

**Diabetes Research and Wellness Foundation**

(A Company Limited by Guarantee)

**Charity Number: 1070607**

**Company Number: 03496304**

**Financial Statements**

**For the year ended**

**31-Dec-20**

# Diabetes Research and Wellness Foundation

## INDEX

	<u>Page</u>
Report of the Trustees	1 to 22
Independent Auditors' Report	23 to 26
Statement of Financial Activities	27
Balance Sheet	28
Statement of Cash Flows	29
Notes to the Financial Statements	30 to 38



# Diabetes Research & Wellness Foundation

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(A Company Limited by Guarantee)

## REPORT & FINANCIAL STATEMENTS

For the year ended 31 December 2020

Registered Charity Number: 1070607

Company Number: 03496304



Cameron Muir, London – Edinburgh cycle ride, August 2020

**THANK YOU!** To everyone who donated or undertook a challenge all over the UK, during the most difficult of times. Your support has helped to safeguard our awareness, educational programmes and research funding activities. **THANK YOU!** for being part of a powerful community who are intent on investing in a brighter future for all people with diabetes.



## Message from our Co-Founder & Chairman – Michael Gretschel

Our focus for 2020 was on building resilience and sustainability for the future through succession planning, diversification of income streams and delivery of purposeful programs that continue to meet the ever-changing needs of, and make a difference to, people living with diabetes.

To that end, Dr Shivani Misra, Consultant in Metabolic Medicine & Diabetes at Imperial College London, was elected to the Board of Trustees in January. Shivani brings a wealth of clinical and scientific knowledge to the Board having been recognised as one of London's leading health influencers in the Evening Standard's annual Progress 1000 list in 2018. We have known Shivani for many years as she was awarded a DRWF Fellowship in 2012 and went on to conduct the national My Diabetes Study. We are really pleased to have her join the DRWF family.



We had planned to grow and develop many of our activities in 2020 but of course the Covid-19 pandemic brought the world pretty much to a standstill, with our daily lives significantly impacted. It has been a challenging time for everyone but our small DRWF team really dug deep and were magnificent in coping with the change of working arrangements, and cancellation of activities and events which ultimately resulted in several team members being furloughed. We're very lucky to have been able to bring these team members back to their full roles, when many charities have not been so blessed.

The health and safety of our team has been paramount during the pandemic months and we are extremely fortunate to have arrived at this point without having encountered any significant illness due to Covid-19. Our hearts go out to all those that have lost family and friends.

Much has been learned during these difficult months and we've identified a number of areas in our structure and activities which require investment of funds, time and expertise. It is often quoted that 'necessity is the mother of invention' and we certainly discovered this to be the truth in 2020, being pushed perhaps more quickly than we might have been comfortable with, into exploring online and digital activities in greater depth.

Our learnings from the pandemic have played a big part in helping us scope out our next 3-year growth strategy, but we are benefitting from having a stable and well-run charity with the reserves that enable us to invest in future sustainability, whilst being responsive to the needs of the people that we support and the researchers that we fund.

Most importantly, we learned that in the world's hour of need, medical research pushed all boundaries and found a vaccine for Covid-19 that is now being rolled-out with lightening-speed to protect our communities. Diabetes is one of the world's leading health challenges – we must act with the same determination in our research for a CURE!

As we continue to navigate these uncertain times, I want to thank the DRWF team, trustees, advisory board members, supporters and volunteers who work so tirelessly and give so generously to our cause.

We could not achieve what we do without you all. **Thank you!**

**Mike Gretschel**

April 2021



## Report of the trustees for the year ended 31<sup>st</sup> December 2020

The trustees are pleased to present their report and message from the Chairman together with audited financial statements for the year ended 31<sup>st</sup> December 2020.

The financial statements comply with the Charities Act 2011; the Companies Act 2006; the Memorandum and Articles of Association and are prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 Charities SORP) (effective from 1<sup>st</sup> January 2015).

## Our purpose, aims and activities

The objects of the charity are:

- To assist in the relief of persons with diabetes and any similar or related diseases or conditions
- To raise public awareness about diabetes and any similar or related diseases or conditions, their incidence, causes, treatment, avoidance and relief

### The focus of our work

There are more than 4 million people diagnosed with diabetes in the UK. This figure has more than doubled in the last 20 years and it is anticipated that if nothing changes, this will rise to 5 million in the next 4 years.

Around 90% of people with diabetes have type 2, which can often be prevented. There are a number of risk factors which increase the likelihood of a type 2 diagnosis, such as being overweight or obese, which puts people at greater risk of a range of chronic health conditions and ultimately increased risk of premature death.

Approximately 10% of people with diabetes have type 1 diabetes which is a chronic autoimmune condition where the body is unable to produce insulin which is required to regulate blood sugar levels. Type 1 diabetes cannot be prevented.

It is estimated that up to 5% of those diagnosed with diabetes have rare types such as MODY (maturity onset diabetes in the young), CFRD (cystic fibrosis related diabetes), LADA (latent autoimmune diabetes in adults) and a small handful of other types.

It is estimated that the care and treatment of diabetes costs the NHS around 10% of its annual spend, which equates to approximately £10 billion per year. This is a staggering £1.1 million per hour.

Whilst all diabetes can lead to significant health challenges, such as increased risk of cardiovascular disease, blindness and amputation, it is important to remember that type 2 diabetes can be prevented or at least its onset delayed. There is also evidence of people with type 2 diabetes achieving 'remission' where they have had major weight loss through restrictive diets or bariatric surgery.

Self-management of diabetes is central to reducing the risks associated with complications and therefore much of our work is focused on providing information and educational support programmes that empower self-management and seek to encourage a pro-active approach to good self-care. We consider that those with the greatest knowledge of their condition will have a better understanding of the disease and will be better equipped to have an impact on the progression of their diabetes and any associated complications. Our Diabetes Wellness activities in the community provide a great platform for meeting people sharing similar health concerns, making new friends and building peer support networks, all of which serve to enhance both the physical and psychosocial management of diabetes.

The research we fund spans all types of diabetes and related health, helping improve understanding of cause, treatment and management with our ultimate goal being to find a cure for what is considered to be one of the 21<sup>st</sup> century's leading health challenges, worldwide. With the commitment of a multi-disciplinary



Research Advisory Board, and a rigorous peer review process for applications, we invest in innovative Pump Priming projects and Fellowships which we believe will demonstrate impact for people with diabetes in the fastest time-frame. To-date, we have committed almost £13 million to research since our first awards were made in 1999.

## Demonstrating public benefit

The trustees confirm that they have referred to the general guidance set out by Charity Commission on public benefit. The trustees are satisfied that the Charity's activities meet the principles of public benefit, defined as providing an identifiable benefit/s to the public, or section of the public, and know of no detriment or harm that may be caused as a result of these activities, which are clearly set out throughout this report.

## Volunteers


As a small team delivering numerous activities, we rely on the support of volunteers who, participate by helping out with administrative tasks in our office; delivering diabetes awareness and information materials; undertake user involvement exercises to help steer and develop our programme activities; support our educational events and community fundraising programme or sit on one of our expert panels for research or information review. The number of volunteers fluctuates each year but is crucial to helping us spread the word about the work we do and to support local and national community fundraising initiatives. We had hoped to grow our volunteer network through a higher level of community activity in 2020, however the pandemic prevented us from doing so. We hope to be able to resume community activity as soon as Covid-19 allows and plan to build on the number of volunteers who support the charity as soon as possible. In the meantime, we wholeheartedly thank all of our volunteers for their time, expertise and commitment to our work which helps us raise awareness to the charity, maximise income and maintain high standards of work.


## Measuring Impact

We use qualitative and quantitative approaches to monitor and evaluate our activities in order to ensure that they remain true to purpose and that the outcomes aimed for are achieved. Stakeholders and beneficiaries are involved in these evaluation processes to ensure the continued relevance, quality, accessibility and effectiveness of activities. We also undertake independent evaluation with specialist partners for specific projects where expert input is required.

## Activities & Achievements in 2020

### Awareness, information & support

 Direct mail played a key part in our communications strategy during 2020, supporting our desire to stay connected with key audiences who do not routinely engage with online channels. We distributed 257,187 campaign packs in 2020. The health information contained within each campaign is targeted at beneficiaries who could act on the information, either in a preventative way (type 2 diabetes) or to inform and support those living with diabetes (all types), in their self-management of the condition. With a positive response from around 14% of those mailed, we know that at least 38,425 people across the country read the information contained within the campaigns. We know from experience that it is likely that many more opened and read the information but chose not to make direct contact with us at that time. Historically, we have seen numbers of people respond to communications that have been distributed many months, or even years before, as they have held onto the information provided for future reference.

 **Health Unlocked Forum:** Our awareness messages are reaching wider audiences than ever before supported by our increased provision of news and articles on our website and social media channels and via our Health Unlocked community forum, the world's largest social network for health. The DRWF Diabetes HU forum has a total 5785 all time members and this has grown by 30% since early 2019. Around 10% of all members are very active in posting and joining discussions. This is enabling us to interact with more diverse communities where the risk and/or impact of diabetes can be



higher and where people feel that they have a safe space within which to share their experiences, gain support and make a difference to others too.

➡ It was clear from the outset of the pandemic that our ability to reach those that we support through digital channels was going to be crucial to our continued operations. To that end, we had to adapt quickly to engage with supporters and beneficiaries alike with lockdown measures accelerating our use of digital channels. This was essential in order to stay connected with the diabetes community during a time of considerable stress, when people with diabetes were being told that they were at greater risk of significant illness if they contracted coronavirus. We doubled our efforts to generate regular reliable news items, and self-management articles to support people through improved understanding of 'sick day rules'. In 2019 our website received 190,174 unique page views. In 2020 that rose to 372,045 unique page views. This is an increase in website traffic of over 95%.

➡ At the start of the pandemic, when it became apparent that we would have to cancel our community events for the foreseeable future, we ran a social media campaign to promote our series of diabetes information leaflets to ensure that people were sign-posted to reliable, Information Standard accredited, adult health and social care information. In 2019 there were 10,653 downloads of these leaflets. In 2020 this leapt to 37,416 which is a three-fold increase.

➡ Whilst in 2019 we had started to explore podcast content as a means of engaging and supporting diabetes healthcare professionals and people living with diabetes, we increased our efforts through this channel in 2020 as an alternative to written information and video content. This resulted in double the number of visitors to our podcasts about Life with Diabetes seeing 549 downloads, a small but solid start to delivering information in this format.

