



Guts UK Charity

Annual Report and Financial Statements

31 December 2020

Charity Registration Number
1137029

Company Limited by Guarantee
Registration Number
07274105 (England and Wales)

Contents

Reports

Reference and administrative information	1
Trustees' report	3
Independent auditor's report	32

Financial statements

Statement of financial activities	38
Balance sheet	39
Statement of cash flows	40
Principal accounting policies	41
Notes to the financial statements	46

Reference and administrative information

Royal Patron	HRH Princess Alexandra
Trustees	<p>Professor D Adams MD FRCP FMedSci</p> <p>Professor R Arasaradnam* MB BCh, C Clin Ed, PhD, FRCP, FEBGH (EU)</p> <p>Mrs K Au BSc (Resigned 4th March 2021)</p> <p>Dr L Bradley (Appointed 29th April 2020)</p> <p>Mr G Christian-Lim BSc</p> <p>Professor A Ford MBChB, MD, FRCP</p> <p>Professor C Hawkey DM FRCP FMedSci – President</p> <p>Dr M Lomer MBE PhD</p> <p>Professor J McLaughlin MBChB PhD FRCP – Deputy Chair</p> <p>Ms S Murray (Renewed 2nd December 2020)</p> <p>Professor J Rhodes MD FRCP FMedSci - Chair</p> <p>Dr P Smith BMedSci BMBS MRCP MSc – Medical Director (Renewed 2nd December 2020)</p> <p>Mr H Tran BSc FCA – Honorary Treasurer (Resigned 30th April 2020)</p> <p>Mr S Williams BA ACA (Appointed 13th March 2020, Honorary Treasurer from 1st May 2020)</p> <p>* nominee of the British Society of Gastroenterology (BSG)</p>
Chief Executive	Ms J Harrington
Principal office	<p>3 St Andrews Place</p> <p>Regent's Park</p> <p>London</p> <p>NW1 4LB</p>
Telephone	0207 486 0341
Website	www.gutscharity.org.uk
E-mail	info@gutscharity.org.uk
Company registration number	07274105 (England and Wales)
Charity registration number	1137029

Reference and administrative information

Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	National Westminster Bank plc 1 Cavendish Square London W1A 4NU
Investment managers	Cazenove Capital Management 12 Moorgate London EC2R 6DA
Solicitors	Hempsons 40 Villiers Street London WC2N 6NJ

The trustees present their report together with the financial statements of Guts UK Charity ("Guts UK") for the year ended 31 December 2020. The report has been prepared in accordance with Part 8 of the Charities Act 2011 and constitutes a directors' report for the purposes of company legislation.

The financial statements have been prepared in accordance with the accounting policies set out on pages 41 to 45 and comply with the charitable company's memorandum and articles of association, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Structure, governance and management

Guts UK is a charitable company limited by guarantee. Its governing document is its Memorandum and Articles of Association.

The trustees have overall responsibility for setting the strategic direction of the charitable company. The trustees delegate specific responsibility to several committees as follows:

- a) Audit, Risk and Compliance Committee ("ARC") whose purpose is to oversee the operational activities of the charity covering finance, investment, audit, legal compliance, HR and risk management;
- b) Research Awards Committee ("RAC") whose purpose is to ensure the integrity of Guts UK's research awards and that they align with the charity's stated objectives. The RAC is responsible for assessing, approving and monitoring applications for research funding. The RAC's processes are governed by the Terms of Reference and committee members (including those co-opted for specific awards) are required to sign a declaration of conflicts of interests form;
- c) Funding, Communication and Industry Committee whose purpose is to deliver on Guts UK's fund-raising programmes, ensuring engagement with patients, public, the medical profession and industry alike; and
- d) Research Strategy Committee whose purpose is to recommend areas of focus for Guts UK's research priorities.

The policies of the charity are determined by its board of trustees whose membership is listed on page 1. The research policy of the charity is decided by the trustees in consultation with the Research Committee of the British Society of Gastroenterology (BSG). Guts UK is a member of the Association of Medical Research Charities.

Guts UK advertises for new trustees as required. Prospective trustees are interviewed by the Chairman or other fellow trustees and are asked to submit a CV for review by the trustees. Candidates must be approved by a majority of trustees and the usual term of office is three years, renewable on approval by the board up to a maximum of 9 years total.

Structure, governance and management (continued)

New trustees are provided with information concerning the finances, fundraising activities, grant-making and research policies of the charity. Those who are not familiar with the legal obligations and responsibilities of a trustee are provided with information published by organisations such as the Charity Commission. Training opportunities are offered to trustees on an ongoing basis.

Guts UK continues to work closely with the BSG to provide strong links with the main professional community and to improve its ability to disseminate research and patient information. The Chairman of the BSG's Research Committee is a member of the board.

The day-to-day operation of Guts UK is delegated to the Chief Executive who is supported by a team of staff.

Key management personnel

The key management personnel are those involved in managing the organisation, fundraising, communications, research and finance. These comprise the trustees, the Chief Executive and the Finance and Research Managers.

The pay of all staff members, including members of key management, is reviewed annually by the trustees. Remuneration details in relation to key management personnel are provided in Note 10 to the financial statements.

Risk management

Guts UK maintain a risk register covering the major risks to which the charity is exposed. This covers governance and compliance, operational and administration, financial and investment and reputational risks.

Guts UK rates potential risks by likelihood and impact. The risk register is reviewed regularly by the trustees and the key risks together with the policies to mitigate them have been identified as:

Failure to comply with GDPR regulations

Policies and procedures have been developed and communicated to all staff. Ongoing training is provided. Data protection is a standing item on the ARC Committee and trustee meeting agendas to ensure trustees are kept up to date with actions taken to ensure compliance with the regulations. There will be ongoing monitoring of compliance with regulations.

Failure to meet strategy to increase donations

Management accounts are prepared and regularly reviewed by the ARC Committee to monitor fundraising performance. The fundraising strategy has been reviewed by the Chief Executive and trustees with a view to increasing the number of individual supporters and donors alongside developing different income sources to include approaching former funded researchers and gastroenterologists and industry/pharma for support. The trustees review income generation, reserves and strategy at each Board meeting to ensure the strategy is still the right one and that the charity has sufficient funds to meet it.

Risk management (continued)

Impact of COVID-19

The COVID-19 Pandemic has led to some increased risks. Financial risks have increased as a result of the decline in the value of the charity's assets and income from investments and fundraising which will affect future spending plans. The trustees will continue to monitor income and expenditure and adjust as required. Changes in operational practices which have been required, such as the move for staff to work from home, has created risks. Guts UK has taken measures to support staff working from home, including weekly virtual staff meetings held via MS Teams. No staff have been furloughed to-date. There is also the risk that the charity will not be able to hold any Science of Digestion or other public awareness events. This will affect the charity's ability to fulfill its charitable objectives of raising awareness as well as impact on the recruitment of new supporters and fundraisers. As far as possible the public awareness programme will be converted to a digital format.

WHO WE ARE

Guts UK is the charity for the digestive system.

“People are suffering. People are dying. All because of a lack of knowledge about our guts. Guts UK exists to change that. Our guts have been underfunded, understaffed and undervalued for decades. Together, we will join forces and bring about important change in this misunderstood area of health.”

Guts UK is the only UK charity funding research into the digestive system from top to tail: the gut, liver and pancreas. Since 1971 we have funded almost 300 projects and invested nearly £16 million pounds into medical research that leads to better diagnoses and treatments for the millions of people who do not have the luxury of taking their guts for granted.

“With new knowledge, we will end the pain and suffering for the millions affected by digestive diseases.”

OUR VISION

A world where digestive disorders are better understood, better treated and everyone who lives with one gets the support they need.

OUR MISSION

- Provide expert information
- Raise awareness of digestive diseases
- Fund life-changing and life-saving research

“WE’RE GETTING TO GRIPS WITH GUTS!”



Objectives and activities

Guts UK's charitable objectives are:

- ◆ The advancement of the science and practice of medicine and surgery for the benefit of the public with particular reference to the field of gastroenterology, which includes the study of the physiology and pathology of the digestive system;
- ◆ To promote the study of and research into medicine and surgery with particular reference to the physiology and pathology of the digestive system and to ensure dissemination where appropriate of the results of such study and research;
- ◆ To provide educational material, information and advice to the general public on gastrointestinal diseases.

To achieve these objectives, Guts UK works across six areas:

- ◆ Providing evidence-based information to patients and carers that enables people to take proactive decisions and control of their lives;
- ◆ Supporting medical research that increases our understanding of digestive diseases, leading to better diagnosis and treatment and improved outcomes for patients;
- ◆ Funding research training fellowships for clinicians and scientists to allow them to pursue academic gastroenterology and to enable the development of future researchers;
- ◆ Hosting scientific research symposia as part of the BSG Annual Meeting;
- ◆ Giving general advice and signposting to other organisations;
- ◆ Raising awareness of digestive health and the science surrounding it to increase public understanding.

When setting the objectives and planning the work of Guts UK for the year, the trustees give careful consideration to the Charity Commission's general guidance on public benefit.

The trustees always ensure that the activities undertaken are in line with the charitable objectives and aims of Guts UK. As highlighted in this report, we are continuing to develop our information provision and public education programme thereby helping the general population to better understand digestive diseases.

Digestive diseases include diseases and disorders of the oesophagus, stomach and intestines, colon and rectum, liver, gall bladder, bile ducts, and pancreas; including inflammatory, neoplastic and functional disorders.

Achievements and performance

A) Research strategy

In 2020 we updated our research strategy with the main aim being to support research that can make a difference to patients affected by digestive disorders.

We renewed our commitment to focus on areas we believe are less well-resourced than other gastrointestinal (GI) disease areas and where our funding can make a meaningful difference for patients.

Priority areas

- Upper gastrointestinal disease such as Gastro-Oesophageal Reflux Disease (GORD) and Barrett's oesophagus
- Diverticular disease
- Pancreatitis
- Irritable Bowel Syndrome (IBS)
- Childhood gut, liver and pancreatic diseases
- Gut microbiome and nutrition
- Less survivable digestive cancers: stomach, oesophageal, pancreatic and liver.

We will continue to support the development of future leaders in academic gastroenterology and research training for the next generation of clinical and non-clinical science professionals.

We will prioritise funding of junior doctors at the start of their career by working in partnership with the British Society of Gastroenterology (BSG) to support more research in the specialty of gastroenterology, including hepatology and pancreatic disease.

We will encourage research that draws on innovation and achievements of other fields to speed up progress in gastroenterology and hepatology, and develop joint collaborations with other organisations that can help us meet our aims sooner.

WHY IS RESEARCH IMPORTANT?

Investment in medical research keeps doctors, nurses, surgeons, dietitians and health care professionals at the top of their game enabling them to deliver the best healthcare they can and every patient benefits from this.

Research is everyone's business. We need a dramatic shift in perception and levels of research in this hugely important area. We want to start a national conversation about our guts and engage all ages with the fascinating facts, ignite interest, raise awareness and help the UK get to grips with guts by giving digestive disorders their time in the spotlight.

Achievements and performance (continued)

A) Research strategy (continued)

We will continue to campaign for better survival rates for digestive cancers as an active founder member of the Less Survivable Cancers Taskforce <http://lesssurvivablecancers.org.uk/>.

B) Research grant funding

Guts UK had research commitments at the start of the year totalling £1,721,855 (2019: £1,147,961). In 2020 the charity further awarded grants totalling £61,950 (2019: £790,566) with payments totalling £322,733 (2019: £211,498) and net commitments no longer required of £3,513 (2019: £5,174). Research commitments still to be paid at the end of the year were £1,454,984 (2019: £1,721,855).

As a result of the Coronavirus pandemic, many of Guts UK's research projects were put on hold during 2020 as some of our funded researchers were called back to clinical duties and their projects were postponed. Some researchers have already requested no-cost extensions. Several projects that were due to start in 2020 will now be starting in 2021. This was a common experience across the sector and many charities cancelled their grant rounds in 2020. We did postpone some of the awards we had initially included in the budget for 2020 but were still able to award some grants to specialty trainee and foundation stage doctors as well as prizes to medical students, nurses and dietitians.

