



GUTS UK CHARITY ANNUAL REPORT AND FINANCIAL STATEMENTS 2021



"We're getting to grips with guts so that no-one suffers alone."

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WELCOME

The past 50 years have seen great progress in the diagnosis and management of gastro-intestinal or GI conditions – diagnosis is much more accurate and easier thanks to endoscopy, computerised tomography (CT) and magnetic resonance imaging (MRI) scanning – substantially British inventions. The recognition of a bacterium – *Helicobacter pylori* (H pylori) – as the cause of peptic ulceration has transformed its management from surgical to medical. Viral hepatitis can usually be prevented by vaccines or treated by anti-virals and the management of Crohn's disease and ulcerative colitis has been greatly improved by biologic agents and key-hole surgery.

Our charity was formed in June 1971 in recognition of the relative lack of research support for GI disorders given their major impact on health – a problem that is still with us today. Now renamed as Guts UK Charity we are better serving those people who are struggling with digestive conditions, often in silence and alone.

When the pandemic struck, our superb team of staff worked harder than ever in the restricted circumstances to respond to a 400% increase in enquiries for information from the public. A huge unmet demand for our services has been demonstrated. As we serve more people with evidence-based information, this empowers our community to be in control of their conditions and their care. The more we serve, the more supporters Guts UK has gained. In 2020 we raised £550,019 and we are delighted to say in 2021 we have doubled the overall income to £1,078,130.

Our research programme has also continued through the pandemic. To date since our inception we have invested more than £16.5 million in 300 research grants. But with less than 2% of all medical research funding in the UK going into gastroenterology other than cancer, our specialty has been woefully underfunded for decades and lags behind other areas of health research. That's why in our 50th year, our campaign was that it was finally time for the UK to get to grips with guts. And our marching army of supporters will helped us lift that campaign high. A superb high for our 50th year was to feature on a BBC Radio 4 Appeal in June that raised a wonderful £27,600, raised awareness and boosted the profile of Guts UK.

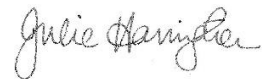
Fifty years ago, our founders at the British Society of Gastroenterology (BSG) wanted to do something to end the pain and suffering of digestive diseases. A lot has changed since then. But the truth is, we haven't yet achieved our founders' goals. People are still in pain. People are still suffering. People are dying too early. They are dying unnecessarily. And they are dying without answers. We *have* to go faster in the next 50 years.

Huge changes are brought about by the generosity of our amazing community of Guts UK supporters who are so generous with their time and donations. Together, with their powerful and growing support, we cannot fail to achieve our ambition to finally help the UK get to grips with guts.

We are so grateful to you all.



Professor Jonathan Rhodes, Chair
(Resigned 10 June 2022)



Julie Harrington, CEO



WHO WE ARE

Guts UK is the charity for the digestive system. Though there are some 150 plus patient groups and charities in the field of digestive health in the UK, many of them are disease specific. Guts UK remains *the only charity* that covers all of the digestive system, from 'top to tail'. Guts UK works actively and collaboratively with other charities. However, with our own limited resources, we choose to focus particularly on the conditions that have no other specific charity, or voice - those illnesses that really are 'Cinderella' conditions such as pancreatitis, diverticular disease, irritable bowel syndrome (IBS), and childhood gut and liver disease plus the less common gastrointestinal cancers. These conditions affect millions of people every day and digestive diseases account for one in nine hospital deaths in the UK each year.

“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 for health. With new knowledge, we will end the pain and suffering of 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

Fund life-saving and life-changing research



Provide expert information



Raise awareness of digestive diseases



OUR 2021 HIGHLIGHTS

Information Services and Support



1,162 emails



871 phone calls



152,752 leaflets

With the help of our Experts by Experience Panel we have awarded over £300K to research projects



Kranky Panky 2021
reached 216,779
people



#GUTSelfie
Organic impressions rose by
546% from April to June
550% increase in web clicks
from April to June
Instagram followers grew by
250%



BBC Radio 4 Appeal to celebrate our 50th year raising
£27.6K



TRUSTEES' REPORT

The trustees present their report together with the financial statements of Guts UK Charity ("Guts UK") for the year ended 31 December 2021. 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 54 to 58 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).