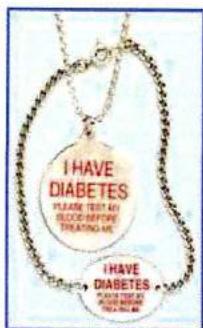
➡ In 2020 we increased our efforts to raise awareness of our activities and services to more people through social media campaigns with most engagement being seen through our Facebook page. In 2019 our sponsored content reached an average of 7,597 people a day, roughly 2,773,000 people in total. In 2020 our sponsored content reach more than doubled to an average of 20,399 people a day, around 7,445,635 people in total and well over 10% of the total UK population. This platform enables us to engage in conversation with a diverse audience, often answering general diabetes related self-management queries; addressing confusions about diabetes, and increasingly responding to questions and comments about diabetes research and recent advances.

➡ Our patient information resources are available free of charge. As standard, they can be requested in hard copy or downloaded from our website as pdf or audio files; requested in enlarged print format or alternative. There was a significant reduction in requests for physical information in the period. This is possibly because people were otherwise caught up in the pandemic. Additionally, because we had minimal staff onsite we were encouraging people to go to our website to download information in pdf and audio format; to listen to our podcast series for additional help and to interact with our social media channels. The impact of this contributes to the increased traffic to our website during the period which saw a 3-fold increase in the volume of resources downloaded.

➡ We distributed 117,177 copies of our newsletter, Diabetes Wellness News, to subscribers, healthcare professionals and regular givers. This is a 1% decrease in the circulation numbers of 2019. The newsletter is distributed to annual subscribers, and on a complimentary basis to healthcare providers who share the information with their patient communities. On a quarterly basis the circulation is boosted as we focus on the research element of our work and send a copy to our regular givers. It is difficult to accurately predict the true readership of the newsletter but through anecdotal evidence, it is clear that it is much wider than those who have specifically requested to receive it. The number of healthcare professionals on our database increased by 6% during the year and this was largely due to sign up of HCPs at Diabetes Professional Care held at the end of 2019.







Our Diabetes Awareness Necklace is distributed free of charge to people with diabetes and healthcare professionals for onward distribution. These necklaces provide emergency identification for those with diabetes should they be unable to alert the emergency services to their condition. They carry the wording 'I have diabetes, please test my blood before treating me'. They are distributed along with medical check-up cards that are used to record tests and results to inform self-management strategies. We responded to 1457 specific requests for free necklaces during the year, a reduction of 49% in the period. This was directly impacted by the pandemic, a shift in focus for everyone at that time and our ability to respond to fulfilment with staff on furlough and working remotely from home.

*My husband has recently been diagnosed with Type 2 diabetes and suffers from cardiovascular disease, which means he could potentially collapse anywhere, anytime. We both think that your awareness necklace could prove invaluable. We want to say what a fantastic service you provide – the information on your website is very important to us. Thank you! K&P Edington*



### Quality in Care Diabetes – award winning Diabetes Wellness educational events

Diabetes structured education aims to provide people with diabetes with the knowledge and confidence to self-manage a long-term condition effectively. The offer of structured education across the country has improved over more recent years. However, the rates of attendance are still very low and vary widely. Self-management is central to diabetes care. Yet, it is reported that high numbers of people with diabetes experience emotional or psychological problems, such as depression, anxiety and diabetes distress, all of which can impact the ability and motivation to self-manage effectively. This leads to poorer health outcomes, reduced quality of life and increased healthcare costs. Being able to access appropriate support is integral to good self-management.

We have been running an annual programme of Diabetes Wellness events since 2001. We work with diabetes, and related healthcare professionals to facilitate workshops that provide relevant, up-to-date, evidence-based information covering all aspects of diabetes and related health. Delegates choose the sessions and talks that they attend meaning that they create their own agenda for the day, improving engagement and supporting better outcomes. These events bring together a wealth of information, expertise and peer support under one roof.

The event programme is devised and delivered by experts and offers rotating workshops that focus on the day-to-day management of diabetes and the prevention and management of associated complications. An exhibition hall provides a central hub where delegates can access a range of support from primary, secondary and community organisations.

*"Learning about diabetes at these events is contributing significantly towards my improved health and wellbeing"*

We know that managing diabetes is challenging and effective coping strategies are crucial to support optimal health. These coping strategies are important not just to people living with diabetes but their family, friends and carers. Peer support plays an important part in emotional wellbeing and this in turn can have an obvious impact on the ability to self-manage effectively. For this reason, we feel it is important to include family, friends and carers in workshops and discussions which facilitates discussion around managing diabetes, perceptions and expectations, in an environment where everyone has experienced or is experiencing something similar. These events are relaxed and welcoming in approach. They are inclusive and provide for diverse needs.

They also provide an amazing opportunity to spend time with a whole host of health care professionals asking the questions that really matter to the individual, in a relaxed and informal environment.



## Diabetes Wellness Days in 2020

There were 3 Wellness Days scheduled to take place in 2020, all of which had to be cancelled due to the coronavirus pandemic. Venue terms and conditions were negotiated to minimize any cost to the charity due to cancellation. All venues were very considerate in their approach and allowed for rescheduling of dates with deferment of deposits and cancellation charges where applicable.

The cancellation of these events reduced related workload and so the DRWF event co-ordinator role was furloughed between 1<sup>st</sup> May and 30<sup>th</sup> September, supported through the Government's Coronavirus Job Retention Scheme.

We produced an interactive digital toolkit incorporating top tips and self-management articles with links to podcast and video content for beneficiaries who had registered to attend the Wellness events. This at least went some way to ensuring that we had provided access to the supportive content that participants would have benefitted from had they been able to attend an event in person.



### Diabetes Professional Care & United Through Diabetes

We have supported Diabetes Professional Care (DPC) in the provision of an educational event for diabetes and related health care professionals for the past 5 years. Usually this CPD accredited event accommodates 5000+ attendees, over a 2-day period at Olympia in London. DPC was unable to proceed with the usual format of event due to the pandemic. Working with an online media agency, they were able to pivot quickly offering online educational workshops to HCP's throughout the pandemic months which culminated in a large online activity in the lead-up to World Diabetes Day. This gave DRWF an opportunity to retain visibility within the HCP community, contributing to the programme of talks and workshops, as well as providing a platform for engaging interested parties in discussion about the charity's activities.

*"Just like to say a huge  
THANK YOU for a fabulously  
informative and useful day.  
Well organised, with talks from  
those who have the  
knowledge."*

In partnership with DPC, we co-hosted an additional patient educational event entitled **United through Diabetes** on World Diabetes Day. This helped us to deliver a purposeful event at scale on a digital platform that we otherwise could not have offered to the diabetes community. There were over 4000 pre-registrations for UTD from diabetes healthcare professionals, public health officials and people living with diabetes from around the world. On November 14<sup>th</sup>, 1340 people logged-on to the virtual platform and participated in 21 workshops, talks, panel discussions and community forum sessions, supported by 35 diabetes and related health experts throughout the day. People participated from 41 countries with 91% of attendees from the UK.

*"It was an awesome event, full of up-to-date relevant information necessary for both the healthcare practitioners and the patients with diabetes. I want to say very many thanks to you all for giving me the opportunity of gaining more skills and knowledge about diabetes."*

## Digital Consultation Research

We were asked to support Dr Charles Fox and Dr Anne Kilvert, Northampton Diabetes Service, who were conducting a national survey to understand how people with diabetes were having their ongoing healthcare consultations during the pandemic – ie. In person, telephone or video consultation. This was to ascertain the approach and outcome for both healthcare professional



and patient. To that end, we utilised the carrier sheet with the December distribution of Diabetes Wellness News to secure participants. We had a 3.4% response rate, securing opinions from 312 of 9328 DWN subscribers. This was supplemented by social media calls pointing to an online version of the survey to increase representation. The outcome of this study will be published in Practical Diabetes in 2021.

## Diabetes Wellness Family Camp

There are around 29,000 children and young people in the UK living with Type1 Diabetes. For these young people, quality of life can be adversely affected by isolation and their inability to participate in many of the everyday activities enjoyed by their friends and peers. This often results in a growing lack of self-esteem and confidence, which can become a barrier to future growth and development.

Having provided our first, very successful, Diabetes Wellness Family Camp in partnership with Over The Wall in 2019, we had planned a great residential programme for 2020. However, the pandemic meant that this event had to be cancelled.

The OTW team worked with digital consultants to devise a unique online platform to enable a virtual **Camp in the Cloud** (CiTC) event to take place. Those families that had been offered a place at the planned residential camps for 2020 were invited to participate in the CiTC experience. This meant that 20 T1D families (70+ participants) had an opportunity to join with others for some creative fun, games and friendship online.

*'Thank you to everyone of you for the amazing effort that you have put into camp. I had no idea how it was going to work or how you were going to bring those amazing qualities out of the children. The excitement in our house this week has been unbelievable with so much laughter.'*

By working in partnership, we were able to present a wonderful opportunity for families with children with Type1 diabetes to connect with others experiencing similar health issues, enabling friendships to develop between families who often feel isolated, which we know can last long after the event.

We recognise that the online experience and associated benefits are somewhat different to an in-person event, but there is opportunity through this platform to reach those children who may not have been eligible to attend an in-person residential event, due to significant health challenges. This potentially widens our reach quite significantly and so we intend to explore the possibility of carrying out online and residential events of this sort, going forward.



## Research Funding Programme

We provide research grants to researchers whose work we consider offers the best hope and most expedient path to improved understanding of all types of diabetes; new and improved treatments and management strategies, and ultimately a cure.

Awards are offered as a 3-year Clinical and Non-Clinical Fellowship and 1-year Pump Priming project awards. Institutional and discretionary awards are available when funds allow. Contract funding of key personnel within the DRWF Human Islet Isolation Facility at the Churchill Hospital, Oxford is subject to proposal and review on a multi-year rolling contract basis.

We are a member of the Association of Medical Research Charities (AMRC). Membership is the hallmark of quality research funding. As members, we support the use of a rigorous peer review procedure in the allocation of our research funding. Our Research Advisory Board (RAB) is a multi-disciplinary panel of expert clinicians and scientists who assess applications for funding. AMRC carry out audit on research procedures every five years in order to check that they meet the expected gold standard. Universities,





government and other funding bodies recognise AMRC membership as an indicator of quality. It also qualifies our grant funding for support from the government's Charity Research Support Fund which enables universities to increase the funds we award by around 20%. We also benefit from the AMRC training and development programme which supports continued use of best practice processes and procedures.

It was clear very early on following lockdown on 23<sup>rd</sup> March, that research in progress and research funding would be adversely affected by the pandemic. AMRC liaised with its charity members from the outset to establish the impact that Covid-19 would have on charity income; ability to continue funding existing awards, and the impact on new funding calls. They reported an anticipated 41% downturn in research funding over the next year, a predicted £310 million shortfall in support of life-saving discoveries.