Guts UK Charity has awarded several new grants in 2020:

Funding trainee doctors in gastroenterology research

To promote research amongst gastroenterology trainees and in particular support the development of trainee research networks Guts UK has partnered with the British Society of Gastroenterology (BSG) to award five grants of up to £10,000 each to trainee doctors:

- Dr Robin Dart, King's College London/Francis Crick Institute/Guy's and St Thomas Foundation Trust - The cellular architecture of the human colonic mucosa: a pilot and feasibility study to facilitate longitudinal multi-centre studies. £10,000.
- Dr James Ashton, University of Southampton - Establish a UK-wide Paediatric IBD Research network (PAIR-network) to answer clinical research questions and enable rapid decision making. £8,000.
- Dr John Thomas, Earlham Institute, Norwich - Transcriptomic profiling of patient-derived colonic epithelial organoids exposed to Ulcerative Colitis-relevant cytokines - a novel approach to uncover IBD pathogenesis and inform precision medicine strategies. £9,950.
- Dr Rebecca Harris, University of Nottingham - Non-invasive risk stratification of patients with compensated advanced chronic liver disease: Results from a real-world cohort from the Nottingham Scarred Liver pathway. £10,000.
- Dr Roosey Sheth, West Middlesex University Hospital, London - A UK-wide Audit of the Management of Primary Biliary Cholangitis (PBC). £10,000.

Achievements and performance (continued)

B) Research grant funding (continued)

Guts UK/Dr Falk Awards

Guts UK continues to work with Dr Falk Pharma UK to award prizes and grants to medical students, SpR trainees, F1/F2 clinicians, nurses and dietitians. These awards aim to acknowledge those who bring new insight into gastroenterology and hepatology through research or the improvement of patient care. They also provide the opportunity for foundation stage doctors to engage in research.

The Guts UK/Dr Falk 2020 award winners were:

- ◆ *Medical Student Essay Prize £1,000*
William Cambridge, University of Edinburgh
Meta-analysis and Meta-regression of Survival After Liver Transplantation for Unresectable Perihilar Cholangiocarcinoma
- ◆ *Medical Student Prizes; 4 at £1,500 each*
Sarah Coleman, Royal Hallamshire Hospital, Sheffield
Assessment of Gluten-Free Diet adherence in adults with Coeliac Disease: The largest prospective study from the NHS England National Centre

Aaminah Mohammed, University College London Medical School
Sex related differences in alcohol-related liver disease

Moksh Sharma, University College London
A Genome-wide Association Study of Severe Alcoholic Hepatitis

Dylan McClurg, University of Cambridge
Characterising the heterogeneity of Barrett's oesophagus and oesophageal adenocarcinoma using a panel of patient-derived organoid models for translational research and precision medicine
- ◆ *Dietitian Prize £1,000*
Cristian Costas Batlle, Bradford Teaching Hospitals
Impact of a New Secondary Care Dietetic-Led Coeliac Service in Bradford
- ◆ *Nurse Prize £1,000*
Louise Downey, University Hospital of Southampton
A Data Driven Service Evaluation of an IBD Help Line
- ◆ *F1/F2 Research Grants; 2 at £2,500 each*
Dr Maja Kopczynska, Salford Royal NHS Foundation Trust
Psychosexual function and quality of life in Chronic Intestinal Failure

Dr Nicole Cianci, Nottingham Digestive Diseases, Biomedical Research Centre
Biomarkers for all-cause mortality in Non-alcoholic fatty liver disease (NAFLD): A systematic review and meta-analysis

Achievements and performance (continued)

C) Completed research projects: sharing some final reports

IBD: Professor David Wilson and his team at the University of Edinburgh have investigated a population of more than two million children born in Scotland between 1981 and 2017. This included almost 1,800 Paediatric Inflammatory bowel disease (PIBD) patients, diagnosed under 16 years of age. They have found a reassuring lack of relationship between perinatal factors, such as mode of delivery, gestational age or type of infant feeding and the risk for an infant to develop inflammatory bowel disease in the future. This means that whether children are born vaginally or via caesarean section, whether they are born prematurely or at term and whether they are breast fed or bottle fed does not appear to impact on their chance of being diagnosed with PIBD in the future. This is an important negative result given the suspected role of environmental factors in causing PIBD.

The team also investigated this population for further health risks. The risk of additional health problems (ischaemic heart disease, stroke, and cancer in early adult life) and mortality related to active IBD and its treatment is a major concern to both patients and families as well as clinicians, especially when IBD is diagnosed in childhood. The research team are currently analysing this data and will provide a further update when this is completed.

IBD: Dr Konstantinos Gerasimidis, based at the University of Glasgow, undertook a pilot study to assess the clinical efficacy of the novel CD-TREAT diet in patients with active Crohn's disease (CD). The investigators have tested CD-TREAT in more than 20 children and adults with Crohn's disease (CD) who needed treatment to help with their CD symptoms. They provided them with the CD-TREAT diet, as their only diet source, for a maximum period of 12 weeks. CD-TREAT meals were prepared and provided to the patients free, using a catering company for consistency. The preliminary results were very promising. Sixty-seven percent of the children who completed the CD-TREAT diet had reduced symptoms, while 60% had complete symptom resolution. In adults, 79% who took the CD-TREAT diet had reduced symptoms, while 71% had complete resolution.

The researchers plan to extend this study to explore the efficacy of the CD-TREAT diet in a larger cohort of patients in many centres looking after patients with CD and in comparison to other mainstream therapies. In the future, if CD-TREAT is proven to be effective, it may be possible to control disease symptoms and prevent flares with dietary-treatment-only for some patients. Moreover, the researchers hope that clinical teams will be able to decrease



Achievements and performance (continued)

C) Completed research projects: sharing some final reports (continued)

or even replace drugs with the diet and potentially avoid drug side-effects or even surgery in some CD patients.

IBD: Dr Dipesh Vasant, based at the University of Manchester, conducted a cross-sectional survey of anorectal dysfunction in ulcerative colitis. This project aimed to raise awareness amongst health professionals, and to find out how many people with IBD without active inflammation are unable to control their bowels. The research showed that regardless of how inflamed the bowel is, two thirds of ulcerative colitis patients suffer with leakage of stools, even when they are in remission.

No more poo taboo!

Controlling our bowels is something that we take for granted. People affected by inflammatory bowel disease (IBD) will have regular 'accidents' and are understandably worried about controlling the release of wind, liquid or solid stools from the bowel. These distressing symptoms lead to suffering, social embarrassment and reduced quality of life. Many will be too embarrassed to even tell their doctor. Some will not improve their bowel control even with the most effective anti-inflammatory medications. There is very little research in this area which is why **we need to get to grips with guts** and find better treatments for this group of often neglected patients.

IBD: Dr Polychronis Pavlidis, based at King's College London led a multi-centre audit into the quality-of-care transition in adult IBD patients transferring between health care providers. Dr Pavlidis and GLINT research network reported that the commonest reason to transfer IBD patient to a new health care provider is due to moving and change of address. IBD care is predominantly provided in hospital as outpatient (secondary or tertiary care). Researchers showed with this investigation that general practitioners (GPs - primary care) perform most of these referrals. However, more complete and informative medical history data for each patient, are kept in secondary care. Therefore, medical history can be partially or totally lost changing doctors and hospitals. One possible explanation for this, is the lack of resources and the many technical barriers that are present in accessing healthcare records between primary and secondary-tertiary care. This study highlights the importance of good communication between patient, primary and secondary/tertiary care providers to facilitate a smooth transfer of care. The investigators suggest that patients should be empowered to be 'in charge' of their IBD by keeping their own, hard copy or digital, clinical records. Dr Pavlidis and GLINT propose the use of digital health and smartphone technologies (such as the use of 'apps'). They also believe that

Achievements and performance (continued)

C) Completed research projects: sharing some final reports (continued)

gastroenterologists working in secondary care should take a proactive role in ensuring high-quality referral to the patient's receiving team.

Microscopic Colitis: Dr Suneil Raju, based at the University of Sheffield, reviewed current diagnostic procedure and management of patients with microscopic colitis. Microscopic colitis is a common cause of long-term diarrhoea, faecal incontinence, arthralgia and abdominal pain; symptoms which have a significant impact on a patient's quality of life. If microscopic colitis is diagnosed correctly, with effective management, symptoms can be controlled and the patients' quality of life improved. The study found that the incidence of microscopic colitis is increasing over time, therefore doctors need to be aware of this diagnosis to assure that patients aren't missed. Dr Raju also found that this condition can be more serious than initially thought as almost 8 in 100 patients with microscopic colitis were admitted to hospital because of the severity of their symptoms. They then stayed in hospital for on average 12 days which may have been preventable had they been diagnosed earlier and treatment initiated. This work has highlighted an important gap in the diagnostic work up for patients with diarrhoea and the first step to improving this is to increase the number of biopsies taken. Research into this condition needs to continue in order to find the best way to treat these patients to improve their symptoms.

D) Public education and awareness

- **Patient information**

We provide evidence-based information written by medical experts in the area of human digestive diseases in order to empower people to ask the right questions of the health professionals, to help get a timely diagnosis and the right treatment. Knowing more about what triggers a condition, learning about lifestyle factors or diet and nutrition can help people to better manage their condition and feel in control. This information is produced and co-branded with the BSG.

Our own research shows that 51% of people wait six months or longer with their digestive symptoms before seeking professional advice. People are suffering alone, due to embarrassment or stigma and don't know where to go for help. For some, that waiting can prove deadly.

The recruitment of our first ever Information Manager in January 2020 has dramatically improved the service we are able to offer people suffering from digestive diseases, their families and friends. It is important to note we do not run a helpline, nor do we advertise or promote such a service. Yet people email and phone when they find our website. Requests for information in 2019 averaged 43 a month but this increased four-fold in 2020. The Information Manager sent over 1500 personal information support emails and responded to over 500 information phone calls. Our news posts online during the pandemic relating to COVID-19 and digestive conditions were particularly well received rising from an average of 300 readers to over 20,000 which reflects the concern felt by our community.

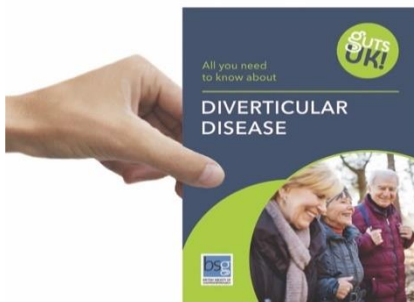
Achievements and performance (continued)

D) Public education and awareness (continued)

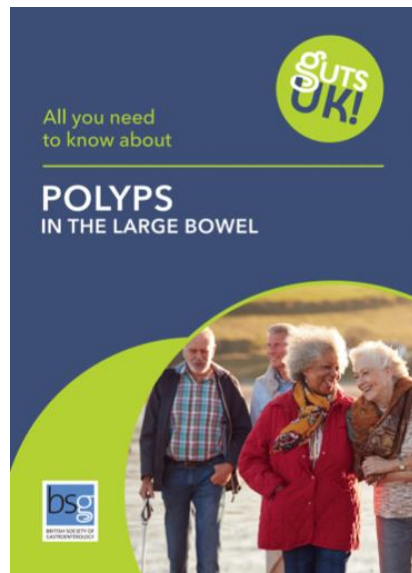
“Thank you so much for your supportive and helpful letter. It was such a relief to have someone actually take me seriously. ... I feel empowered and positive (and a little overwhelmed, happy tear) Thank you again, keep up the good work (not thriving after GI surgery).”

As our profile and presence rises as a charity facing the public, the requests for information also rise. The demand for this service has continued to rise into 2021.

Imagine if we could resource and run a helpline? Imagine we could then afford to promote and advertise that helpline? How many more people suffering in silence could we reach?

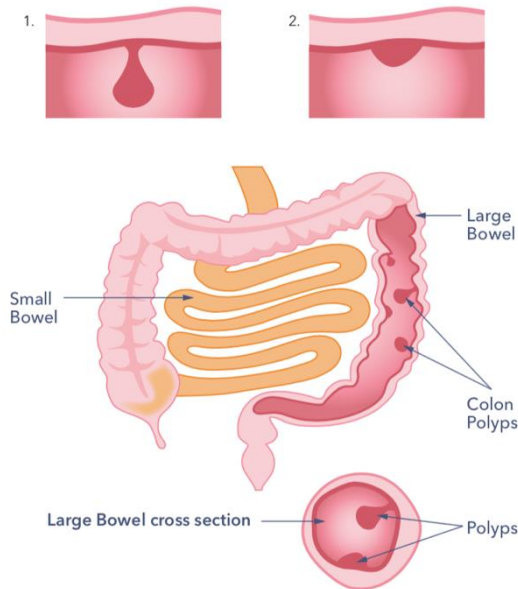


During 2020, our new Information Manager undertook a thorough review of the charity's patient information which included an update by experts in the field as well as input and feedback from lay readers and people affected by these conditions. The printed leaflet range has been redesigned to improve readability and to put people affected by digestive disorders at the centre of our work.