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

Research grant funding

Guts UK had research commitments at the start of the year totalling £1,454,984 (2020: £1,721,855). In 2021 the charity further awarded grants totalling £301,231 (2020: £61,950) with payments totalling £491,717 (2020: £325,308) and net commitments no longer required of £13,163 (2020: £3,513). Research commitments still to be paid at the end of the year were £1,251,335 (2020: £1,454,984).

In 2021 we renewed our commitment to focus on areas we believe are less well-resourced than other 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
- IBS
- Childhood gut, liver and pancreatic diseases.
- Gut microbiome and nutrition
- Less survivable digestive cancers: stomach, oesophageal, pancreatic and liver.

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 BSG to award six grants to trainee doctors totalling £18,040. We had hoped to be able to award more trainee research grants but due to the ongoing Coronavirus pandemic, many gastroenterology trainees were diverted to the front line which disrupted their training and made it even more difficult than usual for them to engage in research. The six grants awarded were:

- Dr Katja Christodoulou, West Hertfordshire NHS Trust - Consent for contact in endoscopy.
- Dr Peter Rimmer, University of Birmingham - The Microbiome in inflammatory bowel disease (IBD) Inception: An exploratory two-year longitudinal analysis of the gastrointestinal microbiome through IBD onset, treatment, and relapse, to guide future microbiome-based interventions.
- West Midlands Research in Gastroenterology Group led by Dr Julian Yeh, New Cross Hospital, Wolverhampton - Microscopic Colitis: A regional multi-centre audit.
- The Severn and Peninsula Research in Gastroenterology (SPRinG) Trainee Network led by Emma Saunbury, Royal Devon and Exeter Hospital - End of life care provision in patients with advanced liver disease in the Southwest: a regional perspective.

- Dr Oliver Tavabie, King's College Hospital - Does the implementation of the BASL*/BSG bundle improve the survival of patients with decompensated chronic liver disease acutely admitted into hospital.

*BASL – British Association for the Study of the Liver

- West Midlands Network led by Dr Ayman Bannaga, University Hospital Coventry & Warwickshire - The Fatty Liver and Liver Cancer Study (Tendency).

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 2021 award winners were:

- Medical student prizes
Four £1,500 prizes for medical students taking full-time science degrees in the UK (BSc/MRes/MSc/MPH/MBPhD) focusing on gastroenterology (including hepatology and pancreatology) in the current academic year (2020/21)
- Aala Mohammed Ali, University of Manchester
Characterising chronotype, sleep, and circadian disruption in IBD.
- Petra Paizs, Imperial College London
Developing a direct mass spectrometric assay for the identification of early disease biomarkers for colorectal cancer.
- Reuben Veysey-Smith, University of Liverpool
Investigating the Relative Impacts of Proton Pump Inhibitor (PPI) Therapy, H. pylori-induced Gastritis and Gastric Mucosal Atrophy on Fasting Serum Gastrin Concentrations.

- Kader Torbator, Imperial College London

The Association between Psoriasis and Non-Alcoholic Fatty Liver Disease using Transient Elastography to Assess Fibrosis and Steatosis: A Retrospective Study.

- Medical essay prize

A £1,000 prize for the best essay on gastroenterology (including hepatology and pancreatology) research personally undertaken by medical students studying in the UK who were on an intercalated BSc/MRes/MSc/MPH/MBPhD course during the previous academic year (2019/20).

- Niraj Doshi, University College London

A Genome-Wide Association Study of Non-Alcoholic Fatty Liver Disease in Trivandrum, India.

- Dietitian prize

A £1,000 award for dietitians working in GI/liver in recognition of an innovation that has led to an improvement in patient care.

- Helen Dumbleton, Cambridgeshire and Peterborough Foundation Trust

Audit of the Effectiveness of IBS Dietary Advice in Cambridgeshire Community Setting.

- Nurse prize

A £1,000 prize for UK-based primary and secondary care nurses working in gastroenterology (including hepatology and pancreatology) for initiatives that have improved patient care.

- Laura Kent, Great Western Hospital Swindon

The Long-Term indwelling Abdominal Drains (LTADs) pilot project.

- F1/F2 Research awards

Two £2,500 awards for UK-based F1/F2 doctors to facilitate prospective research in an area relevant to gastroenterology (including hepatology and pancreatology).