The DRWF 2020 Non-Clinical Fellowship award that had been called in late 2019 was deferred until November 2020; a 5-month delay to our usual review and allocation schedule. This was largely due to the unavailability of clinicians/scientists who perform peer review on applications received, where they had been redeployed or furloughed due to Covid-19. This delay had a knock-on effect to the call for applications for the 2021 Pump Priming awards being announced. This usually takes place in August for award by 31<sup>st</sup> December. However, on this occasion the call was announced in November for award in Q2 2021.

The deferment of our grants round during the year reduced associated workload and it seemed prudent at that time to furlough our Research Grants Administrator between 1<sup>st</sup> May and 30th October. This role was supported through the Government's Coronavirus Job Retention scheme.

We liaised with all current funding recipients to understand the environment within which they were working, to establish whether there was pause or delay to their work which would necessitate a 'no-cost extension' request. This was the case with a number of awards, with a total of 10 researchers being offered extensions into 2021. The financial impact of this is a reduction in funds paid to researchers in 2020 with increased expenditure reflected in the 2021 budget.



#### 2020 Professor David Matthews Non-Clinical Fellowship

23 pre-applications were received, resulting in 13 full applications being submitted. Three candidates were invited to interview which was carried out by video call. The Research Advisory Board met on 2<sup>nd</sup> December and subsequently recommended that the 3-year Fellowship be offered to **Stephanie Hanna, Cardiff University £194,933**. Funding was approved by the Board of Trustees on 16<sup>th</sup> December.

#### Stephanie's work –

*"Immunotherapy in type 1 diabetes aims to reduce the body's immune attack on the insulin-producing beta cells. To develop these treatments, it is important to be able to identify and monitor the white blood cells that cause the damage. We cannot study these cells safely in the pancreas and numbers in the blood are very low. However, I have observed that after injecting molecules derived from the beta cells into the skin, I can detect white blood cells multiplying in skin. I have also been able to detect cells multiplying in lymph glands that drain the skin using ultrasound guided needle sampling. These are likely to be cells from the pancreas attracted to the skin by the injection of pancreas derived protein. I will study these cells using state-of-the-art single cell analysis technology and use this information to develop highly targeted treatments for the immune response in type 1 diabetes."*

#### Pump Priming 2021 (call announced November 2020 to be awarded in early 2021)

A total of 27 applications were received for consideration. These will be reviewed by the Research Advisory Board in Q1 2021.





## Islet Cell Research & Transplant

DRWF has made a considerable contribution to the funding of islet cell research and transplant in the UK and around the world. The DRWF Human Islet Isolation Facility at Churchill Hospital, Oxford plays a pivotal role in providing islets for research and transplant as part of a national treatment programme, the clinical element of which is funded by the NHS.

Three personnel are funded within the facility (around 30% of facility staff):

- Lab Manager – due for review Jan 2021
- Deputy Lab Manager (post doc researcher) – Funding proposal received Feb 2020
- Islet Transplant Administrator – Funding proposal received Feb 2020

New funding proposals were received in February for the Deputy Lab Manager and Islet Transplant Administrator positions, as current awards terminated on 30<sup>th</sup> April, 2020. Having reviewed the proposals, the Board considered that it would be prudent to offer continued funding for 1 year only, giving us the opportunity to establish how Covid-19 would impact our income over the course of the year. This resulted in new awards being offered for 1 year from 1<sup>st</sup> May 2020 – 30<sup>th</sup> April 2021.

Subsequently, due to Covid-19, the Islet Transplant Administrator position was furloughed and later became vacant. The Deputy Lab Manager position also became vacant with no-cost extensions being agreed by the Board for both positions.

## Impact report from the Director of the DRWF Islet Isolation Facility Churchill Hospital, Oxford by Professor Paul Johnson

The last 12 months has been a challenging time for everyone involved in healthcare worldwide. Many routine treatments in our hospitals have been suspended as our clinical services have been protected to ensure sufficient capacity for the large number of COVID admissions. In addition, the considerable risk of starting patients on powerful immunosuppression in a COVID environment has meant that many transplant services have been severely restricted. In Oxford, most of our transplant services were suspended for a large part of the pandemic. The UK Islet Transplant Programme remained open for a small number of priority patients only who were requiring 'top-up' grafts. These patients were chosen as they had an urgent clinical need and had already been established on immunosuppression. The Oxford DRWF Human Islet Isolation Facility therefore remained open throughout the pandemic to provide islets for these patients and the staff remained 'on call' throughout. Pancreas donation was initially significantly reduced due to ICU restrictions and difficulties proving that donors were definitely COVID-free. However, once these issues had been addressed, organ donation activity for clinical use was re-established. However, research pancreases remained very limited.

We continue to process pancreases from a broad donor pool. Impressively, our isolation outcomes continue to match the leading isolation centres world-wide for this range of donors. In 2018, twenty-four out of 53 pancreases processed resulted in an islet yield of >200,000 IEQ whereas in 2019 this was twenty-two out of 43. Pre-COVID we also continued to isolate and distribute research islets to scientists across the UK, with 19 islet preparations distributed to a wide range of research groups throughout the UK in 2018 and 16 in 2019. Our provision of high-quality human clinical islets has impacted directly on patients with type 1 diabetes locally and throughout the UK, with lives transformed by diabetes stabilisation and reversal. The distribution of research islets has enabled a wide-range of different diabetes research projects to be undertaken resulting in many high-impact publications. The generous funding from DRWF has been essential for these achievements.

During the pandemic, the University closed many of its research facilities for various periods of time. This has limited our research activity, but the team has continued to be research active whenever this has been possible. We continue to undertake novel research into the development of physiological islet scaffolds and islet macro-capsules, design of a novel islet culture, and optimisation of islet oxygenation including proteomic characterisation during islet isolation. We were a key partner in a Horizon 20/20 European Grant and continue to be central to two themes (Surgical & Diabetes) of the Oxford Biomedical Research Centre.



The Oxford DRWF Isolation team have continued to be highly recognised in the islet transplant and islet research fields. Professor Paul Johnson has continued to Chair the NHSBT UK Islet Transplant Steering Group throughout this difficult time. This has involved close liaising with the NHS and difficult decisions about keeping islet transplant recipients safe. He has continued to give invited lectures to learned societies, albeit increasingly in a virtual format. Team members have continued to present at international scientific meetings, including the last ePITA (European Pancreas and Islet Transplant Association) conference held in Austria in January 2020. We continue to publish our work regularly in peer-reviewed journals with appropriate DRWF acknowledgement.

Looking ahead to the next 12 months, we have already started to see the return of normal islet isolation activity and have started to reactivate our islet transplant recipient list. We have just started an exciting new initiative with NHSBT called 'Increasing the Number of Organs Available for Research' (INOAR). This important project will enable donor organs from donors with diabetes to now be retrieved routinely from across the UK for research purposes. Up until now, this has been very sporadic and there has been no infrastructure for research retrievals. The Oxford DRWF Islet Isolation Facility will lead an 'Islet Platform' with responsibility for isolating and distributing islets for research from these rare pancreases. This will be a unique resource for researchers as they try to find a cure for diabetes. Again, the 'Islet Platform' has only been made possible as a result of DRWF's long-term partnership with the Oxford Facility.

All the Oxford Isolation team remain extremely grateful to DRWF for their partnership with Oxford. We look forward to maintaining and further developing this partnership and collaboration for many years to come.

## How we raised our money in 2020



**Our approach to fundraising** – The Trustees are aware of their individual responsibility and accountability to ensure that the charity fundraises legally, responsibly and effectively.

Our focus for 2020 was on building resilience and sustainability for the future through succession planning, diversification of income streams and delivery of purposeful programs that continue to meet the ever-changing needs of people with diabetes.

The largest volume fundraising activity that the charity has is a direct mail programme. Legacy income and regular giving programmes are also sources of higher volume/value donations to the charity at this point and we seek to develop community and digital fundraising activities so that they make a more meaningful contribution to the charity's public engagement and income generation. Additionally, we make applications to appropriate trusts and foundations.

Historically, we have relied heavily on income from Direct Mail and Regular Giving programmes to sustain our voluntary income. These programmes continue and do very well for us, but in order to ensure that we are competitive and responsive to our supporter needs, current and new, we must ensure that we offer engagement choice and an experience that helps maximise recruitment opportunities and capitalises on retention and loyalty.

By February 2020, Covid-19 had gathered pace around the world and it became apparent very quickly that we needed to consider our future working arrangements and business continuity plans in respect of –

- Possible impact on current and future activities and operations of the charity
- Implication for the charity's finances and fundraising
- Effect on financial sustainability and going concern
- Consideration of the charity's reserves, their nature and adequacy
- Effect on future aims and activities

A significant challenge given the scale and unpredictability of the issue. The initial impact of Covid was felt by the DRWF team who were required to work remotely from 23<sup>rd</sup> March when the UK entered national lockdown. Fortunately, we had been able to address the necessary technology and equipment requirements to enable us to work from home by 20<sup>th</sup> March. However, the uncertainty and ever-changing



landscape made it almost impossible to set out a response plan that provided a stable working structure for any length of time, with frequent need to reassess and change direction.

Our Direct Mail programme was affected in the early months of Covid with a number of campaigns being dropped and/or delayed in the schedule. We had hoped to step up prospecting in 2020 and whilst a couple of tests were conducted, we didn't manage to carry out the level of acquisition that we'd projected for the year. The overall volume of DM campaigns distributed in 2020 was around 35% less than in 2019 with an overall reduction of income of 24% in this activity.

Whilst there were no changes to main service providers in the period, our Direct Mail programme response handlers experienced issues very early on meaning that they offered restricted services between March and July. This meant that we had to be reactive and put in place temporary processes to enable continuation of campaign responses from our offices, requiring two staff to work on-site to manage incoming mail, open batch and bank donations etc. Whilst the volume of mail that we were able to process through a manual process was limited, it meant that we were helping to minimise the backlog of mail building up, limit impact on cash-flow and enable real-time information to be updated on our CRM so as to avoid future impact on our appeals and campaigns. Fortunately, this situation was resolved by July and all campaign returns were cleared through the month.

We had expected to see an increase in regular giving cancellations during the year however, whilst it appeared that this might be the case early on in the pandemic, our attrition over the year was actually consistent with 2019 at 7%.

Legacy income, which is difficult to accurately predict, increased beyond expectation in the year. We received notification of numerous bequests, some of which were quite high value and which deposited funds very quickly. Legacy income was around 69% higher than we had anticipated during the year, around £300,000+ up on budget.

We had planned to scale up our community fundraising activities in early 2020 by hiring a regional community fundraiser in the Midlands, however this plan had to be put on hold. Our full programme of charity organised community fundraising activities was cancelled between 23<sup>rd</sup> March and 31<sup>st</sup> December, reducing projected income from this stream by around 70%.