Achievements and performance (continued)

D) Public education and awareness (continued)



Getting our leaflets into clinics in the UK: Despite many clinics and endoscopy services not operating during the lockdown periods or operating only telephone clinics we have still distributed 112,240 (2019: 195,810) patient information leaflets covering 16 digestive conditions to 89 (2019: 108) hospitals around the UK and Ireland. There are some 230 plus clinics in total and we will promote Guts UK leaflets to these in 2021 to improve our reach.

The breadth and depth of the information available on the website has been increased. Three new subject areas have been added: anal fistulas (Mid December, 64 views), gastroparesis (October, 1991 views), how to increase your fibre intake (February, 4,494 views), plus 11 recipes (throughout the year 5,471 views).

The range of subjects we cover includes:

- Achalasia
- Acute Pancreatitis
- Adhesions
- Anal Fistulas
- Ascites
- Barrett's Oesophagus
- Bile Acid Malabsorption
- Biliary Sphincter Disorders (Sphincter of Oddi Dysfunction)
- Bowel Cancer
- Chronic Intestinal Pseudo-Obstruction
- Chronic Pancreatitis
- Coeliac Disease
- Constipation
- Crohn's Disease
- Diarrhoea
- Diverticular Disease
- Dumping Syndrome
- Eosinophilic Diseases
- Faecal Incontinence
- Gallstones
- Gastroparesis
- Gut Microbiome (Poo Testing)
- Healthy Eating & The Digestive System
- Heartburn & Reflux
- Helicobacter Pylori
- Indigestion
- Irritable Bowel Syndrome (IBS)
- Liver Cancer
- Microscopic Colitis
- Non-Ulcer Dyspepsia
- Pancreatic Exocrine Insufficiency (Pancreatic Enzyme Replacement Therapy)
- Pelvic Radiation Disease
- Perianal Disease
- Polyps in the Bowel
- The Role of Gut Bacteria in Health & Disease
- Ulcerative Colitis
- Wind, Burping, Flatulence & Bloating

Achievements and performance (continued)

D) Public education and awareness (continued)

“So pleased to discover your website and updated advice about fibre and diverticulosis. In contrast to other older advice still there on the internet, I now know there is no need to avoid nuts, seed, skins etc. Hooray! Thanks also for directing us to NICE recommendations and other sources of research on this topic.” - Kirsty

We are committed to continuing to develop a digital platform so our patient facing information is accessible for all. We have improved our digital profile and visibility through a concerted effort to reach and serve people affected by digestive disease, growing and engaging our community with relevant content that our supporters share and channel.

- **Public awareness**

It is worth remembering we have only been known as Guts UK Charity since June 2018; we are not yet three years old as a public facing charity.

We changed our name to Guts UK charity to say exactly who we are 'on the tin'. And crucially because people had to find us when searching the internet. But we also knew that people didn't search for digestive conditions – they don't know what they have. People search their symptoms. Our task, through a Search Engine Optimisation (SEO) strategy was to bring those people searching digestive symptoms to Guts UK.

We have grown our online presence organically, writing content and delivering articles and information on digestive health that people wanted to hear about. They find our website and sign up for more via our newsletter. This is how we have grown our presence and profile.

In the last year we were Core we had just 30,000 users of the website in a whole year.

Web analytics

- 1.1 million users to the website in 2020, 110,000 every month (2019: 518,000).
- Bounce rate 69% (2019: 84%) - we would like to reduce this further to 60% over the next two years. The reduction shows that more people are finding the information they want on our website.
- Average time on page 2min 36 sec (2019: 2min 07sec).



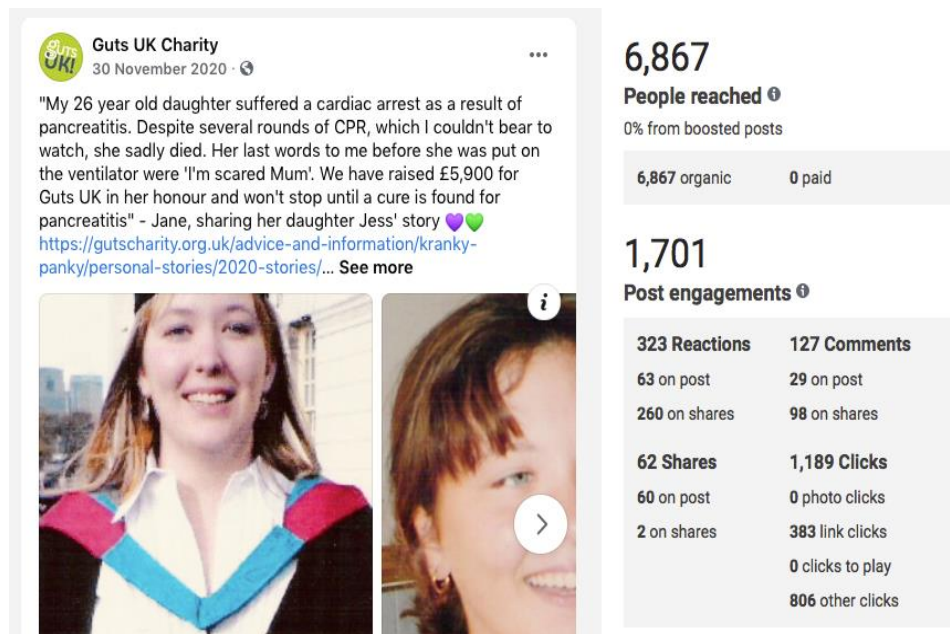
Achievements and performance (continued)

D) Public education and awareness (continued)

- E-news sign ups have nearly tripled over the last year to almost 500 a month.

"I came across Guts UK online after having my gallbladder removed. For a long time, I thought my symptoms were just life post-gallbladder removal, but I found Guts UK's information online, printed it out, highlighted and took to my doctor. I was finally referred to gastroenterology and have been diagnosed with Bile Acid Malabsorption." - Natalie





Social media activity



Reached 320,000 on Facebook in 2020 (320% increase from 2018, 42% from 2019)

Achievements and performance (continued)

D) Public education and awareness (continued)

	<p>Guts UK Charity @GutsCharityUK · Nov 28</p> <p>"In each follow-up with my consultant, he reminds me that I had one of the worst cases of severe acute pancreatitis he had ever seen. But in the same breath, he tells me how remarkable my recovery has been" - Ian's #KrankyPanky story 🍷💚</p> <p>gutscharity.org.uk/advice-and-inf... #pancreatitis</p> <p>pic.twitter.com/5vPlr5RvRd</p> <p>View Tweet activity</p>	21,295	781	3.7%	Promote
	<p>Guts UK Charity @GutsCharityUK · Dec 19</p> <p>Researchers at @imperialcollege wish to involve oesophageal cancer surgery patients & carers to guide a study aiming to identify those who experience poor physical and mental health following their oesophageal cancer surgery.</p> <p>More info: Sheraz Markar, s.markar@imperial.ac.uk</p> <p>pic.twitter.com/fHw3DPjS3M</p> <p>View Tweet activity</p>	11,014	101	0.9%	Promote
	<p>Guts UK Charity @GutsCharityUK · Dec 16</p> <p>Fewer than 1 in 5 with stomach cancer survive beyond 5 yrs after diagnosis. We want to change this. We're funding Dr Jansen, whose research has the capacity to save lives - diagnosing patients earlier & giving them a fighting chance 📊💚</p> <p>gutscharity.org.uk/research/meet-...</p> <p>@LessSurvivable pic.twitter.com/PXJhHzPC43</p> <p>View Tweet activity</p>	6,302	157	2.5%	Promote
	<p>Guts UK Charity @GutsCharityUK · Dec 14</p> <p>"Nutrition is fundamental to life & health. Without food, we die. The dietary choices we make and others make for us, from birth to grave, determine not only our lifespan but also our quality of life" - Dr McKinlay 💚 @BritSocGastro president @awmckinlay</p> <p>gutscharity.org.uk/advice-and-inf...</p> <p>pic.twitter.com/3gbhQ1BUWQ</p>	6,099	179	2.9%	Promote



Reached 800,000 on Twitter in 2020 (190% increase from 2018, 44% from 2019)

"I was diagnosed with diverticular disease last May after presenting at A&E with a perforated bowel, resulting in life threatening peritonitis. It's something I'm learning to live with at just 43. I cannot thank Guts UK enough for your literature & online support at what has been a very scary time for myself and my family. Thank you for sharing uplifting stories like this (William's DD SkyDive on Facebook) and for all the important work your charity does" - Lucy.

Achievements and performance (continued)

D) Public education and awareness (continued)

We continue to take opportunities to provide information and articles for local media. A major success was coverage for less survivable cancers on World Cancer Day (4th February 2020) reaching a whopping 9,863,515 people.



Our hopes of delivering a public engagement programme were hampered by COVID-19 but we will be working on possible digital delivery of engaging presentations on digestive health until we are able to organise and attend public events again.



Achievements and performance (continued)

D) Public education and awareness (continued)



We continue to fund the only research fellowship focussed on pancreatitis in the UK. We first launched our Kranky Panky pancreatitis awareness campaign in November 2018. In 2019 we saw our Kranky Panky community grow even more and in 2020 we again shared a story a day, for the month of November, putting the patient voice at the heart of our awareness raising. Many families affected by this devastating condition have expressed relief in finding, via Guts UK, a community that truly understands them.

Achievements and performance (continued)

Fundraising Standards at Guts UK

- Our donors are important to us and we seek to deliver the highest standards of donor care and support.
- Open and accountable fundraising – we regularly tell our supporters how they can easily change their preferences.
- Communicating with our supporters – we update our supporters through our twice-yearly newsletter for those who prefer a print option, and regular e-newsletters.
- Complying with laws, regulation and standards – we are a member of the Chartered Institute of Fundraising and are committed to working to a best practice framework actively complying with the Fundraising Code of Practice. We are registered with the Fundraising Regulator and signed up to The Fundraising Promise.
- Protecting vulnerable people – we do everything possible to meet the needs of potential supporters and protect vulnerable people. In particular, the charity confirms that it complies with all relevant data protection laws. No instances of non-compliance have been identified during the year and no suppression requests were received in 2020 in relation to the fundraising activities.
- Complaints and negative feedback – we treat all complaints seriously and aim to respond in a timely and fair manner. All complaints inform and influence the charity's approach to fundraising. We use the feedback that we get from our supporters to improve the way we do things.
- Working with partner agencies – we may engage professional third parties to act on our behalf, for example, to produce and distribute direct mailings. To ensure that fundraising activities of third parties are compliant with regulation and the charity's own internal standards, the charity approves all third-party communication prior to distribution and sets out clear guidelines in the agreements made with such parties. We also work with commercial participators, such as Amazon Smile, Everyclick, Give as you Live and Easy Fundraising to raise funds. Agreements with commercial participators are checked and activity monitored to ensure compliance with the Fundraising Code of Practice.
- We never swap, sell or share any data.
- We work hard to ensure we deliver value for money in all of our charitable activities.

Achievements and performance (continued)

Income generation

Growing our income through fundraising is vital to enabling us to fund more much needed research and provide information to improve the lives of people affected by digestive disorders. Increasing the number of donors and exploring the potential of all income streams will diversify income sources and in the longer term reduce dependency on investment income. To this end, in 2020, we spent time preparing our 50th year case for support to put people affected by digestive diseases at the heart of our fundraising.



**PEOPLE ARE SUFFERING.
PEOPLE ARE DYING.
ALL BECAUSE OF A
LACK OF KNOWLEDGE
ABOUT OUR GUTS.**

We all have them. Around 25ft of them. Every now and then they rumble and when they are full we give them a pat.

But we don't understand our guts.

So when something goes wrong, we don't like to talk about it. And we don't know where to turn for help.

Sadly, we're not alone.

Because doctors don't understand guts, either.

The lack of understanding about these vital organs can lead to missed diagnoses, which in turn leads to more pain... more suffering... even death.

And why don't doctors understand guts?

Because scientists don't understand guts.

They want to. But research into our livers, pancreas, and digestive systems is underfunded, undervalued and understaffed.

As a result, we're not learning fast enough how to stop the pain, stop the suffering, and save more lives.

**IT'S TIME THE UK GOT
TO GRIPS WITH GUTS**

**GUTS
UK!**

Medical research into gastroenterology has been woefully underfunded for decades. Guts UK is a small charity with a huge ambition, to make a transformational change to the levels of research into our gut, liver and pancreas. To do this we need to grow our supporter base and grow our income.