- Dr Rebecca Jeyaraj, King's College Hospital
Variation in genes involved in bile acid homeostasis and their contribution to paediatric non-alcoholic fatty liver disease.
- Dr Umair Akbani, Wythenshawe Hospital, Manchester Foundation Trust
Evaluating the performance of a novel classification system for IBS in predicting outcomes to gut-focused hypnotherapy.

- SpR Audit/Quality Improvement award

A total of £10,325 was awarded to UK-based gastroenterology SpR trainees conducting quality improvement projects in gastroenterology and hepatology.

- Dr Flora Korkwaro, London North West University Healthcare NHS trust
My Tube Passport – " Mind My Tube ". A hospital e-passport for the patient with an enterostomy device.
- Dr Tessa Cacciottolo, Addenbrooke's Hospital, Cambridge
Using age-appropriate information to support adolescents and young adults with liver disease as they transition from paediatric to adult services.

Early career researcher development grants

The grants are for developmental or translational research that will allow the collection of pilot or proof-of-concept data to enable high-quality competitive applications to be made subsequently to larger funders. This year the development grants were open to early career researchers to support the development of future leaders in academic gastroenterology. The BSG has contributed to these grants. This year, to support our priorities grants were awarded for gut microbiome and nutrition, IBS and oesophageal cancer projects.

- Dr Dimitrios Koutoukidis based at the University of Oxford has been awarded £14,996 for a proof-of-concept trial to explore if the gut bacteria and the barrier of the intestine are part of the mechanism through which weight loss improves the liver in non-alcoholic steatohepatitis with fibrosis. The study will aid understanding of the mechanism of the disease and how the treatment works.
- Dr Nicholas Edward Iloft based at the University of Oxford has been awarded £12,642 for his project that aims to find the bacterial products involved in gut inflammation in patients with primary sclerosing cholangitis (PSC) associated ulcerative colitis (UC). This is the first study to look at measurements in the blood and stool over time. The researchers believe that the information gathered in this study will enable them to identify new therapy avenues for PSC-UC such as restoring harmful changes in gut metabolite levels using dietary or metabolite-based interventions.
- Dr Benjamin Sharpe based at the University of Southampton has been awarded £14,649 to investigate cell communication in lymph nodes in metastatic oesophageal cancer with the objective of learning more about the biology that causes some patients' lymph nodes metastases to respond well to treatment where most do not and identifying new treatments to target these. This will enable future efforts to improve chemotherapy treatments in oesophageal cancer patients and allow more effective treatment of lymph node metastasis thus improving patient survival.
- Dr Rachael Slater based at the University of Liverpool has been awarded £11,075 to investigate the mechanisms of IBS to help patients get the right treatment faster. People with IBS produce different gases in their faeces to people without IBS. These different gases may help with finding the people who will respond to a low-FODMAP* diet. The team aim to find out if and how the gut bacteria produce these gases by studying the genetic make-up of the bacteria. Understanding where these gases are coming from will enable better diagnosis and treatment of IBS.

*FODMAP = fermentable oligosaccharides, disaccharides, monosaccharides and polyols, which are short-chain carbohydrates (sugars) that the small intestine absorbs poorly. Some people experience digestive distress after eating them.

- Dr Nikhil Vergis based at Imperial College London has been awarded £15,000 to investigate which socioeconomic and healthcare factors determine survival for patients with alcohol-related liver disease. Patients with liver disease live nine years longer in the least deprived compared to the most deprived areas of the UK. The team hope to gain a clearer picture of where additional support might be provided in the care pathway for these vulnerable patients, for example, support and help with early intervention by the primary care provider. The study results will inform efficient use of NHS resources to control this ongoing health disaster.
- Dr Naaventhana Palaniyappan based at the University of Nottingham has been awarded £13,350 for his pilot feasibility study to test if it will be possible to enrol patients with cirrhosis to measure the pressure within the liver before their planned surgery for bowel cancer treatment. The team will assess if the pressure measurement using magnetic resonance imaging (MRI) is related to the outcome of patients following their bowel surgery. The results from this initial study will be used to plan a bigger multi-site study to establish the risk of surgery in patients with cirrhosis and whether any of the MRI measurements correspond to that risk. This will help patients and surgeons to balance risk and benefits of surgery before deciding on the best treatment.
- Dr Paloma Ordóñez Morán based at the University of Southampton has been awarded £14,977 for her MINIGUTS project to develop novel in vitro models of paediatric IBD. Most of the clinical trials are first carried out in animals and the compounds validated in adult volunteers. These experiments do not exactly replicate children's disease and half the children diagnosed do not respond to current treatments. Paediatric patients would benefit if there were better models to test new and existing compounds for assessing epithelium damage and regeneration. The outcome of this project would be potentially translated into more effective treatments and would help to improve paediatric IBD patients' health.