However, there were some amazing supporters who despite the significant personal and professional challenges that Covid-19 placed on all of us, continued to raise funds in aid of DRWF knowing that it was a real struggle for all charities and really wanting to show their support and make a difference. We are indebted to these supporters.

The Head of Community Fundraising was furloughed between 1<sup>st</sup> May and 30<sup>th</sup> June to give us time to understand the reduction in workload and reduce associated costs to the charity. This role was supported through the Government's Coronavirus Job Retention Scheme. We returned this role to employment through a phased return as we were able to increase fundraising activities, largely through digital fundraising campaigns.

Whilst a number of grant applications were made during the year, none returned a positive response. Many funders were rethinking their grant parameters to focus on Covid-19 related programmes. We considered how/where we might be able to position ourselves to provide a meaningful diabetes and Covid-19 specific support programme that would provide benefit in the diabetes community and support an application for grant funding, but found this very difficult to shape. Consequently, our attempts to secure funds through Grants and Trusts were unsuccessful in the year.

We secured grant income through the Government's Coronavirus Job Retention Scheme in support of three staff positions that were furloughed over a period of 6 months (see financial review section for detail).

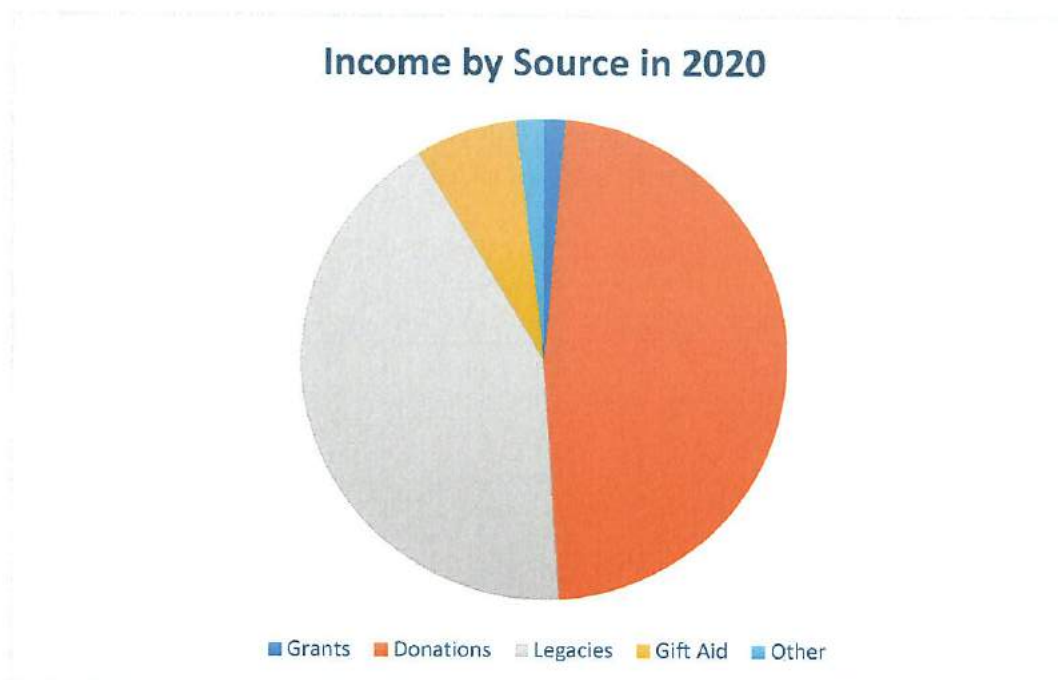
### **Corporate Partnerships**

We do not endorse products, but we will support initiatives that increase awareness to DRWF and our activities, and where there is an appropriate message, product or service for people with diabetes. To this



end, we have worked to explore meaningful partnership and corporate sponsorship opportunities, where there is a synergy in mission, vision and values. Any potential partnership is assessed for feasibility, compatibility with our own objectives, and risk to ensure there is no detrimental effect to our reputation or fundraising potential. Robust risk assessment supports our desire to only engage in suitable and best value partnerships. Detailed discussion and negotiation ensures that both parties aims are complementary and mutually beneficial. This ensures transparency and integrity in all partnerships.

We did not work with a professional fundraiser during the year. Commercial participation agreements are in place where necessary.



## We can't do this without our amazing supporters!

During the pandemic months of 2020, much of our planned community fundraising activity was cancelled. We relied more than ever on committed supporters coming up with novel fundraising ideas, within the parameters of lockdown restrictions, to generate awareness and financial support for our ongoing operations.

### Cameron's London-Edinburgh Cycle

*London-based Cameron Muir marked 20 years of living with type 1 diabetes by cycling from London to Edinburgh with a group of friends, in aid of DRWF. Cameron was joined by a group of close friends for the fundraising challenge covering more than 400 miles. They set off from Dalston, London on 28th August and made it north of the border to reach Edinburgh on 4th September.*

*The group of friends came up with the idea during a lockdown stroll. Cameron and friend James wanted to do something worthwhile with their time to give something back, as the world returned to normality after the first Covid-19 lockdown.*





Cameron said: "I was diagnosed with type 1 diabetes aged 10 in 2010. My family and I were away on an annual trip with a group of family friends when I became very ill and had to be rushed to hospital. It was a shock to find out that I had diabetic ketoacidosis. I had to remain in hospital for a week until the doctors could stabilise my condition. It is now my 20th year of taking insulin and I have had many ups and downs with controlling my blood sugar along the way.

"My grandmother, Dr Norma Cooper, who was one of my biggest supporters being a doctor herself, very sadly died in April. She was very interested in research for a cure for diabetes and used to give money to the research centre in Aberdeen in the hopes that she would see a cure during her lifetime. 'There'll be a cure soon,' she used to write to me, sending me many newspaper cut-outs and any information that she could get her hands on. In my grandmother's memory I decided, along with my girlfriend and four of my friends, to raise money for Diabetes Research & Wellness Foundation, cycling from my home in London to my parent's home in Edinburgh. This is 500 miles which we hope to achieve in one week.



"My difficulties as a child growing up with diabetes and as a teenager really affected my life. At school I was a keen sportsman, and at university I became the captain of the 1st XV rugby team. It was hard for me to get my sugar levels right before and after matches. Now I am so grateful for the technology that has been developed. I wear a sensor on my leg so that I so that I can test my blood sugar with my smartphone, and it records everything for me. I would like to raise money in order to help find the cure that my grandmother was hoping for and to help more young people like me who have been diagnosed at an early age."

Cameron and his friends raised just almost £17,000 in support of our Pump Priming awards. These are 1 year clinical/non-clinical 'proof of concept' projects which aim to collect translational pilot study data the results of which often enable the researchers to leverage larger, higher value multi-year grant funding to expand their work.

### ***In Memory of Rose Edith Mills – 12<sup>th</sup> January 1929 – 2<sup>nd</sup> May 2020***



Rose died in May 2020 at the age of 91. She had suffered from diabetes for many years and regularly supported DRWF, as well as several other charities. Rose is greatly missed by many people as a loving Mum, Nanny, Great Nanny and Friend. She liked nothing better than being with her family as it grew year by year. Having lived in the same house for over seventy years, Rose was known by all her neighbours as the lady who helped out with a listening ear, who took in parcels and in her younger years, helped out elderly neighbours.

Rose's son Andrew set up a tribute page inviting family and friends to share memories and make a donation to DRWF raising over £500.

These are just two examples of the committed donors and supporters of our charity who take on countless sporting events and challenges; make regular donations or galvanise their local communities into raising funds to support our work. We can't thank them enough!



**Fundraising Regulator:** We are a levy-paying member of the Fundraising Regulator and subscribe to the associated fundraising codes of practice. The charity suppresses individual supporter records against the Mailing Preference Service, Telephone Preference Service and the Fundraising Preference Service, which helps to ensure that we do not approach individuals who have expressly requested that we do not contact them. During the year, we were notified of 26 FPS requests, which are suppressed from all contact, 10% less than received in 2019.

**Complaints:** The charity has a published complaints procedure, available on its website, and endeavours to respond to enquiries and complaints within the stated timeframe. Most contacts tend to be a request to opt-out of charity communications by existing supporters and we monitor the basis on which people request this i.e. content of appeal, volume of contact; type of contact; method of contact to inform our campaigns with the aim of reducing any perception of unreasonable intrusion, persistent approach or undue pressure to support. We didn't receive any complaints about our fundraising practices during the year.

**GDPR and Data Protection:** We are committed to protecting the personal information and privacy of individuals that we engage with and comply with relevant legislation and codes of practice, whilst carrying out our essential work of raising awareness of diabetes, providing information and support, and raising funds. Our privacy policy, published at [drwf.org.uk](http://drwf.org.uk) sets out how we capture, process, manage and retain personal information.

When the Covid-19 pandemic required the DRWF team to move to home working, additional measures were put in place to ensure that we remained GDPR compliant. Our IT providers set up VPN/GOTOMYPC licences to safeguard access to DRWF files and data; post was managed by two staff working on site until our restrictions allowed more of the team to return to the office.

## Financial Review

Principal income streams in the year were direct mail campaigns; regular giving via direct debit; legacy income and gift aid associated with voluntary donations.

During the pandemic, we adopted a short-term reactive, medium term pro-active and long-term strategic approach to manage the many challenges that we encountered across the year. Income and expenditure was monitored on a weekly basis with budgets/forecasts adjusted accordingly.

Total income was £1,672,385. This was a decrease of 5.1% on budgeted income but an increase of 10.7% on income received in 2019. Voluntary donations including gift aid receipts at £1,650,048 was up by 11.6% on 2019. Legacy income, having budgeted for very cautiously on notes of intent only, was £749,810, up by 77.3% on budgeted income, and £432,006 (73.6%) more than received in 2019.

Total expenditure in the year at £1,674,390 was 18.6% below budget and a decrease of 15.4% on expenditure in 2019. At year-end, we were showing a deficit of £2,005. This was £293,016 less than the deficit we had anticipated at £295,021, a budget that had been set before the Covid-19 pandemic. A revised forecast to take account of the Covid-19 situation forecast a deficit of £169,096 for the year.

Direct charitable expenditure was 84p in every £1 spent (85p in 2019 – a decrease of 1.2%)

### Government Grants

The charity made use of the Coronavirus Job Retention Scheme offered by Government during the Covid-19 pandemic. Several employees were furloughed between May and October 2020. The accruals method was used for the government grant and accounted for under FRS 102 Section 24 "Government Grants". Income received totalled £22,721 in the year.



## Investment Policy

Under the Memorandum and Articles of Association, the charity has the power to invest in any way the trustees see fit.

The trustees, in order to minimise risk and having regard to the liquidity requirements of the charity, and to the reserves policy, have historically operated a policy of keeping available funds in a higher interest bearing deposit account seeking to achieve a rate of deposit interest which matches or exceeds inflation as measured by the retail prices index.