Achievements and performance (continued)

Income generation (continued)



Just as we were building our brand as Guts UK and recruiting new audiences, along came COVID-19. As a team of 8 we had thankfully moved to Cloud based technology in 2019 so we were all able to revert to working from home from the start of lockdown. Like all other charities struggling due to the cancellation of mass participation fundraising events, Guts UK was not untouched. We had planned our biggest ever events year with 66 places in Ride London and our events income dropped through the floor. We had neither the resources nor skills to pivot to a home grown virtual event as many other charities with larger numbers of staff could do. This was a huge blow to our fundraising targets. However, our supporters continued to inspire us by coming up with innovative ways to raise money with their own virtual events. Such as James who got sponsored to grow his hair and Yasmin who climbed the equivalent of Mount Everest on the stairs in her home!



As we adapted to a whole new fundraising context, the sources of income from individual supporters grew in 2020.

Achievements and performance (continued)

Income generation (continued)

Income from grant-making trusts dropped by 60% and totalled just £15,125 (2019: £40,443). Trusts and foundations have suffered investment losses, and many were not accepting applications or were only accepting applications for funding of COVID-19 related activities or local activities.

Despite the COVID-19 pandemic,
voluntary income has increased by
£54K in 2020

In December 2020 we tested paid-for digital advertising for the first time. This is part of the fundraising strategy to increase our profile and expand our supporter base. The adverts also help to raise awareness of the suffering experienced by people with digestive conditions. We reached 190,014 on Facebook and saw a **280%** increase in income via the website compared to 2019.

The image displays three Facebook advertisements for Guts UK Charity, arranged horizontally. Each ad includes the Guts UK Charity logo, a sponsored status, and a text description of a person's struggle with a digestive condition. Below the text is a photograph of the person, and at the bottom is a 'DONATE NOW' button and the website URL GUTSCHARITY.ORG.UK.

- Ad 1 (Left):** Henry suffers from acute pancreatitis, which leaves him in agonising pain. There is no cure for pancreatitis. There is no treatment. But Guts UK's research offers hope. We must find better treatments so children like Henry no longer have to suffer. The photo shows a young boy in a hospital bed.
- Ad 2 (Middle):** Grace suffers from achalasia, which stops her enjoying her Christmas meal. Grace can choke, cough and be sick. Sometimes, she will require hospitalisation to get vital nutrients. Will you make a donation to help Guts UK find better treatments for achalasia, so children like Grace can enjoy Christmas? The photo shows a young girl smiling outdoors.
- Ad 3 (Right):** Our research has changed and saved lives but we urgently need to fund more ground-breaking research projects. We mustn't slow research into digestive diseases, not for Covid-19. Not now, not ever. This Christmas, will you invest in the future? Together, we can get to grips with guts. The photo shows a man in a lab coat working in a laboratory.

In addition, we had direct feedback from new supporters responding to the adverts;

"I suffer with pancreatitis myself and am aware of how much pain it causes. Unbearable for children" – new regular giver

"It's Christmas and this is a good reminder that not all of us are fortunate with our health" - brand new supporter

Achievements and performance (continued)

Income generation (continued)

Following on from the Kranky Panky awareness campaign we took part in the Big Give Christmas Appeal which raised a total of £11,767 including gift aid and matched funding from Candis.

Plans for 2021

Research

Priority Setting Partnerships (PSP) for pancreatitis and Irritable Bowel Syndrome (IBS) research are scheduled to begin in April with the arrival of a new member of staff, a Patient and Public Involvement and Engagement Officer. The BSG have agreed to co-fund the IBS PSP and will contribute funding to the pancreatitis PSP for which we are also seeking further funding. The PSPs will be facilitated by the James Lind Alliance (JLA) and the aim is to find the top ten research priorities to support calls for research funding in these desperately underfunded areas.

Proposed Grant Funding

- Guts UK/Dr Falk awards £24K
- Guts UK/forcrohns development grants 3x £25K
- Guts UK/British Society of Paediatric Gastroenterology, Hepatology and Nutrition (BSPGHAN) grant 1x £40K
- Guts UK/BSG trainee research awards 10x £5K
- Guts UK development grants 6x £15K

This year we will also advertise two fellowships:

- The Guts UK Derek Butler Fellowship for £210,000, a 3-year fellowship for research in upper gastrointestinal tract diseases and conditions.
- The Guts UK Amelie Waring Fellowship for £180,00 a 3-year fellowship for research into any aspect of pancreatic inflammation or injury.

Fundraising, patient engagement and raising awareness

We will continue to develop new patient information material and resources in different media for different audiences such as introducing patient focused videos and spoken versions of the patient information leaflets. We will also be getting our leaflets translated into Urdu and other languages.

We will continue to raise public awareness through an enhanced digital presence, building our communities through all social media channels.

Plans for 2021 (continued)

Fundraising, patient engagement and raising awareness (continued)



When circumstances allow, we will restart our public Science of Digestion events adapting content for different audiences. We will also get Colin the Colon back on the road to fascinate children and adults alike.

Colin the Colon at the Piece Hall in Halifax.

For 2021, our 50th year, we have ambitious targets in place to further strengthen our financial supporter base:

- **Recruit new regular givers**

The launch of a new Guts UK Foundation is a key vehicle/fundraising product for major gifts and philanthropy. We hope BSG members and previously funded researchers, our Guts UK Alumni community will be instrumental in assisting us with establishing the Foundation.

- **Increase active cash donors**

This will include optimising our BBC Radio 4 Appeal in June, continuing our test and trial digital acquisition programme, an enhanced Christmas Appeal and presenting a fundraising ask in existing communications.

- **Inspire more fundraisers to support us through paid events**

With 50 places in the Vitality Big Half due to take place in August, 5 physical places in the London Marathon and 25 additional places in the Virtual London Marathon in October.

Staff, Resources and Capacity building

In 2020 the charity employed an Information Manager to focus on providing an enhanced programme in outreach, patient engagement and information. This appointment has been incredibly successful, greatly improving the service we offer to people affected by digestive disorders. The role has been made full time from February 2021. We have had considerable success with various graduate placements and have encouraged several young graduates to continue in the charity sector. We have employed an Individual Giving Manager who has already made a significant impact on income generation and raising our profile. In 2021 we will appoint a Public and Patient Involvement and Engagement Officer who will be responsible for delivering the Priority Setting Partnerships.

Plans for 2021 (continued)

Office space

Guts UK occupies a small office located within the premises occupied by the BSG, the current leaseholder of 3 St Andrews Place. The existing lease expires in December 2021 and earlier this year we negotiated, directly with the Royal College of Physicians, a new 5-year tenancy agreement with a break clause at 3 years. Whilst this will mean an increase in costs, it gives us security in the medium term, is good value for an office in a prime location, allows us to retain our registered office address and continue to work alongside the BSG.

To maintain our status as a national charity we continue to occupy office space in the Media Centre in Huddersfield which provides a northern base in addition to our base in the capital.

Impact of COVID-19

Like all charities, we have experienced a fall in the value of our investments and investment income. The ongoing impact of the pandemic along with the as-yet unknown long-term effects of BREXIT may mean investments continue to fall and dividend income is increasingly uncertain. The trustees are currently reviewing investment strategy to mitigate this risk. Our services are in demand more than ever as we serve the community of people affected by digestive disorders with relevant information. Income generation may continue to be affected by the cancellation and postponement of fundraising events. In addition, the economic situation may mean people have less disposable income to donate to charity or are worried about losing their jobs so do not want to commit to regular giving. However, we will continue to sail out our 50 year campaign to support people with digestive conditions by getting to grips with guts.

Financial review

The charity recorded income for the year of £550,019 (2019: £921,532) and expenditure of £583,135 (2019: £1,219,712). This resulted in net expenditure, before investment losses, of £33,116 (2019: £298,180). The deficit is due to the loss of fundraising event income and reduced investment income.

Income

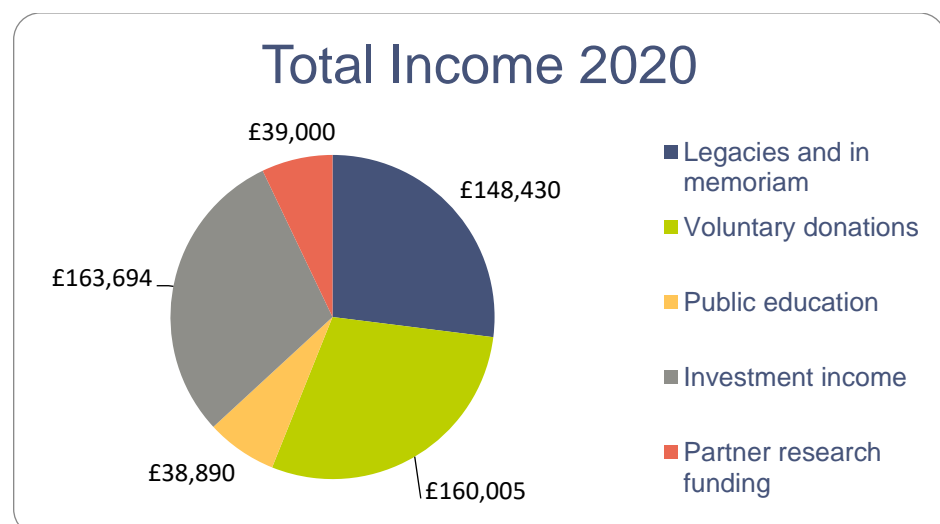
During a year of tough fundraising conditions, total voluntary income increased by 21%. Total voluntary income was £308,435 (2019 £254,447). We receive no government funding so continue to depend on donations for everything we do.

We are grateful to those who so generously include us in their wills enabling us to continue to support people with digestive disorders and fund essential research. Our increased profile has meant that people are more easily able to find us which is particularly important for those who have recently lost a loved one. In memoriam donations have more than doubled over the last year; families and friends often find consolation in the thought that their fundraising may go some way to alleviating the suffering of others in the future.

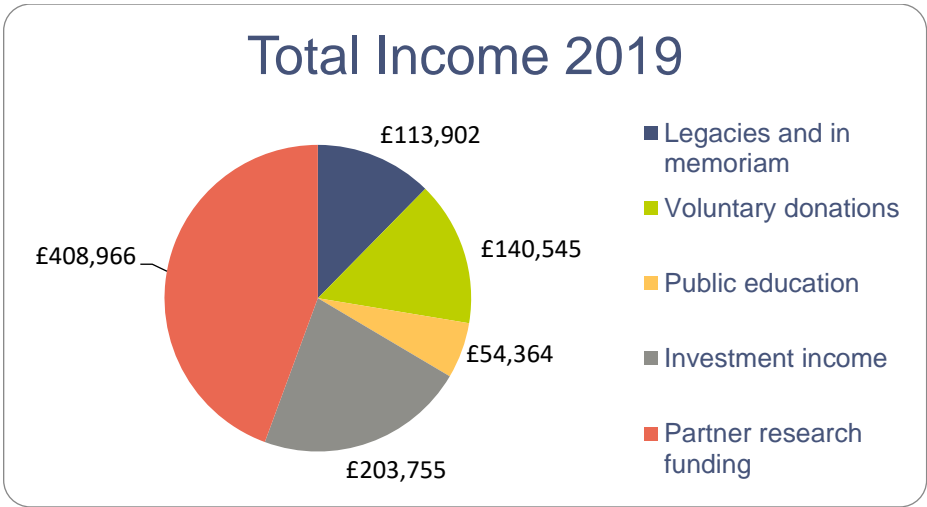
The number of people regularly giving to our work has grown and continues to do so despite these turbulent economic times. We finished the year on a high with our Big Give Christmas campaign raising nearly £12,000 and digital advertising resulting in increased website donations. We were pleasantly surprised when one of our supporters donated a painting that raised an incredible £19,520 at auction. Community fundraising increased by 58% as our supporters went to incredible lengths with their virtual challenges.

Research partner funding came from Dr Falk Pharma (UK) Ltd and the BSG. We also received funding from forCrohn's for a research grant round in 2021. The Parabola funding for Professor Rees colorectal cancer research was put on hold for the year but will resume in 2021. We will continue our current partnerships alongside building new partnerships to fund more research in the future.

As many hospitals and clinics were closed or went virtual during the pandemic sales of leaflets to hospitals were reduced and income from this source was just over half that of last year.