forCrohn's research grants

We have continued our successful collaboration with forCrohn's to fund research specifically focusing on Crohn's Disease. In 2021 we focussed on projects investigating Crohn's and COVID, and quality of life for people with Crohn's disease.

- Dr Tariq Ahmad based at the Royal Devon and Exeter Hospitals has been awarded £25,220 to investigate whether specific IBD medications impact how long people carry the COVID-19

virus and whether they increase the risk of re-infection. Data generated from this study will aid understanding of whether biologic and immunomodulator drugs increase the risk of recurrent COVID-19 infection or cause people to carry the virus for longer. If this is observed, antibody and PCR testing may be implemented in routine care to identify these individuals who may be offered alternative treatments.

- Dr Zoe Saynor based at the University of Bournemouth has been awarded £21,807 for her qualitative study to understand the barriers and facilitators to physical activity and exercise in children and adolescents with Crohn's disease through conversations with young people, parents and clinicians. Physical activity and exercise are good for both mental and physical health particularly in people with a long-term condition. Alongside the team's other current research study "The ACTIVE-IBD Study" the information gathered will help with designing appropriate physical activity and exercise resources and training to benefit young people living with Crohn's. The long-term aim being to improve the quality of life for people with Crohn's through exercise as medicine.

Childhood gut and liver diseases

Guts UK has once again partnered with the British Society of Paediatric Gastroenterology, Hepatology and Nutrition (BSPGHAN) to fund paediatric research.

- Professor Anil Dhawan based at Kings College London has been awarded £38,902 to investigate the use of mesenchymal stromal cells (MSCs) as a potential cell therapy for the treatment of biliary atresia (BA). BA is a rare medical condition, occurring in small infants, in which the bile ducts outside and inside the liver become scarred and blocked. This results in a build-up of bile in the liver which causes damage leading to scarring, tissue loss and cirrhosis. This project may provide fundamental insights which can lead to MSCs being used as a cell therapy to treat children with BA by altering their immune reaction before lasting damage occurs in their livers.
- Dr Tassos Grammatikopoulos also based at Kings College London has been awarded £4,248 to explore quality of life, fatigue and mental health in children and young people with acute recurrent or chronic pancreatitis. The data resulting from this study will be used to better understand the needs of these children and young people and shape the development of services to better meet their needs.

Bringing the patient voice into research

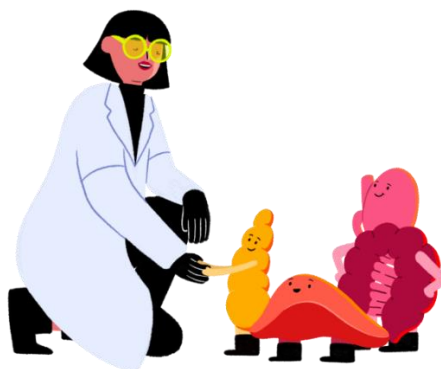
Priority setting partnerships (PSPs)

The IBS and Pancreatitis PSPs are finally underway. The PSPs are facilitated by the James Lind Alliance (JLA) and bring together clinicians and other health care professionals, scientists, patients and carers to find the top ten research priorities in order to lead transformational change in research in these chronically underfunded areas with the ultimate aim of positively impacting diagnosis and treatment. High quality PSP's conducted in this way have a major impact on prioritisation of research funding by national bodies including the research councils and the National Institute for Health Research (NIHR). The Pancreatitis PSP is jointly funded by our Big Give campaign and other restricted pancreatitis income, the Pancreatic Society of Great Britain and Ireland (PSGBI) and the BSG. The IBS PSP is jointly funded with the BSG.