The trustees have regularly reviewed opportunities to increase investment return from short-term, easy access, options bearing in mind the desire to ensure that we can react quickly to appropriate requests for additional research support as they arise.

The trustees are also conscious of on-going cash-flow requirements during a challenging time where historical fundraising methods are raising less income and where new methods of fundraising are being tested at higher cost.

All things considered, the trustees believe it appropriate to continue to explore investment opportunities as they present themselves, with a view to maximising return on its deposits.

## Reserves Policy

To safeguard the need for sufficient funds to cover ongoing management, administration and support costs, as well as respond to further grant requests that might arise, the Board aims to maintain unrestricted, free reserves at a level that equals 3-6 months of operating and charitable expenditures, which equates to between £539,907 and £1,079,814.

During financial year 2020, total expenditure was £1,674,390. Allowing for adjustments and forward research commitments, the charity's expenditures for financial year 2021 are likely to be in the region of £2,159,628. At 31<sup>st</sup> December 2020, the charity held free reserves (unrestricted reserves less designated funding, less fixed assets) of £2,981,340. This is the equivalent of approximately 16.6 months operating and charitable expenditures.

The trustees are committed to strengthening existing income streams whilst diversifying fundraising activities to reduce reliance on single sources. It is expected that this will take investment in testing of activities where the accuracy of predicting response rates, in terms of volume and value of gift, will be more challenging and take time to inform our wider growth strategy. The pandemic has shown us the need to have a broad range of activities and has highlighted the need for investment in technology, expertise and resource. Funds have been designated for this purpose.

Current reserves, whilst in excess of those anticipated, will enable us to establish the medium-long term impact of the pandemic on fundraising activities and navigate these more challenging times whilst exploring ways in which to diversify income generation and develop the charity's objective activities for future sustainability.

## Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of the approval of these financial statements having given consideration to known commitments, forecasts and projections and possible pressures on income generation. After making these considerations, the trustees conclude that there is a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. The charitable company therefore continues to adopt the going concern basis in preparing the financial statements.



## Our focus in 2021 and beyond

Much has been learned during the difficult months of the pandemic and we have identified a number of vulnerabilities in our structure and activities. Investment is required in technology, expertise and resources and this will be addressed through designated funding which has been set aside to support our 3-year Growth Strategy (2021-24). In doing so, we will be better positioned to weather future disruption thereby building resilience and sustainability.

We continue to closely monitor -

### **Impact on current and future activities and operation of the charity, its finances and fundraising**

Communication has been key throughout the pandemic months and the health and safety of the DRWF team has been paramount. Providing reassurance through clear communication at regular intervals was fundamental to ensuring that we continued to work cohesively, whilst understanding that the crisis was having an immediate and sustained effect on people's lives beyond the workplace. To this end, we ran two employee surveys between April and December 2020 focused on health and wellbeing to identify anxiety, stress and fatigue helping us to establish the need for additional support.

We furloughed 3 staff during the year, all of whom are now back to full contractual working arrangements. Team members are still working from home and we are currently conducting an impact assessment to understand the feeling around returning to usual working practices if, as is currently advised, covid-related restrictions are lifted entirely from 21<sup>st</sup> June, 2021.

We are fortunate to have arrived at this point without having encountered any significant illness in our team and we are very grateful for that.

Ongoing communication through multiple channels is helping us to establish how the public will/are starting to re-engage with community activities and this will be vitally important to steer our approach to digital and in-person campaigns and events, to ensure that we maximise opportunity and continue to meet the needs of our beneficiaries and stakeholders.

### **Growth Strategy**

Through the work of our Core Fundraising Group we have identified numerous ways in which to refine and develop existing fundraising activities to enable us to strengthen and diversify income streams.

2020 has shown us the need to be agile, integrated and adaptive in our approach. Whilst the past year has been incredibly challenging, we have been resourceful where possible and gained invaluable experience that will help us reconfigure our approach to 'what good looks like' for DRWF, our supporters and beneficiaries. To this end, we have scoped out a 3-year growth strategy which clearly defines our vision, mission and values and the direction that we will take to build a robust organisation that is well-positioned for the future.

The strategy defines our key activities to maximise opportunity in –

- Diabetes Wellness Network (volunteer and community fundraising activity)
- Diabetes Wellness Programme (our core programme activities in support of people with diabetes)
- Research Funding (redefine our research strategy to maximise opportunity for collaboration with like-minded partners)

Designated funding has been allocated to support the growth strategy in 2021.



## Reference and Administrative Details

Charity Number:	1070607
Company number:	03496304
Registered Office:	Building 6000 Langstone Technology Park Havant, Hampshire PO9 1SA Tel: 023 92 637808 Website: drwf.org.uk
Trustees & Directors:	Mr W. Michael Gretschel (Chairman) Mr John Alahouzos Mr Jeffrey Harab Mrs Valerie Hussey Mr Steve Jones (elected October 2019) Dr Shivani Misra (elected January 2020)
Chief Executive:	Mrs Sarah Tutton (Bone)

## Advisers

Bankers:	Barclays Bank Plc 1 Churchill Place London E14 5HP
Solicitors:	Blake Morgan LLP New Kings Court Tollgate Chandlers Ford Eastleigh SO53 3LG
Secretary:	Blake Morgan Company Secretary Services
Auditors:	Moore Kingston Smith LLP Devonshire House 60 Goswell Road London EC1M 7AD



## Structure, Governance & Management

**Governing Document** - The Diabetes Research and Wellness Foundation, also known as DRWF, is a registered charitable company (Registered Charity No. 1070607 and Company No 03496304) limited by guarantee and governed by its Memorandum and Articles of Association dated 15 January 1998 and amended by special resolutions passed on 15<sup>th</sup> June 1998, 2<sup>nd</sup> December 2001 and 24<sup>th</sup> April 2005.

**Recruitment & Appointment of Trustees** - The charity trustees are also the directors of the company for the purposes of company law.

As dictated by the charity's Articles of Association, directors are appointed by the Company Members. Any person desiring to be admitted to the membership of the company is required to apply in writing. No person shall be admitted until approved by resolution passed in accordance with the Articles of Association by the existing members, who hold absolute discretion as to the admission of any person.

The Trustees of the charity, being mindful that the board should offer a diversity of skills to fulfil statutory and fiduciary duties, are open to recommendations for new board members.

The business and medical/health related skills within the existing board member pool are supported by personal experience of diabetes, which assists the board in ensuring that objective activities meet beneficiary need.

Additionally, the board is supported in its decision-making processes by a Research Advisory Board, which has an independent Chairman. The RAB members review applications and make recommendation for research funding awards. An Editorial Advisory Board provides support to the provision of health and social care information. Both boards are made up of clinicians, scientists and other 'experts' in the field of diabetes and related health and strengthen the services that the charity offers its beneficiaries.

All board members are subject to conflict of interest policies and processes.

**Trustee Induction and Training** – Newly elected Trustees receive an Induction Pack that outlines the role and responsibilities of the Trustee, along with a history of the structure and purpose of the charity.

The pack includes a copy of the governing document and contact details of all board members. There is also an outline of the Chairman of the Board's role and responsibilities along with details of the executive officer taking responsibility for the daily management of the charity. Trustees are required to comply with the eligibility requirements set out by Charity Commission and to review and update an annual 'register of interests'.

Trustees are kept up to date with various governance publications and notices from appropriate professional advisory memberships. Additionally, trustees might be advised of appropriate governance courses that they may benefit from attending to ensure diversity and continuity of knowledge and skills within the Board.

Newly elected trustees are invited to attend a Review Meeting with the chair, after an agreed time lapse, in order to feedback their first impressions and address any concerns.

Trustees are actively encouraged to participate in the charity's outreach programme of educational events.

**Organisation** - The strategic direction and policy of the charity is the responsibility of the Board of Trustees. During 2020 six trustees served on the Board, from a variety of professional backgrounds relevant to the work of the charity. Ordinarily, the Board meets at least once each year in person and holds quarterly teleconference meetings with additional meetings organised as required. Due to the coronavirus pandemic, the Board met more frequently during 2020 via Zoom video meeting. There were no meetings in-person during the year.



**Risk Management** – The Trustees have examined the major strategic, business, reputational and operational risks that the charity faces. This involves identifying specific risks; assessing their likelihood of occurrence and potential impact; determining what steps could be taken to mitigate those risks and delegating responsibility to key staff for overseeing management of the associated controls. The risk register is reviewed annually to ensure the adequacy of internal control mechanisms. The trustees consider that the Charity has robust internal procedures, systems and processes and believe that risk assessment is embedded throughout the organisation.

The risk register was reviewed and scored in November and resulting risks discussed by the Board at a meeting held on 16th December.

There were a number of risks which ranked as **MEDIUM** (3 – 5 amber) where additional control measures or alternative methods of working may be required and these are being monitored and where necessary will be addressed through our future Growth Strategy. The **HIGH** priority risk (6 – 9 red) was in relation to pandemic response planning and considered the most likely barrier to success and requiring immediate and sustained attention.

The Board considers that the major risks facing the charity are –

- Fundraising and dependency on single income streams
- Data security including loss of data
- Loss of key staff
- Reserves policy and cash flow sensitivity
- Government policy

#### **Covid-19 risk assessment/business continuity**

When the impact of Covid-19 hit in early March, we developed a pandemic response/business continuity checklist that outlined key considerations to help us manage –

- Health and safety of employees
- Critical activities
- Dependencies – staffing
- Key suppliers/contractors (disaster recovery/business continuity plans)
- Communications strategy
- Technology requirements
- Activation plans

This has served as an effective plan to manage the risk and potential impact on employees, stakeholders, beneficiaries and our key activities. We continue to work within this risk management framework whilst we navigate the pandemic and recovery phase.

**Trustees' responsibilities in relation to the financial statements** – The trustees, who are also directors of Diabetes Research and Wellness Foundation for the purposes of company law, are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice.)

Company law requires trustees to prepare financial statements for each financial year that give a true and fair view of the state of the affairs of the charitable company and of the outgoing resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;



- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

**Auditors** – Moore Kingston Smith LLP have indicated their willingness to continue in office and are deemed to be reappointed in accordance with section 487(2) of the Companies Act 2006.

**Small Company Exemption** – This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

**On Behalf of the Trustees**

  
Michael Gretschel Chairman

15th JUNE 2021  
Dated



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DIABETES RESEARCH AND WELLNESS FOUNDATION**

### **Opinion**

We have audited the financial statements of Diabetes Research and Wellness Foundation ('the company') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.



We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

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 trustees' remuneration specified by law are not made; [or]
- we have not received all the information and explanations we require for our audit. [or]
- the trustees 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 Trustees' Annual Report and from preparing a Strategic Report.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 21, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.



