 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 WellBeing Council.

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 cost of providing pension benefits is charged to the income and expenditure account over the period benefiting from the employee services.

WellBeing (the Health Research Charity for Women and Babies)

NOTES TO THE ACCOUNTS

at 30 September 1997

Investment properties

Investment properties are included in the accounts at their open market value at the balance sheet date and are not depreciated. Although the Companies Act would normally require the systematic annual depreciation of fixed assets, the Members of Council believe that this policy of not providing depreciation is necessary in order for the accounts to give a true and fair view, since the current value of investment properties, and changes in that current value, are of prime importance rather than a calculation of systematic depreciation. Depreciation is only one of the many factors reflected in the annual valuation, and the amount which might otherwise have been shown cannot be separately identified or quantified.

Listed investments

Listed investments are included in fixed assets at their mid-market value at the balance sheet date.

Support Costs

Costs are actual where applicable, with an allocation of expenses based on numbers employed.

3. NET INCOME FROM 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>1997</i>	<i>1996</i>
	£	£
Turnover	234,558	416,015
Gross Profit	19,436	182,020
Administration	(55,159)	(42,884)
Other Income	76,522	81,309
Interest Payable	<u>(59,364)</u>	<u>(60,897)</u>
Net (Loss)/Profit	<u>(18,565)</u>	<u>159,548</u>
Amount covenanted to WellBeing charity	-	<u>159,548</u>

4. 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 deficit for the year of £102,979 (1996 - £418,051) has been dealt with in the accounts of the company.

5. EMOLUMENTS OF DIRECTORS

All Council members are directors of WellBeing and received no emoluments for their services as directors.

WellBeing (the Health Research Charity for Women and Babies)

NOTES TO THE ACCOUNTS

at 30 September 1997

6. 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 year end but not remitted to Head Office are included. All income arises from the continuing operations of the group.

7. NET INCOME FROM EVENTS AND PROMOTIONS

	1997 £	1996 £
Gross income from events and promotions	160,232	367,252
Cost of events and promotions (including publicity)	117,324	215,928
Net income from events and promotions	42,908	151,324

8. ANALYSIS OF RESOURCES EXPENDED

	Staff Costs	Other	Depreciation	Total
Direct Charitable	27,132	8,523	-	35,655
Fundraising	122,434	85,178	-	207,612
Management and Administration of the Charity	26,390	96,127	12,934	135,451
Total	175,956	189,828	12,934	378,718

9. STAFF NUMBERS AND COSTS

The average number of persons employed by the group during the year was 7 (1996 - 7).

	1997 £	1996 £
Wages and salaries	158,379	173,550
Social security costs	14,687	15,761
Pension costs	2,890	10,452
Subcontracted services	-	6,416
	175,956	206,179

No employee earned £40,000 or more during the year.

WellBeing (the Health Research Charity for Women and Babies)

NOTES TO THE ACCOUNTS

at 30 September 1997

10. AUDIT AND FINANCIAL SERVICES

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

	1997 £	1996 £
Audit	6,000	5,600
Investment Management	13,608	13,023

11. TANGIBLE FIXED ASSETS

<i>Group and Company</i>	<i>Motor Car £</i>	<i>Office equipment £</i>	<i>Computer equipment £</i>	<i>Total £</i>
Cost:				
At 1 October 1996	-	25,386	29,945	55,331
Additions	13,155	-	5,314	18,469
At 30 September 1997	13,155	25,386	35,259	73,800
Depreciation:				
At 1 October 1996	-	25,385	19,545	44,930
Charged in the year	2,192	-	10,742	12,934
At 30 September 1997	2,192	25,385	30,287	57,864
Net book amounts:				
At 30 September 1997	10,963	1	4,972	15,936
At 1 October 1996	-	1	10,400	10,401

WellBeing (the Health Research Charity for Women and Babies)

NOTES TO THE ACCOUNTS

at 30 September 1997

12. FIXED ASSET INVESTMENTS

	<i>1997</i>	<i>Group</i> <i>1996</i>	<i>1997</i>	<i>Company</i> <i>1996</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Freehold property at market value	770,000	830,000	—	—
Investments at market value	1,836,104	1,876,466	1,836,104	1,876,466
	<u>2,606,104</u>	<u>2,706,466</u>	<u>1,836,104</u>	<u>1,876,466</u>
Shares in subsidiary at cost	—	—	100	100
Total investments	<u>2,606,104</u>	<u>2,706,466</u>	<u>1,836,204</u>	<u>1,876,566</u>

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.

The freehold property has been valued by independent property consultants at its open market value at 29th January 1998. The results of that valuation have been incorporated into the Balance Sheet as at the year end.