Experts by experience (EBEs) – our patient panel

The biggest boost in recent years is to actively have the patient voice at the heart of all we do at Guts UK. In 2021 we formed a new panel of Experts by Experience, affectionately known as our EBEs, who are people affected by, caring for and/or living with digestive conditions. They have taken part as equals alongside the professors and clinicians within our Research Awards Committee when deciding on the Guts UK research grants in 2021. They advise us on the way to ensure our information is accessible for all and promoted in various formats to particularly hard-to-reach groups. The EBEs hold the development of our equality and diversity programme at their heart, to ensure we will be tackling health inequalities we have all become so very aware of as a nation through this recent pandemic.



Completed research projects: sharing outcomes

As a result of the Coronavirus pandemic, many of Guts UK's research projects were put on hold as some of our funded researchers were called back to clinical duties. No-cost extensions were granted to several projects that were due to finish in 2021. These projects have now resumed and should complete in 2022.



Oesophageal cancer: Professor Laurence Lovat's team explored whether a single spit of saliva together with an easy to administer questionnaire regarding symptoms and risk factors could be used as a simple way to indicate whether a patient is at low or high risk of having oesophageal cancer. This would allow many patients who do not have the disease to avoid having a normal endoscopy which would free up resources to use on those who need them most. Saliva samples were collected from more than 300 patients at 20 hospitals around the UK.

The team interrogated 850,000 individual epigenetic locations within the DNA of 192 patients and used complex bioinformatics approaches to identify a particular signature which distinguished patients with invasive oesophageal cancer with an accuracy of more than 95%. The test will need further validation in more patients and will need to be transferred to a cheaper system that is suitable for routine clinical use. But it appears that the team may have developed a clinically useful test for oesophageal cancer which simply relies on a little bit of spit. Alongside the saliva, the team also collected questionnaire data from 398 patients. Analysis showed that by asking only 8 questions, the team were able to predict which patients have Barrett's oesophagus with an accuracy of over 80%. These findings were compared to data collected in a previous study and were shown to be robust. This may help doctors identify which patients should have an endoscopy test to look for

precancerous changes. The questionnaire findings now need to be confirmed in a group of patients in general practice but might in future be a cheap and reliable way of screening patients who might need an endoscopy. The saliva assessment might lead to a completely non-invasive test for detecting patients with oesophageal cancer. Further validation is needed but the findings of this research are completely novel and are very exciting.



Achalasia and gastroparesis: The aim of Dr Conor McCann's research project was to test if gut nerve stem cells can fix achalasia and diabetic gastroparesis. A surgical technique was used to transplant gut nerve stem cells into the gullet (oesophagus) and stomach of mouse models to test if transplantation can rescue function in these regions. The team confirmed that the mouse models showed the same features as human diseases and were able to show that after transplantation of gut nerve stem cells, donor cells formed networks after four weeks in the stomach and gullet. These donor cells also showed key characteristics of the lost nerve cells. Promisingly, the team have also shown that after transplantation, function can be restored within small pieces of diseased tissue taken from these regions. This suggests that transplantation of gut nerve stem cells can be successful in the upper gut and may be able to partially reduce some disease symptoms. Over the course of the COVID-19 pandemic and national lockdown, the team developed new models which will allow the testing of new treatments or optimisation of stem cell treatments for gut diseases including achalasia and gastroparesis. The next steps for this work will be to confirm that the initial promising findings are carried over into functional rescue in terms of gut transit in these animal models. Following presentation of data from this project at international meetings, groups at the University of Melbourne and Harvard University have started to investigate cell-based treatments in both the gullet and stomach. Through future collaboration and sharing experiences across these groups, there is the potential to drive overall research into new treatments for these conditions. The team has been awarded further funding from two research councils to continue their work into gut nervous system stem cell treatments.

Crohn's disease: Dr Nick Powell's study aimed to identify biomarkers to predict response to medicines targeting the key cytokine called TNF α (the very molecule that is targeted by one of the key medications used in Crohn's disease). The study focused on the main target of Crohn's damage: the cells that line the bowel wall (called epithelial cells). These are the 'building blocks' of the gut

barrier that stops damaging substances or microbes from invading the human body. The analysis suggests that genetic changes of key chemicals driving the damage seen on the lining of the bowel wall can be tracked in the gut of patients with active IBD and that they may predict response to the drugs targeting the cytokines TNF α and IL23. This discovery will aid understanding of the reasons why some people respond to these medications and others don't and may allow identification of these people before they start their treatment. The next step is to test the value of these findings in clinical practice. The team aim to perform a prospective, validation study in the context of NHS based IBD care to see if this new knowledge can be used to predict in real life people's responses to their IBD medication. An application for a clinical trial of testing new therapeutic strategies to overcome the mechanisms of drug resistance described in this study is currently in preparation and targeted to major funders.