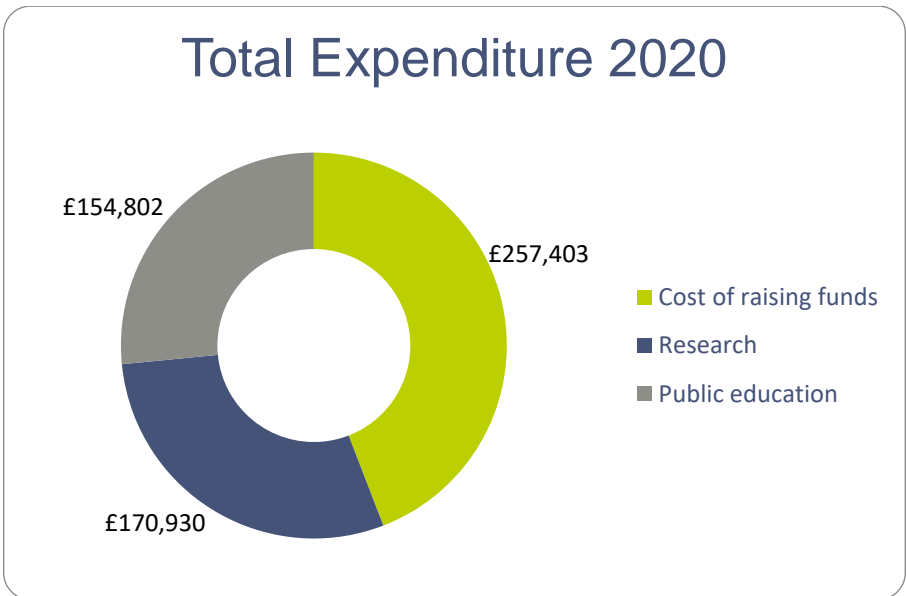


Financial review (continued)

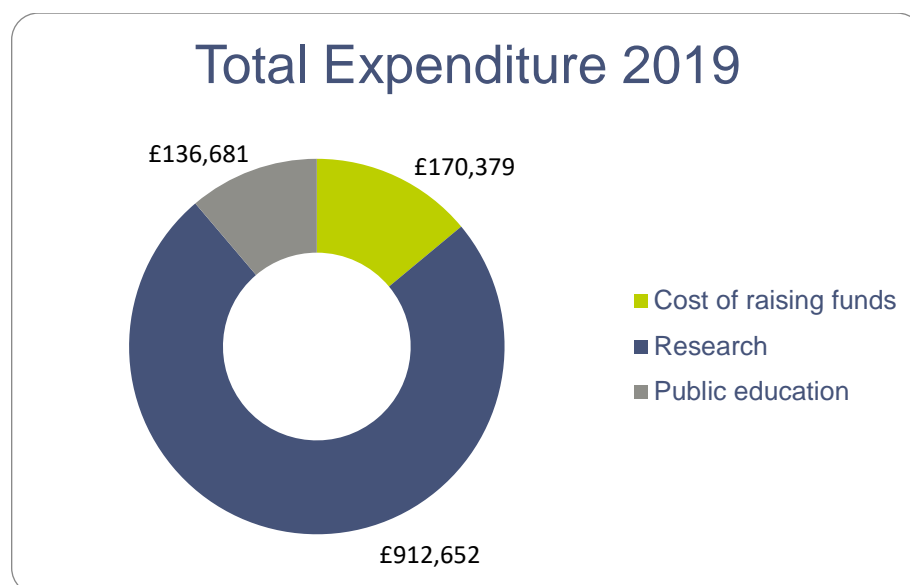


Expenditure

We have worked hard to keep costs under budget whilst continuing to improve service provision for people with digestive disorders. Our salary costs increased to £297,321 (2019: £226,204) due to building the capacity of the team to 8 FTE (2019: 6.5 FTE). Operational costs and overheads were slightly less than last year despite the expansion of activities. During the year, we spent £325,732 on charitable activities, which represents 56% of total expenditure in the year. This is significantly lower than 2019 when we invested heavily in research. This year, whilst medical research was on hold, it was decided to focus on investment into income generation and raising awareness, reaching and recruiting new supporters to build a sustainable future for the charity hence the increase in fundraising costs.



Financial review (continued)



Balance Sheet

In line with the performance of investments globally the investment portfolio contributed unrealised losses of £76,009 and realised losses of £210,087 (2019: unrealised gains of £548,718 and realised gains of £73,504). Of this amount, total realised and unrealised losses of £117,933 (2019: £297,132 total realised and unrealised losses) related to the endowment fund.

As at 31 December 2020, Guts UK had net assets of £5,645,054 (2019: £5,964,266) a decrease of £319,212 with £5,992,360 held in listed investments. These include the Derek Butler endowment fund for research into upper gastrointestinal conditions of £3,039,127. The income from this fund will continue to finance the three-year fellowship awarded in 2017 to be completed in 2021. A new fellowship will be advertised in 2021 to be awarded and begin in 2022.

Unrestricted funds which can be spent at the discretion of the trustees were £2,706,357 of which £1,609,369 has been designated to contribute to research grants awarded by the charity. In March 2020, the trustees agreed that half of the value of the designated investments should be designated specifically towards research in pancreatitis (the Amelie Waring fund) with the remaining half to be designated to more general gastrointestinal research.

General funds amounted to £1,096,988. More details of the disposition of Guts UK net assets can be found in the financial statements on page 39.

The principal liability of Guts UK Charity is to complete the research programme it has committed to of £1,454,984 at 31 December 2020 as set out in detail in note 18. Of these commitments, £222,205 is covered by endowed or designated funds, £280,066 is due from funding partners and £952,713 is to be funded from Guts UK's general unrestricted fund.

Financial review (continued)

Reserves policy

Guts UK has reviewed the amount of reserves it regards as a minimum prudent requirement and has concluded that provision for twelve months administration, public education and fundraising costs is sufficient. This would allow time to manage cost reductions or fund appeals as required whilst minimising the impact on service provision. Based on the forecast for 2021, the desired minimum reserve is £600,000. Currently general unrestricted funds total £1,096,988 less amounts held as fixed assets of £3,520 i.e. £1,093,468. Additional funds are to be utilised for research expenditure, building capacity and expanding the public information programme going forward.

Investment policy and performance

The charity's listed investments are managed by Cazenove. Investment in tobacco companies is not permitted. The investment strategy is set by the trustees and takes into account income requirements, the risk profile and the investment manager's advice on the market prospects in the medium term. Guts UK's investment objectives are to achieve a balance of capital growth and income.

The performance of the portfolio is regularly monitored by the trustees and an annual meeting is held where the performance against benchmarks and the overall investment policy is reviewed.

The performance of the portfolio has been satisfactory in the tough market conditions of 2020 and within the agreed risk profile. In March 2021 the trustees reviewed the current investment strategy and agreed with the advice from Cazenove that investments should be moved to a Responsible Multi-Asset Fund. This fund adopts a total return approach and has the advantage of providing an even distribution payment as well as an ethically responsible investment policy.

Going concern

There is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The trustees believe that there are no material uncertainties that call into doubt the charity's ability to continue operating as a going concern. In making this decision, the trustees have taken into consideration the risks and uncertainties arising from the Coronavirus pandemic including the potential impact on fundraising and return on investments, and conclude that the charity can sustain its operations for a period of at least twelve months from the date of signing these accounts. Consequently, the financial statements have therefore been prepared on the basis that the charity remains a going concern.

Statement of trustees' responsibilities

The trustees (who are also directors of Guts UK for the purposes of company law) are responsible for preparing the trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of Guts UK and the income and expenditure of Guts UK 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 Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Report Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the financial statements on a going concern basis unless it is inappropriate to presume that Guts UK will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of Guts UK and enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of Guts UK and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the trustees confirms that:

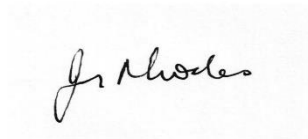
- ◆ so far as the trustee is aware, there is no relevant audit information of which Guts UK's auditor is unaware; and
- ◆ the trustee has taken all the steps that he/she ought to have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

Statement of trustees' responsibilities (continued)

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The trustees are responsible for the maintenance and integrity of corporate and financial information included on Guts UK's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees and signed on their behalf by:

A handwritten signature in black ink, appearing to read 'J Rhodes', is centered within a light gray rectangular box.

Professor J Rhodes

Trustee

Approved by the trustees on: 10 June 2021

Independent auditor's report to the trustees of Guts UK Charity

Opinion

We have audited the financial statements of Guts UK Charity (the 'charitable company') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, and the related notes to the financial statements, including a summary of accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 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. 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 trustees are responsible for the other information. The other information comprises the information included in the annual report and performance review 2020, and financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- ◆ the information given in the trustees' annual report is inconsistent in any material respect with the financial statements; or
- ◆ sufficient accounting records have not been kept; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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 (continued)

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 the 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.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations; and
- ◆ we obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006).

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;

Auditor's responsibilities for the audit of the financial statements (continued)

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ reading the minutes of meetings of those charged with governance; and
- ◆ enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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 charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Shachi Blakemore (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Dated: 29 July 2021

Statement of financial activities Year ended 31 December 2020
(including the income and expenditure account)

		Unrestricted funds £	Restricted funds £	Endow- ment funds £	2020 Total funds £	2019 Total funds £
Income and expenditure						
Income						
Donations and legacies	1	290,459	17,976	—	308,435	254,447
Other trading activities	2	38,890	—	—	38,890	54,364
Investment income	3	86,493	77,201	—	163,694	203,755
Charitable activities	4	—	—	—	—	—
. Grants for research		—	39,000	—	39,000	408,966
Total income		415,842	134,177	—	550,019	921,532
Expenditure						
Cost of raising funds	5	244,883	—	12,520	257,403	170,379
Expenditure on charitable activities	6	—	—	—	—	—
. Grants for research		103,980	66,950	—	170,930	912,652
. Public education and Science of Digestion		154,802	—	—	154,802	136,681
Total expenditure	8	503,665	66,950	12,520	583,135	1,219,712
Net expenditure before transfers	9	(87,823)	67,227	(12,520)	(33,116)	(298,180)
Transfers between funds	19	(20,588)	62,018	(41,430)	—	—
Net (expenditure) / income after transfers		(108,411)	129,245	(53,950)	(33,116)	(298,180)
Net (losses) / gains on investments	14	—	—	—	—	—
. Realised		(162,987)	—	(47,100)	(210,087)	73,504
. Unrealised		(5,176)	—	(70,833)	(76,009)	548,718
Net (expenditure) / income and net movement in funds for the year		(276,574)	129,245	(171,883)	(319,212)	324,042
Reconciliation of funds:						
Funds balances brought forward		2,982,931	126,037	2,855,298	5,964,266	5,640,224
Fund balances carried forward		2,706,357	255,282	2,683,415	5,645,054	5,964,266

All of the charity's activities derived from continuing operations during the above two financial periods.

All recognised gains or losses are included in the above statement of financial activities.

A full comparative Statement of Financial Activities for the year ended 31 December 2019 is shown in note 28 to the financial statements.

Balance sheet 31 December 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible fixed assets	13		3,520		1,984
Investments	14		5,992,360		6,318,604
			5,995,880		6,320,588
Current assets					
Debtors: due within one year	15	358,480		532,275	
Short term cash deposits		526,860		690,003	
Cash at bank and in hand		332,599		180,107	
		1,217,939		1,402,385	
Liabilities:					
Creditors: amounts falling due within one year	16	(1,136,452)		(1,145,034)	
Net current assets			81,487		257,351
Total assets less current liabilities			6,077,367		6,577,939
Liabilities:					
Creditors: amounts falling due after one year	17		(432,313)		(613,673)
Total net assets			5,645,054		5,964,266
The funds of the charity					
Unrestricted income funds					
. General			1,096,988		1,286,865
. Designated funds	20		1,609,369		1,696,066
Restricted funds	19		255,282		126,037
Endowment fund	21		2,683,415		2,855,298
			5,645,054		5,964,266

Approved by the trustees
and signed on their behalf by:



Professor J Rhodes

Trustee

Approved on: 10 June 2021

Guts UK Charity

Registered Company Number: 07274105 (England and Wales)

Statement of cash flows 31 December 2020

	Notes	2020 £	2019 £
Cash inflow used in operating activities:			
Net cash used in operating activities	A	(211,571)	(245,648)
Cash inflow from investing activities:			
Dividends and interest from investments		163,694	203,755
Purchase of tangible fixed assets		(2,921)	(2,301)
Proceeds from the disposal of investments		1,390,982	1,128,341
Purchase of investments		(1,454,396)	(987,808)
Net cash provided by investing activities		97,358	341,987
Change in cash and cash equivalents in the year		(114,213)	96,339
Cash and cash equivalents at 1 January	B	1,436,190	1,339,851
Cash and cash equivalents at 31 December	B	1,321,977	1,436,190

Notes to the statement of cash flows for the year to 31 December

A Reconciliation of net movement in funds to net cash (used in) provided by operating activities

	2020 £	2019 £
Net movement in funds (as per the statement of financial activities)	(319,212)	324,042
Adjustments for:		
Depreciation charge	1,386	488
Losses / (gains) on investments	286,096	(622,222)
Dividends and interest from investments	(163,694)	(203,755)
Decrease / (increase) in debtors	173,795	(327,354)
(Decrease) / increase in creditors	(189,942)	583,153
Net cash used in operating activities	(211,571)	(245,648)

B Analysis of cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	332,599	180,107
Short term cash deposits	526,860	690,003
Cash held by investment managers	462,518	566,080
Total cash and cash equivalents	1,321,977	1,436,190

Principal accounting policies Year ended 31 December 2020

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of preparation

These financial statements have been prepared for the year to 31 December 2020 and are presented in sterling and are rounded to the nearest pound.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the trustees and management to make significant judgements and estimates.