WellBeing (the Health Research Charity for Women and Babies)

NOTES TO THE ACCOUNTS

at 30 September 1997

12. FIXED ASSET INVESTMENTS (continued)

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

	1997	1996
	£	£
Market value at 1 October	830,000	830,000
Revaluation	(60,000)	-
Market value at 30 September	<u>770,000</u>	<u>830,000</u>

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

	1997	1996
	£	£
Market value at 1 October	1,876,466	2,538,519
Withdrawals during the year	(200,000)	(846,134)
Administration charges	(12,460)	(12,998)
Net investment gains	172,098	197,079
Market value at 30 September	<u>1,836,104</u>	<u>1,876,466</u>

The cost of the listed investments at 30 September 1997 was £970,842 (1996 - £1,272,495). The market value of the listed investments at 30 September 1997 includes listed investments £1,356,461 (1996 - £1,650,664) and cash £479,643 (1996 - £225,802).

The geographical split of investments is:-

	1997		1996	
	£	£	£	£
	Cost	Market Value	Cost	Market value
UK equities	723,373	808,536	1,025,026	1,220,226
Europe	64,618	154,100	64,618	100,700
World funds	<u>182,851</u>	<u>393,825</u>	<u>182,851</u>	<u>329,738</u>
	<u>970,842</u>	<u>1,356,461</u>	<u>1,272,495</u>	<u>1,650,664</u>

WellBeing (the Health Research Charity for Women and Babies)

NOTES TO THE ACCOUNTS

at 30 September 1997

13. STOCKS

	1997	1996
	£	£
Cards and sundries for sale	14,984	21,100
WellBeing of Women manuals and paperbacks	39,126	63,149
	<u>54,110</u>	<u>84,249</u>

In the opinion of the Members of Council the replacement cost of the above stock does not differ materially from the balance sheet value.

14. DEBTORS AND PREPAYMENTS

	1997	Group 1996	1997	Company 1996
	£	£	£	£
Prepayments and accrued income	270,798	176,890	269,926	143,887
Amount owed by subsidiary	—	—	820,689	835,816
Taxation recoverable	42,083	38,944	40,488	38,929
Other debtors	5,753	129,612	5,553	100,522
	<u>318,634</u>	<u>345,446</u>	<u>1,136,656</u>	<u>1,119,154</u>

15. CREDITORS: amounts falling due within one year

	1997	Group 1996	1997	Company 1996
	£	£	£	£
Bank overdraft	—	64,899	—	—
Trade creditors	273,031	39,516	266,239	—
Research grants payable	1,349,062	1,681,595	1,349,062	1,681,595
Accruals and deferred income	28,136	11,326	26,062	6,826
Other creditors	82,766	144,128	125	104,573
	<u>1,732,995</u>	<u>1,941,464</u>	<u>1,641,488</u>	<u>1,792,994</u>

WellBeing (the Health Research Charity for Women and Babies)

NOTES TO THE ACCOUNTS

at 30 September 1997

16. RECONCILIATION OF MOVEMENTS ON RESERVES

Grants are committed annually in March of each year. The accumulated funds at 30 September 1997, including the net deficit for the year then ended, are available for future grant commitments to be approved in March 1998.

Group:

	<i>Unrestricted Revaluation Reserve</i>	<i>Unrestricted Charitable Funds</i>	<i>Non-Charitable Trading Funds</i>	<i>Total</i>
	£	£	£	£
At 1 October 1996	464,521	600,551	(26,629)	1,038,443
Net outgoing resources for the year	-	(115,808)	(18,565)	(134,373)
Realised gains on investments	-	12,829	-	12,829
Realised revaluation surplus	(151,819)	151,819	-	-
Revaluation of investments in the year	99,269	-	-	99,269
At 30 September 1997	<u>411,971</u>	<u>649,391</u>	<u>(45,194)</u>	<u>1,016,168</u>

Company:

At 1 October 1996	378,169	600,551	-	978,720
Net outgoing resources for the year	-	(115,808)	-	(115,808)
Realised gains on investments	-	12,829	-	12,829
Realised revaluation surplus	(151,819)	151,819	-	-
Revaluation of investments in the year	159,269	-	-	159,269
At 30 September 1997	<u>385,619</u>	<u>649,391</u>	<u>-</u>	<u>1,035,010</u>

17. FINANCIAL COMMITMENTS

WellBeing has undertaken to provide unit funding for the WellBeing Oncology Research Centre. The total amount committed is £750,000 payable over 5 years from October 1994. In the year to 30 September 1997 the total amount charged as grants for the Oncology Unit was £148,155 (1996 - £178,908). The outstanding amount to be paid over the remainder of the period is £344,000.

WellBeing (the Health Research Charity for Women and Babies)

NOTES TO THE ACCOUNTS

at 30 September 1997

18. PENSION COSTS

WellBeing staff are entitled to become members of the Royal College of Obstetricians and Gynaecologists Pension Scheme which provides for either defined contributions or defined benefits based on final pay, dependent on the category of the member. The assets of the scheme are held separately from those of the College and are invested with Baillie Gifford & Co and London and Manchester (Managed Funds) Ltd.

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 1996. 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 5% per annum on the excess over the GMP. The market value of the scheme's assets as at 1 April 1996 was £2,479,000. This value would have provided 115.8% of accrued liabilities calculated using pensionable salaries at 1 April 1996 and service to that date.

19. 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 1997.