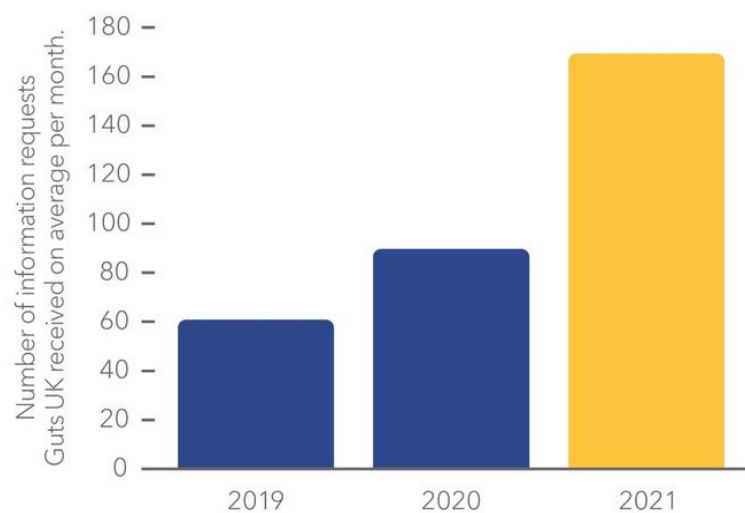
Childhood IBD: Dr Matthias Zilbauer's laboratory has established a novel experimental system, allowing the growth of 'mini-guts' (called organoids) from small, patient-derived tissue samples. The team has generated over 100 of such 'mini-guts' from children diagnosed with IBD and matching controls (i.e., children without the disease). They analysed these 'mini-guts' to find out how patients with IBD differ from children without the disease. The team also tested for differences between children with IBD in order to identify children with severe abnormalities. The team were able to show that the cells forming the inner lining of the gut harbour some changes that may lead them to be malfunctioning in children diagnosed with IBD and therefore could explain why these children suffer from chronic gut inflammation. The team confirmed that these cellular changes persist in 'mini-guts' generated from patient samples. This is hugely exciting as not only does this suggest that changes are permanent and very likely to have a key impact on the disease, but also that these 'mini-guts' can be used as models to test and develop novel drugs. These findings will pave the way for patient derived 'mini-guts' to be used to personalise the treatment of children suffering from IBD. As a next step the team have started to collect biopsies from more children diagnosed with IBD, obtained from centres across Europe. The pump priming funding we provided has contributed towards the team obtaining further funding including a networking grant from European Society of Paediatric Gastroenterology, Hepatology and Nutrition (ESPGHAN). A next crucial step is to work out ways to translate the findings into clinical practice. This includes validating findings in bigger cohorts but also reducing the number of methylation changes to a number that can be tested more easily.

Public education and awareness

Patient information

We provide evidence-based information written by medical experts in human digestive diseases 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.

The demand for our information has increased dramatically over the last two years despite the fact that 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. The service we have been able to offer people suffering from digestive diseases, their families and friends has dramatically improved since the recruitment of the Information Manager in 2020. Telephone requests for information have increased 57% from last year and the Information Manager sent over 1,162 personal information support emails.



“
I felt wrapped in cotton
wool after speaking to you.
”

“
I cannot thank Guts UK
enough for your literature
and online support at what
has been a very scary time
for myself and my family.”

“
You have given me a way
forward and incentive. I feel
empowered and positive
and a little overwhelmed.
Thank you again.
”

The demand for information continues to rise in 2022. People are suffering in silence and we would really like to be able to reach more people who need our help.

Our information is reviewed and updated by experts in the field and checked by people with digestive conditions to ensure it is easy to read and understand.