## **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Use of our report**

This report is made solely to the charitable 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Moore Kingston Smith LLP*

.....  
**Neil Finlayson (Senior Statutory Auditor)**

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Date: 17 June 2021

Devonshire House  
60 Goswell Road  
London  
EC1M 7AD



**Diabetes Research and Wellness Foundation**  
**Statement of Financial Activities (Incorporating the Summary Income and Expenditure Account)**  
**For the year ended 31 December 2020**

	Unrestricted Funds	Restricted Funds	2020 TOTAL	Unrestricted Funds	Restricted Funds	2019 TOTAL
	£	£	£	£	£	£
<b>Income</b>						
Donations and Legacies	1,494,220	24,525	1,518,745	1,245,142	8,025	1,253,167
Charitable Activities	131,303	-	131,303	225,081	-	225,081
Other Charitable Trading Activities	8,004	-	8,004	16,286	-	16,286
Investments	6,101	-	6,101	11,910	-	11,910
Income from Charitable Activities	1,639,628	24,525	1,664,153	1,498,419	8,025	1,506,444
Other Income	8,232	-	8,232	3,750	-	3,750
<b>Total Income</b>	<b>1,647,860</b>	<b>24,525</b>	<b>1,672,385</b>	<b>1,502,169</b>	<b>8,025</b>	<b>1,510,194</b>
<b>Expenditure On:</b>						
Raising Funds	265,996	-	265,996	290,952	-	290,952
Charitable Activities	1,392,125	16,269	1,408,394	1,677,200	10,895	1,688,095
Other	1,658,121	16,269	1,674,390	1,968,152	10,895	1,979,047
<b>Net Income</b>	<b>(10,261)</b>	<b>8,256</b>	<b>(2,005)</b>	<b>(465,983)</b>	<b>(2,870)</b>	<b>(468,853)</b>
<b>Transfer between Funds</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Movement in Funds</b>	<b>(10,261)</b>	<b>8,256</b>	<b>(2,005)</b>	<b>(465,983)</b>	<b>(2,870)</b>	<b>(468,853)</b>
<b>Total Funds brought forward</b>	<b>2,991,601</b>	<b>-</b>	<b>2,991,601</b>	<b>3,457,584</b>	<b>2,870</b>	<b>3,460,454</b>
<b>Total funds carried forward at 31 December 2020</b>	<b>2,981,340</b>	<b>8,256</b>	<b>2,989,596</b>	<b>2,991,601</b>	<b>-</b>	<b>2,991,601</b>

There were no recognised gains or losses other than the deficit reported for the financial year. All activities in the year relate to continuing operations.

The accompanying notes form an integral part of these financial statements.



**Diabetes Research and Wellness Foundation**  
**Balance Sheet**  
**As at 31 December 2020**

	Note	2020 £	2020 £	2019 £	2019 £
<b>Fixed Assets</b>					
Tangible Assets	16				
<b>Current Assets</b>			4,800		3,250
Debtors	17	139,465		189,683	
Cash at bank and in hand		<u>3,160,905</u>		<u>3,262,259</u>	
<b>Creditors : Amounts falling due within one year</b>	18	<u>3,300,370</u>		<u>3,451,942</u>	
		<u>(315,574)</u>		<u>(463,591)</u>	
<b>Net Current Assets</b>		<u>2,984,798</u>		<u>2,988,351</u>	
<b>Total Net Assets</b>		<u>2,989,596</u>		<u>2,991,601</u>	
<b>Reserves</b>					
Restricted Fund	20		8,256		-
General Reserve	20		<u>2,981,340</u>		<u>2,991,601</u>
			<u>2,989,596</u>		<u>2,991,601</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 FRS 102 SORP (effective January 2015)

The financial statements were approved, and authorised for distribution, by the Trustees on

15th June 2021

  
Michael Gretschel Trustee

The accompanying notes form an integral part of these financial statements

Company number: 03496304



**Diabetes Research and Wellness Foundation**  
**Statement of Cash Flows**  
**For the year ended 31 December 2020**

	Note	2020 £	2019 £
Cash used in Operating Activities	24	(104,230)	(367,679)
Cash Flows from Investing Activities			
	Interest on Bank Deposit	6,101	11,910
	Fixed Assets	<u>(3,225)</u>	<u>(2,564)</u>
Cash Flows from Financing Activities		0	0
Change in cash and cash equivalents in the year		<u>(101,354)</u>	<u>(358,333)</u>
Cash and cash equivalents brought forward 1st January		3,262,259	3,620,592
Cash and cash equivalents at 31st December		<u>3,160,905</u>	<u>3,262,259</u>

**Diabetes Research and Wellness Foundation**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2020**

## **1 Accounting Policies**

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company is a public benefit company for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011.

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The charity has given due consideration for the effects of the Covid-19 outbreak. The charity will continue with a full programme of direct mail campaigns to ensure continuity of its major income streams in the next financial year. The annual programme of Awareness Events and Fund Raising Events will be a combination of online and traditional events and it is anticipated the income streams will increase in the next financial year. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and have taken account of pressures on donations income. After making enquiries the trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound. The financial statements have been prepared on the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

### **Critical accounting estimates and areas of judgement**

In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

The principal accounting policies of the company are set out below:

### **Income**

Income is included on an accruals basis except that donations under gift aid together with the associated income tax recoveries are credited as income when the donations are received. Membership Subscriptions are apportioned across the membership subscription period.

### **Legacies**

Legacies are recognised following probate and once there is sufficient evidence that receipt is probable and the amount of the legacy receivable can be measured reliably. Where entitlement to a legacy exists but there is uncertainty as to its receipt or the amount receivable, details are disclosed as a contingent asset until the criteria for income recognition are met.

### **Public Donations and Gifts-in-Kind**

Incoming resources in the form of Gifts-in-Kind are included in the Statement of Financial Activities only when assets donated to the charity are distributed. Gifts-in-Kind are donations of commodities directly usable in charitable programmes, such as food, blankets, books, agricultural and medical supplies. The Charity has an internationally recognised and accepted monitoring programme in place to ensure that commodities are appropriately valued at wholesale or less, culturally appropriate for the designated programme, and can be both properly shipped and distributed gratis to the designated beneficiaries.

### **Gift Aid Repayments**

Income from gift aid repayment claims is only included for claims which have been submitted for tax periods ending on or before the year end and when the receipt of this income is certain.



**Diabetes Research and Wellness Foundation**  
**Notes to the Financial Statements (Continued)**  
**For the year ended 31 December 2020**

**1 Accounting Policies (continued)**

**Expenditure**

Expenditure, which is charged on an accruals basis, is allocated between:

- expenditure incurred directly in the effort to raise voluntary contributions (cost of generating funds);
- expenditure incurred directly to the fulfilment of the charity's objectives (charitable expenditure);

Charitable expenditure comprises all the expenditure incurred by the charity in meeting its charitable objectives and is further analysed between:

- grants payable in the furtherance of the charity's objectives
- costs of activities in furtherance of the charity's objectives
- support costs of the charity

**Cost Apportionment**

Where items of expenditure involve more than one cost category these costs have been apportioned on a reasonable basis as determined by the trustees. One particular area where the cost is material to the charity is in the production and distribution of direct mailings.

One of the purposes of the mail shot is to develop a database of names of people with a particular interest in the activities of the charity and its charitable objects. It is held that individuals who make a £10 or greater donation, in response to the mailing, have a degree of interest in diabetes. They are interested because they suffer from diabetes, know somebody who does or could themselves be at risk of developing the condition. These are precisely the people whom the charity is trying to help and consequently they receive the benefits of the educational material provided by the charity. These high interest individuals constitute 25% of the total responses; so the charity allocates 25% of the cost of the mailing to costs in furtherance of the charity's objects.

Furthermore the remaining expenditure has been allocated on the basis of whether the educational content of the individual mailing is significantly high enough so as to be material. When this holds true the remaining cost of the mailing is allocated on a pro-rata basis comparing the educational content (costs in furtherance of the charity's objects) to the fund raising content (costs of generating funds). The educational content is determined by the amount of text and space on each mailing that is dedicated to material of an educational nature.

Telemarketing expenditure is allocated in a consistent manner with mailings, as described above, hence the charity allocates 25% of the cost of the telemarketing calls to costs in furtherance of the charity's objectives, with the remaining expenditure allocated on the basis of whether the time spent during the telephone call is in accordance with the charity's objects or otherwise.

Fund raising expenditure i.e. Text that may induce a donation from the recipient, is allocated upon the basis of the volume of the text and space that is not related to text of an educational nature.

Support costs comprise all other overhead costs for the running of the charity as an organisation.

**Fund Accounting**

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes. The aim and use of each fund is set out in the notes to the financial statements.

Unrestricted funds are donations and other incoming resources received or generated for expenditure on the general objectives of the charity.

Restricted funds are donations received from a donor who has specified a particular area of the charity's work to which the donation should be allocated.

**Diabetes Research and Wellness Foundation**  
**Notes to the Financial Statements (Continued)**  
**For the year ended 31 December 2020**

**1 Accounting Policies (continued)**

**Grants Payable**

Grants are recognised when they become due for payment. Included within the Statement of Financial Activities is the cost of grant instalments that are payable to charitable organisations / individuals in accordance with the charity's governing instruments, together with any grants payable for the year, but not paid by the year end date. The value of grants awarded which are subject to the completion of a future year's performance is disclosed as a Financial Commitment in Note 18.

**Tangible Fixed Assets and Depreciation**

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets held for charity use by equal annual instalments over their expected useful economic lives. The rates generally applicable are:

Office equipment, fixtures and fittings	5-7 years straight line
---	-------------------------

All tangible fixed assets costing more than £250 are capitalised at their cost to the charity.

**Foreign Currencies**

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. All exchange differences are dealt with through the statement of financial activities.

**Leasing Commitments**

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

**Other Financial Instruments**

**i. Cash and cash equivalents**

Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity date of three months or less.

**ii. Debtors and Creditors**

Debtors and creditors receivable or payable within one year of the reporting date are carried at their transaction price. Debtors and creditors that are receivable or payable in more than one year and not subject to a market rate of interest are measured at the present value of the expected future receipts or payment discounted at a market rate of interest.