The full impact following the recent emergence of the global coronavirus pandemic is still unknown. It is therefore not currently possible to evaluate all the potential implications for the charity's activities, beneficiaries, funders, suppliers and the wider economy. Estimates used in the accounts, particularly with respect to the value of listed investments (see note 14) are subject to a greater degree of uncertainty and volatility. As set out in these accounting policies under "going concern", the trustees have considered the impact of the pandemic on the charity and have concluded that although there may be some negative consequences, it is appropriate for the charity to continue to prepare its financial statements on the going concern basis.

The items in the financial statements where these judgements and estimates have been made include:

- ◆ estimating the useful economic lives of tangible fixed assets for the purpose of determining the annual depreciation charge;
- ◆ assessing the probability of the receipt of legacy income;
- ◆ allocation of support costs between activities on the basis of staff time;
- ◆ estimating future cash flows for the purpose of determining going concern.

Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements and have made this assessment in respect to a period of one year from the date of approval of these financial statements. They have taken into consideration the potential uncertainty in relation to COVID-19 on the charity's operations and finances. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

The trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are confident that the charity has sufficient funds to cover its existing liabilities.

With regard to the next accounting period, the year ending 31 December 2021, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets (see the investment policy and the risk management sections of the trustees' report for more information).

Income recognition

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is probable.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity. Entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having being transferred to the charity.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Income recognition (continued)

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Research funding income is recognised in the period in which the charity receives a written commitment from the funder. Research funding is deferred only when the charity has to fulfil conditions before becoming entitled to it or the donor has specified that the income has to be spent in a future period.

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and is stated inclusive of irrecoverable VAT. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- a) Cost of raising funds which includes direct fundraising costs and investment manager's fees.
- b) Expenditure on charitable activities comprises expenditure on the charity's primary charitable purposes as described in the trustees' report. Such costs include grants payable, other direct costs and support costs, which are apportioned based on the level of activity in each area.

Research grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant, and has satisfied all relevant conditions. Grants approved but not paid at the end of the financial year are accrued for. Grants where the beneficiary has not been informed or has to meet certain conditions before the grant is payable are not accrued for but are noted as financial commitments in the notes to the financial statements.

The provision of a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the charity that would permit the charity to avoid making the future payments, settlement is probable and the effect of the discounting is material. The discount rate used is the average rate of investment yield in the year in which the grant is made. This discount rate is regarded by the trustees as providing the most current available estimate of the opportunity cost of money reflecting the time value of money to the charity.

Allocation of support costs and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs comprise the costs directly attributable to the governance of the charity, including audit costs and the necessary legal procedures for compliance with statutory requirements. Support costs and governance costs are allocated between activities with the allocation based on staff time.

Fixed asset investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The charity does not acquire put options, derivatives or other complex financial instruments.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand and short term deposits

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short term deposits.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Tangible fixed assets

Depreciation of fixed assets is calculated on cost at rates estimated to write off the assets, by equal instalments, over their expected working lives.

- ♦ Office furniture, fittings and equipment - 5 years
- ♦ IT equipment - 3 years

Items used in the day to day running of the charity and with a cost in excess of £500 are capitalised, and are stated at cost less accumulated depreciation.

Financial instruments

The charity only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the charity and their measurement basis are as follows:

Financial assets – other debtors are basic financial instruments and are debt instruments measured at amortised cost. Listed investments are a basic financial instrument as detailed above. Prepayments are not financial instruments.

Cash at bank – classified as a basic financial instrument and is measured at face value.

Financial liabilities – accruals and other creditors are financial instruments, and are measured at amortised cost.

Fund structure

The charity has various types of funds for which it is responsible, and which require separate disclosure. These are as follows:

General funds

Funds which are expendable at the discretion of the trustees in furtherance of the objects of the charity.

Designated funds

Funds which are set aside as part of the charity's unrestricted funds for particular purposes in the future as determined by the trustees from time to time.

Restricted funds

Funds raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed conditions.

Endowment funds

Funds which must be held indefinitely as capital. Income therefore is credited to general funds and applied for general purposes unless under the terms of the endowments such income must be used for specific purposes in which cases it is credited to restricted funds.

Pension costs

The charity operates a defined contribution scheme on behalf of its employees. The assets are held in separately administered funds. Costs are charged to the statement of financial activities in the period to which they relate.

1. Donations and legacies

	Unrestricted funds £	Restricted funds £	2020 Total funds £
Donations	143,636	16,369	160,005
Legacies & In Memoriam donations	146,823	1,607	148,430
2020 Total funds	290,459	17,976	308,435
	<i>Unrestricted funds £</i>	<i>Restricted funds £</i>	<i>2019 Total funds £</i>
<i>Donations</i>	<i>125,139</i>	<i>15,406</i>	<i>140,545</i>
<i>Legacies & In Memoriam donations</i>	<i>110,530</i>	<i>3,372</i>	<i>113,902</i>
<i>2019 Total funds</i>	<i>235,669</i>	<i>18,778</i>	<i>254,447</i>

2. Other trading activities

	Unrestricted funds £	Restricted funds £	2020 Total funds £
Public education	28,890	—	28,890
Science of Digestion	—	—	—
Public Education – one off donation	10,000	—	10,000
2020 Total funds	38,890	—	38,890
	<i>Unrestricted funds £</i>	<i>Restricted funds £</i>	<i>2019 Total funds £</i>
<i>Public education</i>	<i>50,364</i>	<i>—</i>	<i>50,364</i>
<i>Science of Digestion</i>	<i>2,500</i>	<i>—</i>	<i>2,500</i>
<i>Public Education – leaflet sponsorship</i>	<i>1,500</i>	<i>—</i>	<i>1,500</i>
<i>2019 Total funds</i>	<i>54,364</i>	<i>—</i>	<i>54,364</i>

3. Investment income

	Unrestricted funds £	Restricted funds £	2020 Total funds £
Interest – fixed interest securities	187	486	673
Dividends - UK and international equities	38,743	36,558	75,301
Bonds - UK and international	20,898	18,683	39,581
Multi asset funds	14,937	12,936	27,873
Charities property fund	6,103	4,775	10,878
Other funds	3,303	3,763	7,066
Interest on cash deposits	2,322	—	2,322
2020 Total funds	86,493	77,201	163,694

3. Investment income (continued)

	Unrestricted funds £	Restricted funds £	2019 Total funds £
<i>Interest – fixed interest securities</i>	624	1,546	2,170
<i>Dividends - UK and international equities</i>	65,651	55,674	121,325
<i>Bonds - UK and international</i>	12,590	8,482	21,072
<i>Multi asset funds</i>	19,975	18,719	38,694
<i>Charities property fund</i>	6,862	5,369	12,231
<i>Other funds</i>	3,376	2,350	5,726
<i>Interest on cash deposits</i>	2,537	—	2,537
2019 Total funds	111,615	92,140	203,755

4. Income from charitable activities

	Unrestricted funds £	Restricted funds £	2020 Total funds £
New grants for research	—	39,000	39,000
2020 Total funds	—	39,000	39,000

	Unrestricted funds £	Restricted funds £	2019 Total funds £
<i>New grants for research</i>	—	408,966	408,966
2019 Total funds	—	408,966	408,966

5. Cost of raising funds

	Unrestricted funds £	Restricted funds £	2020 Total funds £
Fundraising costs	48,040	—	48,040
Investment manager's fees	13,844	12,520	26,364
Support costs (note 8)	182,999	—	182,999
2020 Total funds	244,883	12,520	257,403

	Unrestricted funds £	Restricted funds £	2019 Total funds £
<i>Fundraising costs</i>	<i>16,744</i>	<i>—</i>	<i>16,744</i>
<i>Investment manager's fees</i>	<i>14,652</i>	<i>13,155</i>	<i>27,807</i>
<i>Support costs (note 8)</i>	<i>125,828</i>	<i>—</i>	<i>125,828</i>
2019 Total funds	157,224	13,155	170,379

6. Expenditure on charitable activities

	Direct costs £	Research grants awarded (note 7) £	Support costs (note 8) £	2020 Total funds £
Gastroenterology research	1,893	58,437	110,600	170,930
Public Education	48,204	—	106,598	154,802
2020 Total funds	50,097	58,437	217,198	325,732

	Direct costs £	Research grants awarded (note 7) £	Support costs (note 8) £	2019 Total funds £
<i>Gastroenterology research</i>	<i>3,564</i>	<i>785,392</i>	<i>123,696</i>	<i>912,652</i>
<i>Public Education</i>	<i>44,977</i>	<i>—</i>	<i>91,704</i>	<i>136,681</i>
2019 Total funds	48,541	785,392	215,400	1,049,333

7. Research grants awarded

	2020 Total funds £	2019 Total funds £
New research grants	61,950	790,566
Less grants no longer required – research commitments	(3,513)	(5,174)
Research grants awarded (note 6)	58,437	785,392

Research grants awarded represent commitments made for research, and are set out in detail in note 18.

8. Total expenditure

	Charitable activities			
	Cost of raising funds £	Gastro-enterology research £	Public education and Science of Digestion £	2020 Total funds £
Directly incurred				
Grants payable (see note 7)	—	58,437	—	58,437
Research administration	—	1,893	—	1,893
Fundraising costs	48,040	—	—	48,040
Public education	—	—	48,204	48,204
Investment management fees	26,364	—	—	26,364
	74,404	60,330	48,204	182,938
Support costs				
Staff costs (see note 10)	135,957	82,169	79,195	297,321
Premises and donated facilities	5,101	3,083	2,971	11,155
Postage	183	111	107	401
Telephone	1,694	1,024	987	3,705
Stationery, printing, design and marketing	1,632	986	951	3,569
Insurance	529	320	308	1,157
Bank charges	1,597	965	930	3,492
Meeting costs	2,210	1,336	1,288	4,834
Subscriptions/publications	3,073	1,857	1,790	6,720
Equipment/maintenance and website development	8,760	5,294	5,103	19,157
Depreciation	634	383	369	1,386
Training and recruitment	7,084	4,282	4,127	15,493
Governance costs:				
. Audit & Accountancy	3,833	2,316	2,233	8,382
. Professional fees	956	578	557	2,091
. Bookkeeping costs	2,281	1,378	1,328	4,987
Brand development	7,475	4,518	4,354	16,347
	182,999	110,600	106,598	400,197
2020 Total funds	257,403	170,930	154,802	583,135

8. Total expenditure (continued)

	<i>Charitable activities</i>			
	<i>Cost of raising funds</i>	<i>Gastro-enterology research</i>	<i>Public education and Science of Digestion</i>	<i>2019 Total funds</i>
	£	£	£	£
<i>Directly incurred</i>				
Grants payable (see note 7)	—	785,392	—	785,392
Research administration	—	3,564	—	3,564
Fundraising costs	16,744	—	—	16,744
Public education	—	—	44,977	44,977
Investment management fees	27,807	—	—	27,807
	<u>44,551</u>	<u>788,956</u>	<u>44,977</u>	<u>878,484</u>
<i>Support costs</i>				
Staff costs (see note 10)	83,413	81,999	60,792	226,204
Premises and donated facilities	7,528	7,401	5,487	20,416
Postage	250	246	182	678
Telephone	1,211	1,191	883	3,285
Stationery, printing, design and marketing	1,497	1,472	1,091	4,060
Insurance	429	421	312	1,162
Bank charges	939	922	684	2,545
Meeting costs	5,050	4,964	3,680	13,694
Subscriptions/publications	1,543	1,517	1,125	4,185
Equipment/maintenance and website development	7,973	7,838	5,811	21,622
Depreciation	180	177	131	488
Training and recruitment	5,557	5,463	4,050	15,070
<i>Governance costs:</i>				
. Auditor's remuneration	3,492	3,433	2,545	9,470
. Professional fees	1,844	1,813	1,344	5,001
. Bookkeeping costs	3,719	3,656	2,710	10,085
Brand development	1,203	1,183	877	3,263
	<u>125,828</u>	<u>123,696</u>	<u>91,704</u>	<u>341,228</u>
<i>2019 Total funds</i>	<u>170,379</u>	<u>912,652</u>	<u>136,681</u>	<u>1,219,712</u>

9. Net income before transfers

This is stated after charging:

	2020 Total funds	2019 Total funds
	£	£
Staff costs (note 10)	297,321	226,204
Depreciation	1,386	488
Auditor's remuneration (including VAT)		
. Statutory audit services – current year	8,000	7,464

10. Staff costs and remuneration of key management personnel

	2020 Total funds £	2019 Total funds £
Salaries and wages	266,856	203,129
Social security	22,508	16,584
Pension costs	7,957	6,491
	297,321	226,204

The average number of employees during the period was 8 (2019: 6.5). One employee earned between £60,001 and £70,000 during the year (2019: one employee earned between £60,001 and £70,000).