During 2021 the following information was updated:

- Barrett's oesophagus
- Coeliac disease
- Heartburn and reflux
- Ulcerative colitis
- Microscopic colitis
- Crohn's disease
- Diarrhoea
- IBS



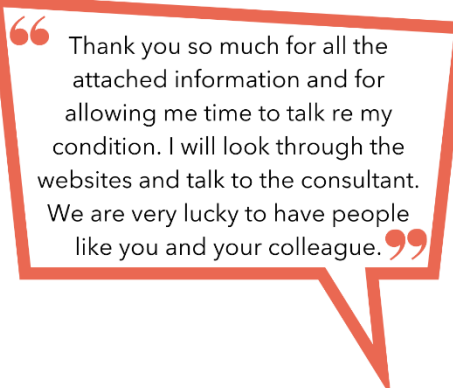
New information has been added to the website:

- Oesophageal cancer
- Stomach cancer
- Gilbert's syndrome
- Mediterranean diet
- Opioid induced bowel dysfunction
- Rumination syndrome
- Food intolerance testing
- Perianal disease – this information has had a massive 51,000 views.



As clinics and endoscopy services began to reopen in 2021, we distributed 152,752 (2020: 112,240) patient information leaflets covering 18 digestive conditions to 92 (2020: 89) hospitals around the UK and Ireland.

We are continuing to develop the information on our website in video, audio and easy-read formats to ensure our patient facing information is accessible for all. Preparation began for the installation of the accessibility tool on our website to create a more inclusive experience online so people can customise our information in a format or language that works for them.



Public awareness

Our printed magazines go out twice a year to our supporters and are packed with a wide variety of interesting and informative articles from diverticulosis around the world to a recipe for gut healthy digestive biscuits to information about the gallbladder and gallstones.

We send e-newsletters out every six weeks. In 2021 the number of people who signed up for our e-newsletter more than doubled.

We have given talks about the digestive system to home-schooled students at St Johns Church in Bradford and the Islam Bradford Centre and held a Science of Digestion event at the Bradford Muslim Centre encouraging people to go to their doctor if they have symptoms. Our research has shown that 51% of people wait six months or longer suffering from digestive symptoms before they seek professional advice.

Our Information Manager has been in growing demand and hosted several virtual talks: [A Healthy Digestive System All You Need to Know](#) for the Metropolitan Police Counter Terrorism Policing Headquarters and the Department of Work and Pensions and [All you need to know about IBS](#) for the Cumbria, Northumberland, Tyne and Wear NHS Foundation Trust secure inpatient mental health unit. We hosted our first online webinar in conjunction with The Gut Stuff and received fantastic feedback.

We continue to take opportunities to provide information and articles for the media.

- Guardian Weekend – belching
- Mail On Sunday – IBS
- The Sun – gut symptoms and Christmas
- Telegraph – children with chronic health conditions
- Cycling Weekly – GI general
- Good Housekeeping – flatulence
- Pharmacy Magazine Training Matters – general GI and GI health at Christmas
- Pharmacy P3 Magazine – digestive health
- British Dietetic Association Magazine – commercial microbiome testing
- IBS Blog – sleep and the gut
- Science Focus blog – farting
- Patient UK – dumping syndrome, indigestion/GORD, and microbiome and gut health
- British Dietetic Association (BDA) Blog – diverticular disease

HIGHLIGHT

Guts UK's article on commercial microbiome testing had feedback that it was the best article in the BDA magazine and was also published on the BDA blog.

Warrington Disability Awareness Day (DAD)

We had attended DAD virtually in 2020 but this was the first time we had attended the event in person and Colin the Inflatable Colon proved a big hit, as ever, with adults and children alike.

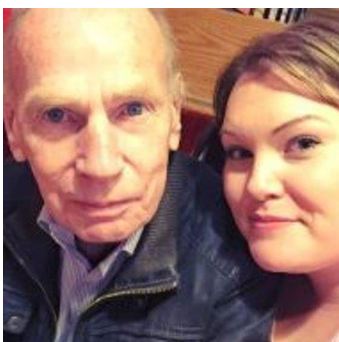


Kranky Panky pancreatitis awareness campaign

Kranky Panky goes from strength to strength. In 2020 we reached 79,538 people, in 2021 we almost tripled this to 216,779. We shared a story a day for the month of November putting the patient voice at the heart of our awareness rising. The campaign helps connect families affected by this devastating condition who have expressed relief in finding, via Guts UK, a community that truly understands them.



The Kranky Panky campaign gives people so much more than a platform and a community, people also find it therapeutic.



From the upsetting call in June 2019 that lasted almost two hours, to two years later Katie sharing her Dad, Danny's pancreatitis story.