**Diabetes Research and Wellness Foundation**  
**Notes to the Financial Statements (Continued)**  
**For the year ended 31 December 2020**

<b>2 Donations and Legacies</b>					
		<b>2020</b>	<b>2019</b>		
		<b>£</b>	<b>£</b>		
Donations		760,750	927,491		
Lottery Programme		8,185	7,872		
Legacies Received		749,810	317,804		
		<u>1,518,745</u>	<u>1,253,167</u>		
Included in the above are restricted donations of £24,525 (2019: £8,025)					
<b>3 Charitable Activities</b>		<b>2020</b>	<b>2019</b>		
		<b>£</b>	<b>£</b>		
Grants Received		22,721	-		
Gifts in Kind (see Note 9)		-	-		
Gift Aid Receipts		108,582	225,081		
		<u>131,303</u>	<u>225,081</u>		
<b>4 Other Charitable Trading Activities</b>		<b>2020</b>	<b>2019</b>		
		<b>£</b>	<b>£</b>		
Membership Subscriptions		6,216	10,993		
Event Fees and Sponsorship		1,788	5,293		
		<u>8,004</u>	<u>16,286</u>		
<b>5 Other income</b>		<b>2020</b>	<b>2019</b>		
		<b>£</b>	<b>£</b>		
Book Sales		-	-		
Royalties Received		-	-		
Registration Fees		-	42		
Miscellaneous Income		8,232	3,708		
		<u>8,232</u>	<u>3,750</u>		
<b>6 Fund Raising Costs</b>		<b>2020</b>	<b>2019</b>		
		<b>£</b>	<b>£</b>		
Caging		125,046	135,363		
Carriers		1,535	1,678		
Computer Charges		3,038	3,903		
Lettershop and Data		3,179	2,900		
Postage and Shipping		16,510	24,618		
Printing		1,654	4,334		
Publicity		2,331	5,028		
Marketing Costs		7,602	11,338		
Telemarketing		-	-		
Mail Pack Premiums		14,995	21,239		
Lottery Costs		7,175	3,645		
Staff Costs (see Note 12)		68,431	62,105		
Sweepstake Winners		14,500	14,800		
		<u>265,996</u>	<u>290,952</u>		
<b>7 Charitable Activities</b>					
	<b>2020</b>	<b>2020</b>	<b>2020</b>	<b>2020</b>	<b>2020</b>
	<b>Direct</b>	<b>Grants</b>	<b>Gifts in</b>	<b>Support</b>	<b>Total</b>
	<b>Expenditure</b>	<b>Awards</b>	<b>Kind</b>	<b>Costs</b>	
	<b>(Note 10)</b>	<b>(Note 8)</b>	<b>(Note 9)</b>	<b>(Note 11)</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Research into the Relief of Diabetes	-	289,471	-	407,605	697,076
Relief of Persons with Diabetes	-	-	-	-	-
Raising Public Awareness of Diabetes	711,318	-	-	-	711,318
	<u>711,318</u>	<u>289,471</u>	<u>-</u>	<u>407,605</u>	<u>1,408,394</u>
	<b>2019</b>	<b>2019</b>	<b>2019</b>	<b>2019</b>	<b>2019</b>
	<b>Direct</b>	<b>Grants</b>	<b>Gifts in</b>	<b>Support</b>	<b>Total</b>
	<b>Expenditure</b>	<b>Awards</b>	<b>Kind</b>	<b>Costs</b>	
	<b>(Note 10)</b>	<b>(Note 8)</b>	<b>(Note 9)</b>	<b>(Note 11)</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Research into the Relief of Diabetes	-	453,948	-	436,370	890,318
Relief of Persons with Diabetes	-	-	-	-	-
Raising Public Awareness of Diabetes	797,777	-	-	-	797,777
	<u>797,777</u>	<u>453,948</u>	<u>-</u>	<u>436,370</u>	<u>1,688,095</u>

**Diabetes Research and Wellness Foundation**  
**Notes to the Financial Statements (Continued)**  
**For the year ended 31 December 2020**

8 Grant Awards	2020	2019
	£	£
University of Bristol - Non Clinical Fellowship 2016		44,943
University of Oxford	103,351	156,707
University of Exeter (previously Kings's College London) – Non Clinical Fellowship 2018	64,978	64,978
King's College London – 2019 Pump Priming Award		19,995
King's College London – 2019 Pump Priming Award		18,196
University of Oxford – 2019 Pump Priming Award		19,567
University of Dundee – 2019 Pump Priming Award		20,000
Barts and The London School of Medicine & Dentistry – Pump Priming Award		19,771
University of Lincoln – 2019 Pump Priming Award		19,005
Association pour la Recherche sur la Diabete	884	540
Diabetes Wellness Network Canada	(700)	0
Imsamingsstiftelsen Diabetes Wellness Network Sverige re Lund University - Norway		40,403
Diabetes Research Institute Foundation – University of Miami	50,415	50,004
University of Bristol - 2020 Pump Priming Award	18,000	
University of Cambridge - 2020 Pump Priming Award	20,000	
University of Strathclyde - 2020 Pump Priming Award	19,926	
University of Exeter - 2020 Pump Priming Award	20,000	
University of Dundee - 2020 Pump Priming Award	19,693	
University of Exeter - 2020 Pump Priming Award	19,600	
	<hr/> 336,127	<hr/> 474,109
Less: Unclaimed grants written back	(46,656)	(20,161)
	<hr/> <u>289,471</u>	<hr/> <u>453,948</u>



**Diabetes Research and Wellness Foundation**  
**Notes to the Financial Statements (Continued)**  
**For the year ended 31 December 2020**

**9 Gifts-in-Kind**

The following donations made during the year were claimed as Gifts-in-Kind and are valued in accordance with current market conditions prevailing when the gift was made.

Number of Shipments	Gifts-in- Kind value	Shipping Costs	2020 Total	2019 Total
-	-	-	-	-
-	-	-	-	-

**10 Direct Charitable Expenditure**

	2020 £	2019 £
Staff Costs (see Note 12)	373,572	335,707
Postage	141,033	191,948
Printing	42,629	74,475
Publicity	13,247	10,000
Mail Pack Premiums	107,114	151,713
Carriers	10,962	11,989
Grant Costs	1,165	2,718
Lettershop and Data	21,596	19,227
	<u>711,318</u>	<u>797,777</u>

**11 Support Costs**

	2020 £	2019 £
Other Staff Costs	5,643	4,524
Professional Costs	22,012	16,941
Management Charge	141,483	93,870
Office Expenses	82,792	96,808
Establishment Expenses	44,278	45,116
Bank Charges and Interest Paid	3,298	2,516
Foreign Exchange (Loss)	5,175	3,002
Provision for Bad Debts	-	-
Depreciation	1,675	1,033
Irrecoverable VAT	70,801	71,852
Amounts paid to Auditors	17,644	14,405
Company Secretarial Fees	350	350
Board Meeting Expenses & Trustee Expenses	-	26,996
Other Overhead Costs	12,454	58,957
	<u>407,605</u>	<u>436,370</u>

Support Costs are allocated to the Charitable expenditure of the charity in proportion to the direct cost of the activity

**12 Wages and Salaries**

	2020 £	2019 £
Wages and Salaries	398,678	359,083
Social Security Costs	31,138	28,133
Pension Costs	12,187	10,597
	<u>442,003</u>	<u>397,813</u>

The key management personnel of the charity are the Trustees and the CEO. The total amount paid to key management personnel was £66,941 (2019: £66,964).

No employee received a salary of more than £60,000 during the year (2019: Nil).

The average number of full-time equivalent employees during the year was 11.5 (2019: 11).

**Diabetes Research and Wellness Foundation**  
**Notes to the Financial Statements (Continued)**  
**For the year ended 31 December 2020**

**13 Payments to Trustees**

No trustee or person with a family or business connection with a trustee, received remuneration in the year, directly or indirectly, from the charity.

Trustee Expenses for Travel and Meeting Costs were £nil (2019: £26,995) of which £nil (2019: £26,008) was reimbursed directly to nil (2019: 4) Trustees.

**14 Surplus of Income over Expenditure**

	2020 £	2019 £
The surplus of income over expenditure is stated after charging:		
Auditors' Remuneration:		
- Audit Fee relating to the Financial Year	15,250	14,405
- In respect of non audit services	1,965	3,563
Operating Lease rentals		
- Plant & Machinery	3,126	3,127
- Other Assets	28,001	24,090
Foreign Exchange Loss	5,175	3,002
Depreciation	<u>1,675</u>	<u>1,033</u>

**15 Taxation**

The company, being a registered charity, is not liable for corporation tax in respect of its operations for the year.

**16 Tangible Fixed Assets for Charity Use**

	<b>Office equipment, fixtures and fittings £</b>
<b>Cost</b>	
At 1 January 2020	34,032
Additions in Year	3,234
Disposals in Year	<u>(6,278)</u>
At 31 December 2020.	<u>30,988</u>
<b>Depreciation</b>	
At 1 January 2020	30,782
Provided in the year	1,675
Eliminated on Disposal	<u>(6,269)</u>
At 31 December 2020.	<u>26,188</u>
<b>Net Book Value</b>	
31-Dec-20	<u><u>4,800</u></u>
At 31 December 2019	<u><u>3,250</u></u>

**17 Debtors**

	2020 £	2019 £
Trade Debtors	-	13,156
Other Debtors	9,111	36,223
Prepayments and Accrued Income	<u>130,354</u>	<u>140,304</u>
	<u><u>139,465</u></u>	<u><u>189,683</u></u>

All Debtors except prepayments are financial instruments and are measured at settlement value



**Diabetes Research and Wellness Foundation**  
**Notes to the Financial Statements (Continued)**  
**For the year ended 31 December 2020**

**18 Creditors : Amounts falling due within one year**

	2020 £	2019 £
Trade Creditors	45,101	52,569
Grants Payable (see below)	205,741	309,784
Accruals and Deferred Income	50,929	98,242
Tax and Social Security	12,414	11,732
Other Creditors	1,389	1,264
	<u>315,574</u>	<u>463,591</u>

Included within other creditors is a pension creditor of £nil (2019: £nil)

All Creditors except deferred income are financial instruments and are measured at settlement value

Reconciliation of Grants Payable:

Commitments at 1 January 2020	309,784	205,603
Grants Payable for the Year (see Note 8)	289,471	453,948
Grants Paid during Year	<u>(393,514)</u>	<u>(350,767)</u>
	<u>205,741</u>	<u>309,784</u>

In addition to the amounts committed and accrued noted above, the trustees have also authorised the continuation of certain grants which are subject to the recipient fulfilling certain conditions. The details of these further commitments can be found in Note 22.