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the trustees, the CEO, the Finance and Research Managers. The total remuneration (including taxable benefits and employer's pension contributions) of the key management personnel for the year was £159,857 (2019: £148,276).

11. Trustees' remuneration and expenses

£nil remuneration (2019: £nil) was paid or payable, directly or indirectly, out of the funds of the charity for the period to any trustee, or to any person or persons known to be connected with any of them.

Two trustees were reimbursed for travel expenses of £258 during the period (2019: six trustees: £1,687).

12. Taxation

Guts UK is a registered charity and is potentially exempt from taxation in respect of income and capital gains received within the categories covered by Section 505 of the Taxes Act 1988 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes.

13. Tangible fixed assets

	Computer equipment £
Cost	
At 1 January 2020	6,642
Additions in the year	2,922
At 31 December 2020	9,564
Depreciation	
At 1 January 2020	4,658
Charge for the year	1,386
At 31 December 2020	6,044
Net book value	
At 31 December 2020	3,520
At 31 December 2019	1,984

14. Investments

	Endowment portfolio £	Unrestricted portfolio £	2020 £	2019 £
At valuation				
Balance brought forward at 1 January	2,734,531	3,017,993	5,752,524	5,270,835
Additions	667,910	786,486	1,454,396	987,808
Disposal proceeds	(621,291)	(769,691)	(1,390,982)	(1,128,341)
Investment gains				
. Realised (losses)/gains	(47,100)	(162,987)	(210,087)	73,504
. Unrealised (losses)/gains	(70,833)	(5,176)	(76,009)	548,718
Total investment (losses)/ gains	(117,933)	(168,163)	(286,096)	622,222
Balance carried forward at 31 December	2,663,217	2,866,625	5,529,842	5,752,524
Cash held by investment managers	375,910	86,608	462,518	566,080
Total investments	3,039,127	2,953,233	5,992,360	6,318,604
Analysis by Type				
Listed investments at market value				
. UK Equities	987,441	1,162,937	2,150,378	3,009,441
. Overseas Equities	882,080	784,626	1,666,706	1,071,659
. UK Bonds	207,163	264,918	472,081	594,058
. Overseas bonds	106,633	118,228	224,861	87,772
. Multi-asset funds	174,507	196,319	370,826	403,391
. Property funds	124,754	159,444	284,198	294,814
. Other	180,639	180,153	360,792	291,389
Total investments	2,663,217	2,866,625	5,529,842	5,752,524
Historic cost of listed investments (all are listed in the UK) - excluding cash held by investment managers	2,388,768	2,820,378	5,209,146	5,042,868

At 31 December the charity had the following material investment holdings:

	Endowment £	Unrestricted £	Market value £	Percentage of portfolio %
Listed investments within the portfolio are:				
M&G Equities Investment Fund for charities	259,416	274,514	533,930	10%
The Charity Equity Income Fund	250,372	228,295	478,667	9%
Trojan Income Fund Class S	233,844	269,820	503,664	9%
Fidelity Global Equity Income Fund Class D	216,876	220,558	437,434	8%
LF Majede UK Equity Fund	126,567	237,664	364,231	7%
Trojan Investment Funds – Trojan Fund	174,507	196,319	370,826	7%
The Charity Equity Value Fund	117,244	152,641	269,885	5%

14. Investments (continued)

The total unrealised gains as at 31 December 2020 constitute movements on revaluation and are as follows:

	2020 £	2019 £
Unrealised gains included above:		
On investments	320,696	709,656
Total unrealised gains at 31 December	320,696	709,656
Reconciliation of movements in unrealised gains:		
Unrealised gains at 1 January	709,656	320,028
(Losses) in respect to disposals in the year	(312,951)	(159,090)
	396,705	160,938
Add: net (losses)/gains arising on revaluation in the year	(76,009)	548,718
Total unrealised gains at 31 December	320,696	709,656

15. Debtors

	2020 £	2019 £
Prepayments, accrued income and sundry debtors	78,414	119,751
Commitments due from funding partners	280,066	412,524
	358,480	532,275

Included within debtors under commitments due from funding partners is £70,000 (2019: £30,067) which is due after one year

16. Creditors: amounts falling due within one year

	2020 £	2019 £
Other creditors	8,722	5,693
Accruals and deferred income	105,059	31,159
Research grants payable (see note 18)	1,022,671	1,108,182
	1,136,452	1,145,034

17. Creditors: amounts falling due after more than one year

	2020 £	2019 £
Research grants payable (see note 18)	432,313	613,673

18. Research grants payable

	2020 Total funds £	2019 Total funds £
At 1 January	1,721,855	1,147,961
Research grants awarded in the year	61,950	790,566
Research grants no longer required	(3,513)	(5,174)
Paid during the year	(325,308)	(211,498)
At 31 December	1,454,984	1,721,855
Research grants at 31 December are payable as follows:		
Within one year (see note 16)	1,022,671	1,108,182
After more than one year (see note 17)	432,313	613,673
	1,454,984	1,721,855

Details of research grants payable are provided overleaf.

Notes to the financial statements 31 December 2020

18. Research grants payable (continued)

			At 1 January 2020 £	Research grants awarded £	Grants no longer required £	Grants paid in the year £	At 31 December 2020 £
Ongoing research							
Professor Laurence Lovat	Development award	Salivary EpigeNetics to Stratify Oesophageal Cancer Risk (SENSOR)	35,876	—	(835)	—	35,041
Dr Wadiamu Gashau	Core-BSG Trainee Research Network Award	RISE NoW (Regional IBD Surveillance Endoscopy North West) study: A real world experience of dysplasia and colorectal cancer surveillance in Inflammatory Bowel Disease (IBD)	2,500	—	—	—	2,500
Dr Conor McCann	Core-Derek Butler Fellowship	Enteric neural stem cell therapy for Oesophageal Achalasia and Diabetic Gastroparesis	94,618	—	—	(19,714)	74,904
Mr James O'Kelly	Guts UK/Amelie Waring Research Fellowship	Single cell definition of the mechanistic role of kynurenine monooxygenase at the innate immune interface in acute pancreatitis	179,423	—	—	(32,122)	147,301
Dr Sara Jamel	Olympus Guts UK Endoscopy Fellowship	Profiling of Dysplastic Changes in Barrett's Oesophagus and Early Oesophageal Cancer Using Non-Invasive Volatile Organic Compound Analysis of Exhaled Breath	180,244	—	—	(60,122)	120,122
Professor Colin Rees	Parabola-Guts UK Colorectal Cancer Research Grant	COLO-COHORT Colorectal Cancer Cohort Study	500,000	—	—	(95,955)	404,045
Dr Marc-Emmanuel Dumas	Guts UK Development Award	Precision medicine through integrative metagenomics and phenomics in a human NAFLD cohort	49,797	—	—	—	49,797
Dr Varinder Athwal	Guts UK Development Award	Investigating fibrosis pathobiology in cystic fibrosis related liver disease to improve clinical detection and management	25,351	—	—	(21,061)	4,290
Dr Dipesh Vasant	Guts UK-Dr Falk SpR Trainee Audit/Quality Improvement Award	Anorectal dysfunction in ulcerative colitis: a cross sectional survey	1,300	—	—	—	1,300
Balance carried forward			1,069,109	—	(835)	(228,974)	839,300

Notes to the financial statements 31 December 2020

18. Research grants payable (continued)

			At 1 January 2020 £	Research grants awarded £	Grants no longer required £	Grants paid in the year £	At 31 December 2020 £
Ongoing research cont'd							
Balance brought forward			1,069,109	—	(835)	(228,974)	839,300
Dr Gwo-tzer Ho	Guts UK Development Award	Resolving Inflammation in IBD: Developing a new therapeutic approach by targeting pro-inflammatory mitochondrial formylated peptides on neutrophil FPR1-pathway	19,525	—	—	(5,695)	13,830
Dr Michael Fitzpatrick	Guts UK-BSG Trainee Research Network Award	Effect of diet, nutritional status, and body composition on biologic therapy in IBD: The Oxford and Thames Valley Young Gastroenterologists Network (OxYGEN)	2,000	—	—	—	2,000
Dr Polychronis Pavlidis	Guts UK-BSG Trainee Research Network Award	Quality of care transition in adult IBD patients transferring between healthcare providers: a multicentre audit	2,499	—	—	—	2,499
Dr Nick Powell	For Crohns	TNFα responsive transcriptional networks in the human intestinal epithelium - the key to predicting therapeutic response to antic-TNFα in Crohn's disease	48,737	—	—	—	48,737
Dr Louise China	Guts UK-BSG Trainee Research Award	Exploring Periodontitis in Cirrhosis (EPIC): a single arm feasibility study to explore the relationship between periodontitis and infection in patients with liver cirrhosis.	4,980	—	—	—	4,980
Dr Srivathsan Ravindran	Guts UK-BSG Trainee Research Award	Developing a patient-reported safety incident tool in endoscopy	3,775	—	—	(1,888)	1,887
Dr Mike Davies	Guts UK-BSG Trainee Research Network Award	Getting to the bottom of acute Lower Gastrointestinal Bleeding: Improving quality of care for patients with acute lower gastrointestinal bleeding and assessing resource implications of adherence to national guidelines	3,000	—	—	—	3,000
Dr Samuel Smith	Guts UK-BSG Trainee Research Network Award	Improving key performance measures in inflammatory bowel disease surveillance	5,000	—	—	—	5,000
Balance carried forward			1,158,625	—	(835)	(236,557)	921,233

Notes to the financial statements 31 December 2020

18. Research grants payable (continued)

			At 1 January 2020 £	Research grants awarded £	Grants no longer required £	Grants paid in the year £	At 31 December 2020 £
Ongoing research cont'd							
Balance brought forward			1,158,625	—	(835)	(236,557)	921,233
Professor Jonathan Fallowfield	Development Grant	A molecular phenomic approach to define the high risk NAFLD population	49,623	—	—	—	49,623
Dr Salvatore Papa	Development Grant	Starving livers of glucose for HCC prevention and treatment	50,000	—	—	—	50,000
Professor Chris Probert	Development Grant	Evaluation of the gut metabolome, micro and myco biome in ulcerative colitis patients undergoing anti-fungal therapy: can we predict response to therapy?	48,099	—	—	—	48,099
Dr James Pritchett	Development Grant	Decoding Yes Associated Protein 1 driven hepatic stellate cell activation	29,138	—	—	—	29,138
Dr Marnix Jenson	Development Grant	The TARGET study (TArgeted biopsies to Risk Stratify Gastric cancer precursors for tailored Endoscopic surveillance and Treatment)	49,560	—	—	—	49,560
Dr Catherine Williamson	Nutrition Development Grant	Impact of cold exposure in conjunction with dietary modification on metabolic regulation in children with non-alcoholic fatty liver disease	48,283	—	—	—	48,283
Professor Christer Hogstrand	Nutrition Development Grant	Targeting "Leaky Gut" with combined dietary zinc and plant derived Aryl Hydrocarbon Receptor agonists	50,000	—	—	—	50,000
Dr Paul Henderson	Guts UK - BSPGHAN Development Grant	The PINPOINT study – The Prospective Incidence of Paediatric – Onset Inflammatory bowel disease in the United Kingdom	39,936	—	—	—	39,936
Dr Matthias Zilbauer	Guts UK - BSPGHAN Development Grant	Stratification of inflammatory bowel disease treatment in children using human intestinal organoid derived epigenetic signatures	40,000	—	—	(25,229)	14,771
Balance carried forward			1,563,264	—	(835)	(261,786)	1,300,643