**19 Deferred Income**

	2020 £	2019 £
Deferred Income B/FWD 1st January 2020	4,303	8,413
Released to Income in Year	(4,303)	(8,413)
Income Deferred In Year	4,040	4,303
Deferred Income C/FWD 31st December 2020	<u>4,040</u>	<u>4,303</u>

Deferred Income comprises:

- Newsletter Membership Subscriptions which are renewable annually on a rolling 12 monthly basis
- Event Registration and Exhibition Fees received in advance of the event taking place
- Restricted Grants Received that will not be utilised until future periods

**20 Reserves**

	Balance at 1 January 2020 £	Transfer from General Reserve In Year £	Income in Year £	Expenditure in Year £	Net Movement in Year £	Balance at 31 December 2020 £
Restricted Fund relating to Diabetes Research	-	-	1,000	(1,000)	-	-
Restricted Fund relating to The Big Give Christmas Challenge	-	-	8,256	-	8,256	8,256
Restricted Fund relating to 2020 Pump Priming Award	-	-	15,269	(15,269)	-	-
Designated Growth Fund	-	150,000	-	-	150,000	150,000
General Reserve	<u>2,991,601</u>	<u>(150,000)</u>	<u>1,647,860</u>	<u>(1,658,121)</u>	<u>(160,261)</u>	<u>2,831,340</u>
	<u>2,991,601</u>	<u>-</u>	<u>1,672,385</u>	<u>(1,674,390)</u>	<u>(2,005)</u>	<u>2,989,596</u>
	Balance at 1 January 2019 £	Transfer from General Reserve In Year £	Income in Year £	Expenditure in Year £	Net Movement in Year £	Balance at 31 December 2019 £
Restricted Fund relating to Diabetes Research	-	-	-	-	-	-
Restricted Fund relating to The Big Give Christmas Challenge	2,870	-	8,025	(10,895)	(2,670)	-
General Reserve	<u>3,457,584</u>	<u>-</u>	<u>1,502,169</u>	<u>(1,968,152)</u>	<u>(468,983)</u>	<u>2,991,601</u>
	<u>3,460,454</u>	<u>-</u>	<u>1,510,194</u>	<u>(1,979,047)</u>	<u>(468,853)</u>	<u>2,991,601</u>

In 2020 a donation of £1,000 was made specifically for research purposes.

During 2020 the charity participated in the Big Give Christmas Challenge 2020 to raise funds for the 2021 programme of Educational Events. The funds received in the year was £8,256 (2019 £8,025).

A team of fundraisers raised £15,269 (2019 £nil) towards University of Exeter's 2020 Pump Priming Award.

The trustees designated £150,000 to support the growth and diversification of activities.

Net Assets by Fund	Unrestricted £	Restricted £	Total £
Tangible Assets	4,800	-	4,800
Current Assets	3,292,114	8,256	3,300,370
Current Liabilities	<u>(315,574)</u>	<u>-</u>	<u>(315,574)</u>
	<u>2,981,340</u>	<u>8,256</u>	<u>2,989,596</u>

**Diabetes Research and Wellness Foundation**  
**Notes to the Financial Statements (Continued)**  
**For the year ended 31 December 2020**

**21 Payments to Connected Charities**

Connected Charity	Nature of Relationship	2020		2019		Nature of Transactions
		£ Total transactions in the year	£ Balance at the year end	£ Total transactions in the year	£ Balance at the year end	
Diabetes Research and Wellness Foundation Inc.	1	141,483	-	93,870	-	Management charges in relation to the sharing of articles and staff.
Association pour la recherche sur la diabète	2	864	-	540	-	This grant was made to assist with the funding of the Association's awareness and educational programmes.
Diabetes Wellness Network Canada	3	(700)	-	-	-	This grant was made to assist in the funding of the Network's set up costs, this is the refund of an overpayment.
Insamlingsstiftelsen Diabetes Wellness Network Sverige re Lund University - Norway	4	-	-	40,403	-	This grant was made as part of a 2 year collaborative co-funded grant in respect of the funding of a project at Lund University in Norway.

**Nature of Relationships**

- 1 Diabetes Research and Wellness Foundation Inc. is completely separate and independent with no legal connections, but Mr. John Alahouzos sit on the Board of Trustees of the associated charity in the United States.
- 2 Association pour la recherche sur la diabète is completely separate and independent with no legal connections, but Mr W.M. Gretsche, Mr J. Alahouzos and Mr J. Harab sit on the Board of Trustees of the associated charity in France.
- 3 Diabetes Wellness Network Canada is completely separate and independent with no legal connections, but Mr W.M. Gretsche and Mr J. Alahouzos also sit on the Board of Trustees of the associated charity in Canada.
- 4 Insamlingsstiftelsen Diabetes Wellness Network Sverige is completely separate and independent with no legal connections, but Mr W.M. Gretsche and Mr J. Alahouzos also sit on the Board of Trustees of the associated charity in Sweden.

Further details regarding the relationship can be found in the Trustees Report.

**22 Financial Commitments**

The charity has financial commitments of £488,272 (2019: £421,660) for grants authorised but not accrued as expenditure for the year ended 31 December 2020, as they are subject to the recipient fulfilling certain conditions. The amounts payable are as follow:

	2020 £	2019 £
Payable in 2021	329,241	332,801
Payable in 2022	94,054	88,859
Payable in 2023	64,977	-
Payable in 2024	-	-
	<u>488,272</u>	<u>421,660</u>

**23 Operating Leases**

At 31st December 2020, the charity has commitments under operating leases as follows:

	2020 £ Within one Year	2020 £ Two to Five Years	2019 £ Within one Year	2019 £ Two to Five Years
Land and Buildings	22,167	-	28,001	22,167
Other Assets	2,484	974	3,069	3,302
Total	<u>24,651</u>	<u>974</u>	<u>31,070</u>	<u>25,469</u>

During 2018 year the charity moved its business office and Registered Office to new premises.

The new lease commenced on the 9th October 2018 with a term of six years at a rent of £28,000.25p per annum.

The lease includes a break clause allowing the tenant to terminate after three years.

The lease provides for two discounted periods of 10 months each during which the rent payable is reduced by 50%.

**24 Reconciliation of Net Movement in Funds to Net Cash Flow from Operating Activities**

	2020 £	2019 £
Net Movement in Funds - Surplus/(Deficit)	(2,005)	(468,853)
Add back Depreciation Charge	1,675	1,033
Deduct Interest Income shown in Investing Activities	(6,101)	(11,910)
Decrease (Increase) in Debtors	50,218	(43,743)
Increase (Decrease) in Creditors	(148,017)	155,794
Net Cash used in Operating Activities	<u>(104,230)</u>	<u>(367,679)</u>

**25 Members' Liability**

The Foundation is a company limited by guarantee. On the event of winding up, the member's (5) (2018 - 5) liability is limited to £1.



# **Diabetes Research and Wellness Foundation**

**Management Information**

**based on the**

**Financial Statements**

**For the year ended**

**31 December 2020**

**Diabetes Research and Wellness Foundation**  
**Detailed Income and Expenditure Account**  
**For the year ended 31 December 2020**

	2020 £	2019 £
<b>Income</b>		
Gifts in Kind	-	-
Grants Received	22,721	-
Donations	760,750	927,491
Lottery Programme	8,185	7,872
Membership Subscriptions	6,216	10,993
Legacies/In Mem/Trusts Received	749,810	317,804
Gift Aid	108,582	225,081
Other Income	16,121	20,953
	<u>1,672,385</u>	<u>1,510,194</u>
<b>Expenses</b>		
Gifts in Kind	-	-
Grants - UK	238,892	363,001
Grants - DRWF Inc	50,415	50,004
Grants - Canada	(700)	-
Grants - Europe	864	40,943
Grants Costs	1,165	2,718
Printing - Educational Support	30,813	43,516
Mail Pack Premiums	122,109	172,951
Printing - Mail Packs	13,470	35,293
Carriers - Mail Packs	12,497	13,667
Artworks	-	-
Lettershop	20,345	16,192
Caging Costs	125,046	135,363
Computer Charges	3,038	3,903
Postage & Shipping	157,543	216,566
List Rental	4,430	5,935
Lottery Costs	7,175	3,645
Marketing Costs	280	-
Publicity	15,578	15,028
Telemarketing	-	-
Event & Retreat Costs	17,753	66,174
Prizes	14,500	14,800
GIK Shipping Costs	-	-
Management Fee	141,483	93,870
Salaries & Other Staff Costs	447,646	402,337
Office Costs	172,388	207,256
VAT Irrecoverable	70,801	71,852
Depreciation Charge for Year	1,675	1,033
Disposal of Assets	9	(3)
Provision for Bad Debts	-	-
Foreign Exchange Difference	5,175	3,002
	<u>1,674,390</u>	<u>1,979,046</u>
<b>Net Surplus / (Deficit)</b>	<u><u>(2,005)</u></u>	<u><u>(468,852)</u></u>



**Diabetes Research and Wellness Foundation**  
**Detailed Income and Expenditure Account**  
**For the year ended 31 December 2020**

Addition check
-
-
927,491
7,872
10,993
317,804
225,081
20,953
<u>1,510,194</u>
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363,001
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40,943
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16,192
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15,028
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93,870
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3,002
<u>1,979,047</u>
<u>(468,853)</u>

**Diabetes Research and Wellness Foundation**  
**Detailed Income and Expenditure Account**  
**For the year ended 31 December 2020**

	2020 £	2019 £
<b>Income</b>		
Donations	760,750	927,491
Lottery Programme	8,185	7,872
Gifts in Kind	-	-
Gift Aid Repayment claims	108,582	225,081
Bank Interest	6,101	11,910
Legacies/InMem/Trusts Received	749,810	317,804
Membership	6,216	10,993
Books	-	-
Grants Received	22,721	-
Other	10,020	9,043
	<u>1,672,385</u>	<u>1,510,194</u>
<b>Expenses</b>		
Gifts in Kind	-	-
GIK Shipping Costs	-	-
Grants Payable	289,471	453,948
Grant Costs	1,165	2,718
Computer Charges	3,038	3,903
Postage and Shipping	157,543	216,567
Printing	44,283	78,809
Salaries	442,003	397,813
Other Staff Costs	5,643	4,524
Caging	125,046	135,363
Carriers	12,497	13,667
Lettershop	20,345	16,192
List Rental	4,430	5,935
Marketing Costs	280	-
Publicity	15,578	15,028
Mail Pack Premiums	122,109	172,951
Lottery Costs	7,175	3,645
Telemarketing	-	-
Audit and Accountancy	19,609	16,255
Bank Charges and Interest Paid	3,298	2,516
Foreign Exchange Losses / (Gains)	5,175	3,002
Office Expenses	82,792	96,808
Rent, Rates and Utilities	44,278	45,116
Artwork	-	-
Legal Fees	20,397	15,441
Depreciation	1,675	1,033
Travel and Entertainment	2,014	4,124
Annual Events Programme	17,753	66,174
Sweepstake Winners	14,500	14,800
Management Fee	141,483	93,870
Irrecoverable VAT	70,801	71,852
Cost of Books Sold	-	-
Board Meeting Expenses	-	26,996
Miscellaneous	-	-
Profit/Loss on Disposal of Fixed assets	9	(3)
Provision for Bad Debts	-	-
	<u>1,674,390</u>	<u>1,979,047</u>
<b>Net Surplus / (Deficit)</b>	<u><u>(2,005)</u></u>	<u><u>(468,853)</u></u>