Notes to the financial statements 31 December 2020

18. Research grants payable (continued)

			At 1 January 2020 £	Research grants awarded £	Grants no longer required £	Grants paid in the year £	At 31 December 2020 £
Ongoing research cont'd							
Balance brought forward			1,563,264	—	(835)	(261,786)	1,300,643
Professor Graham Lord	For Crohn's Development Grant	Modulation of the effector/regulatory T-cell balance by targeting a causal genetic variant as a novel therapeutic paradigm in Crohn's disease	43,336	—	—	—	43,336
Dr Jorge Gutierrez-Merino	For Crohn's Development Grant	Understanding how gut bacteria induce beneficial type 1 interferon responses	49,055	—	—	—	49,055
			1,655,655	—	(835)	(261,786)	1,393,034

18. Research grants payable (continued)

			At 1 January 2020 £	Research grants awarded £	Grants no longer required £	Grants paid in the year £	At 31 December 2020 £
New commitments							
Dr Robin Dart	Guts UK-BSG Trainee Research Award	The cellular architecture of the human colonic mucosa : a pilot and feasibility study to facilitate longitudinal multi-centre studies	—	10,000	—	—	10,000
Dr James Ashton	Guts UK-BSG Trainee Research Award	To establish a UK wide Paediatric IBD Research network (PAIR network) to answer clinical research questions and enable rapid decision making	—	8,000	—	—	8,000
Dr John Thomas	Guts UK-BSG Trainee Research Award	Transcriptomic profiling of patient derived colonic epithelial organoids exposed to Ulcerative Colitis-relevant cytokines – a novel approach to uncover IBD pathogenesis and inform precision medicine strategies.	—	9,950	—	—	9,950
Dr Rebecca Harris	Guts UK-BSG Trainee Research Award	Non-invasive risk stratification of patients with compensated advanced chronic liver disease : Results from a real world cohort from the Nottingham Scarred Liver pathway	—	10,000	—	—	10,000
Dr Roosey Sheth	Guts UK-BSG Trainee Research Network Award	A UK wide Audit of the Management of Primary Biliary Cholangitis (PBC)	—	10,000	—	—	10,000
Falk Pharma 2020 awards - various	Guts UK-Dr Falk awards 2020		—	14,000	—	—	14,000
New commitments total			—	61,950	—	—	61,950

Notes to the financial statements 31 December 2020

18. Research grants payable (continued)

			At 1 January 2020 £	Research grants awarded £	Grants no longer required £	Grants paid in the year £	At 31 December 2020 £
Research completed in during the year							
Professor David Wilson	BSPGHAN Award	Health informatics research in paediatric gastroenterology: nationwide data-linkage exploration of perinatal risk factors for and consequences of paediatric-onset Inflammatory Bowel Disease	23,694	—	—	(23,694)	—
Professor Chris Probert	Core-BSPGHAN Development Grant	Characterisation of the gut mycobiome in an inception cohort of paediatric inflammatory bowel disease patients	993	—	—	(993)	—
Professor Sarah Ennis	Core-BSPGHAN Development Grant	Metabolo-genomic interactions in paediatric Crohn's Disease (CD)	12,898	—	—	(12,898)	—
Dr Misha Kabir	Guts UK-Dr Falk SpR Trainee Audit/Quality Improvement Award	Developing a personalised patient decision aid to improve the quality of shared decision-making between Ulcerative Colitis patients diagnosed with dysplasia and their clinicians	1,400	—	—	(1,400)	—
Dr Suneil Raju	Guts UK-BSG Trainee Research Award	Review of current diagnostic procedure and management of patients with microscopic colitis: Are we getting it right?	2,500	—	—	(2,500)	—
Dr Konstantinos Gerasimidis	For Crohns	A pilot study to assess the clinical efficacy of the novel CD-TREAT diet in patients with active Crohn's disease	19,566	—	(104)	(19,462)	—
Dr Rishi Fofaria	Guts UK-Dr Falk SpR Trainee Audit/Quality Improvement Award	Prospective observational study to investigate the role of pre-procedure faecal calprotectin before scheduled IBD surveillance colonoscopy to improve quality of care	5,149	—	(2,574)	(2,575)	—
			66,200	—	(2,679)	(63,522)	—
Total grants for the year			1,721,855	61,950	(3,513)	(325,308)	1,454,984

19. Restricted Funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust to be applied for specific purposes:

	At 1 January 2020 £	Income £	Expenditure £	Transfers £	At 31 December 2020 £
Research grants	—	14,000	(14,000)	—	—
Restricted research grants	—	28,000	(47,950)	19,950	—
Restricted – Pancreatitis	—	8,114	—	—	8,114
Restricted – Stomach Cancer	—	1,362	(2,000)	638	—
Trust Application Donations	—	5,500	(3,000)	—	2,500
Derek Butler Endowment Income fund	126,037	77,201	—	41,430	244,668
	<u>126,037</u>	<u>134,177</u>	<u>(66,950)</u>	<u>62,018</u>	<u>255,282</u>

	At 1 January 2019 £	Income £	Expenditure £	Transfers £	At 31 December 2019 £
Research grants	—	16,575	(19,149)	2,574	—
Restricted research grants	—	407,466	(439,102)	31,636	—
Restricted - Pancreatitis	8,938	3,703	(12,641)	—	—
Derek Butler Endowment Income fund	57,699	92,140	(20,786)	(3,016)	126,037
	<u>66,637</u>	<u>519,884</u>	<u>(491,678)</u>	<u>31,194</u>	<u>126,037</u>

The transfer represents the contribution from general funds towards the research grants.

The purposes of Guts UK's restricted funds are as follows:

- ◆ Research grants: grants for research into a range of digestive disorders.
- ◆ Restricted research grants: grants for specific research schemes.
- ◆ Derek Butler Endowment Income Fund: this represents the income received from the endowment fund and expenditure on research into the diseases of the upper gastrointestinal tract.

20. Designated Funds – Amelie Waring

	At 1 January 2020 £	Income £	Expenditure £	Transfers £	Investment (losses) £	At 31 December 2020 £
Investments	1,875,489	46,448	(74,219)	(810,601)	(147,900)	889,217
Research Commitments	(179,423)	—	32,123	—	—	(147,300)
Total Amelie Waring Fund	1,696,066	46,448	(42,096)	(810,601)	(147,900)	741,917

Designated Funds – GI Research

	At 1 January 2020 £	Income £	Expenditure £	Transfers £	Investment gains £	At 31 December 2020 £
Investments	—	4,715	20,462	810,601	51,624	887,402
Research Commitments	—	—	(19,950)	—	—	(19,950)
Total GI Research Fund	—	4,715	512	810,601	51,624	867,452

Total Designated Funds

Total Designated Funds	1,696,066	51,163	(41,584)	—	(96,276)	1,609,369
-----------------------------------	------------------	---------------	-----------------	----------	-----------------	------------------

	At 1 January 2019 £	Income £	Expenditure £	Transfers £	Investment (losses) £	At 31 December 2019 £
Investments	1,685,450	77,847	(83,555)	—	195,747	1,875,489
Research Commitments	(179,423)	—	—	—	—	(179,423)
Total Amelie Waring Fund	1,506,027	77,847	(83,555)	—	195,747	1,696,066

The Amelie Waring fund was initially established in memory of Amelie Waring to fund pancreatitis research, although the original bequest has been fully expended the trustees continue to designate funds to pancreatitis research in recognition of their ongoing commitment to funding research in this area.

The GI Research Fund is designated to general gastrointestinal research. During the year, the trustees designated £810,601 to this fund.

21. Endowment fund

	At 1 January 2020 £	Income £	Expenditure/ transfers £	Investment losses £	At 31 December 2020 £
Derek Butler Endowment	2,855,298	—	(53,950)	(117,933)	2,683,415

	At 1 January 2019 £	Income £	Expenditure £	Investment losses £	At 31 December 2019 £
Derek Butler Endowment	2,558,166	—	—	297,132	2,855,298

Income from the Derek Butler Endowment fund is credited to restricted funds and is to be spent on research into diseases of the upper gastrointestinal tract.

22. Analysis of net assets between funds

	Fixed assets £	Investments £	Net current (liabilities) / assets £	Long-term Liabilities £	2020 Total £
Unrestricted funds					
. General	3,520	1,287,659	37,273	(231,464)	1,096,988
. Designated funds – AW	—	889,217	(102,480)	(44,820)	741,917
. Designated funds – GI	—	887,402	—	(19,950)	867,452
Restricted funds	—	244,667	146,694	(136,079)	255,282
Endowment funds	—	2,683,415	—	—	2,683,415
	3,520	5,992,360	81,487	(432,313)	5,645,054

	Fixed assets £	Investments £	Net current (liabilities) / assets £	Long-term Liabilities £	2019 Total £
Unrestricted funds					
. General	1,984	1,461,786	(15,016)	(161,889)	1,286,865
. Designated funds	—	1,875,489	(70,950)	(108,473)	1,696,066
Restricted funds	—	126,037	343,311	(343,311)	126,037
Endowment funds	—	2,855,298	—	—	2,855,298
	1,984	6,318,604	257,351	(613,673)	5,964,266

23. British Society of Gastroenterology

Guts UK works closely with the British Society of Gastroenterology (BSG) (Charity Registration No. 1149074 and Company Registration No. 08124892 (England and Wales)) to provide strong links with the main professional community and to improve its ability to disseminate research and patient information. The Chair of the Research Committee of BSG is a member of Guts UK's Board of Trustees. The Chair of Guts UK is an *ex-officio* member of BSG's Council.

Transactions between the two charities during the period were as follows:

The BSG provided a grant of £25,000 (2019: £10,000) to support trainee research grants.

24. Contingent asset and liability

In 2018 the charity secured provisional funding amounting to £1,250,000 for the colorectal cancer research grant of which £250,000 has been received to date.

Up to £250,000 is receivable on an annual basis contingent on a satisfactory annual report being approved by the funding partner. Guts UK was therefore not entitled to these funds in the year ended 31 December 2020. Should the next stages of funding be received, Guts UK has agreed to distribute and monitor use of this funding as a sub-grant. As at 31 December 2020, £1,000,000 remains receivable, of which up to £250,000 is receivable and payable within one year.

25. Related party transactions

During the year the charity received donations of £1,680 from trustees (2019: £665). Transactions with the British Society of Gastroenterology are detailed in note 23.

There were no further related party transactions during the period requiring disclosure (2019: none).

26. Liability of members

The charity is constituted as a company limited by guarantee. In the event of the charity being wound up, members are required to contribute an amount not exceeding £1.

27. Commitments Under Operating Leases

At 31 December the charity had future minimum commitments under non-cancellable operating leases as set out below:

	2020 £	2019 £
Payments which fall due:		
Within one year	772	772
Within 2 to 5 years	1,932	2,704
	2,704	3,476

28. Comparative Statement of Financial Activities for the year ended 31 December 2019

		Unrestricted funds £	Restricted funds £	Endow- ment funds £	2019 Total funds £
Income and expenditure					
Income					
Donations and legacies	1	235,669	18,778	—	254,447
Other trading activities	2	54,364	—	—	54,364
Investment income	3	111,615	92,140	—	203,755
Charitable activities	4				
. Grants for research		—	408,966	—	408,966
Total income		401,648	519,884	—	921,532
Expenditure					
Cost of raising funds	5	157,224	13,155	—	170,379
Expenditure on charitable activities	6				
. Grants for research		434,129	478,523	—	912,652
. Public education and Science of Digestion		136,681	—	—	136,681
Total expenditure	8	728,034	491,678	—	1,219,712
Net expenditure before transfers	9	(326,386)	28,206	—	(298,180)
Transfers between funds	19	(31,194)	31,194	—	—
Net (expenditure) / income after transfers		(357,580)	59,400	—	(298,180)
Net gains on investments	14				
. Realised		42,071	—	31,433	73,504
. Unrealised		283,019	—	265,699	548,718
Net (expenditure) / income and net movement in funds for the year		(32,490)	59,400	297,132	324,042
Reconciliation of funds:					
Funds balances brought forward		3,015,421	66,637	2,558,166	5,640,224
Fund balances carried forward		2,982,931	126,037	2,855,298	5,964,266