<https://gutscharity.org.uk/advice-and-information/kranky-panky/personal-stories/2021-stories/dannys-story/>

Less Survivable Cancers Taskforce (LSCT)

Guts UK is a proud founding charity member of the LSCT. The LSCT was set up by a group of charities all aiming to double survival rates of the six less survivable cancers by 2029. These are stomach, oesophageal, pancreatic, liver, brain and lung cancer. **Guts UK funds research into the most underfunded, misunderstood and deadliest digestive cancers.**

Stomach cancer

Guts UK is currently funding Dr Marnix Jansen's research into stomach cancer. Dr Jansen's work is exploring an alternative, more targeted way of taking biopsies (small samples of tissue) from the stomach. The team will then use cutting-edge technology to begin understanding more about the changes in DNA that occur. **"The more we can understand about these DNA changes, the closer we come to finding a cure."**



"My husband was 64, a fit, healthy, daily dog walker. Tony suddenly began to get terrible indigestion that just wouldn't shift. After many visits and dismissals from the GP, Tony was eventually diagnosed with stomach cancer. Before he passed away, we made the decision to marry and we went on a beautiful honeymoon."

Oesophageal cancer

Guts UK is funding Dr Sara Jamel's research looking at the possibility of a 'breath-test' to diagnose oesophageal cancer. Currently people with Barrett's oesophagus have a routine endoscopy test where a small camera on a thin flexible tube looks at the lining of the oesophagus. The main research question is whether the cell changes in Barrett's oesophagus can be detected by testing the breath of people with the condition. This will provide an easy and cost-effective way to identify people at high risk of having oesophageal cancer. **If successful, this test could save lives by diagnosing oesophageal cancer earlier, when it is easier to treat.**



"I was 57 years old when I started with indigestion, which I'd never had before. After being prescribed with tablets to reduce stomach acid production, I was still struggling with symptoms so I asked my GP to send me for a gastroscopy. Even though I had suspected that I had oesophageal cancer, it was still a shock to be told. Thankfully, I am still here almost a decade on from having oesophageal cancer. I know this sadly isn't the case for many families, but I hope this helps to give others some hope."

Liver cancer

Guts UK is proud to fund Dr Salvatore Papa's research into liver cancer. It is thought that our livers when damaged, can change the way it gains energy in order to cheat cell death. But these damaged cells can eventually generate tumours, becoming cancerous. Dr Papa's team are looking to understand if it's possible to stop the liver changing the way it gains energy, in attempt to prevent cancerous cells from developing.



"Mum had just had a hip replacement, so she was trying to exercise more and build strength. One day she did tell me her wee was dark, but we thought little of it, as she was still recovering from her operation. A few weeks later mum was admitted to hospital with deep vein thrombosis. They ended up testing her liver as she started looking yellow (jaundice) and they found liver cancer. We had all expected upsetting news, but we didn't expect to be told mum's cancer was terminal and she had a month to live. Mum died just five days later at 64 years old, surrounded by the whole family. She was chatting away and making us all laugh, right until the end."

Only three in 20 people diagnosed with liver cancer in England survive their disease for five years or more. Guts UK wants to change this. Guts UK's research has the potential to save lives and give people a fighting chance.

Growing our Guts UK reach online



Instagram was new for 2021 for Guts UK!



Our first ever #GUTSelfie day took place in June 2021 and was a great success. We sent temporary tattoos and Guts UK merchandise out to supporters and asked them to take a #GUTSelfie and post it on Instagram. Comparing April to June **our reach increased by 446.1%**. There was a 550% increase in people clicking onto our website from Instagram in June.

"Your #GUTSelfie campaign is amazing! Seeing everyone posting their stories about living with a digestive disorder was so amazing and it makes everyone living with one feel less alone."

"I'm still very private with my gut issues but seeing what you're doing and reading people's stories has helped with the mind side today."



Microscopic colitis awareness week

We reached 20,000 people in this week. One in three people with microscopic colitis were initially diagnosed with IBS so it is vital to raise awareness of this condition to help people get the right diagnosis and treatment.



In September Clear Channel provided pro bono digital advertising in shopping centres across the country to boost awareness in our 50th year. We also tested washroom adverts with QR codes. The aim being to raise awareness of the need for the UK to get to grips with guts!



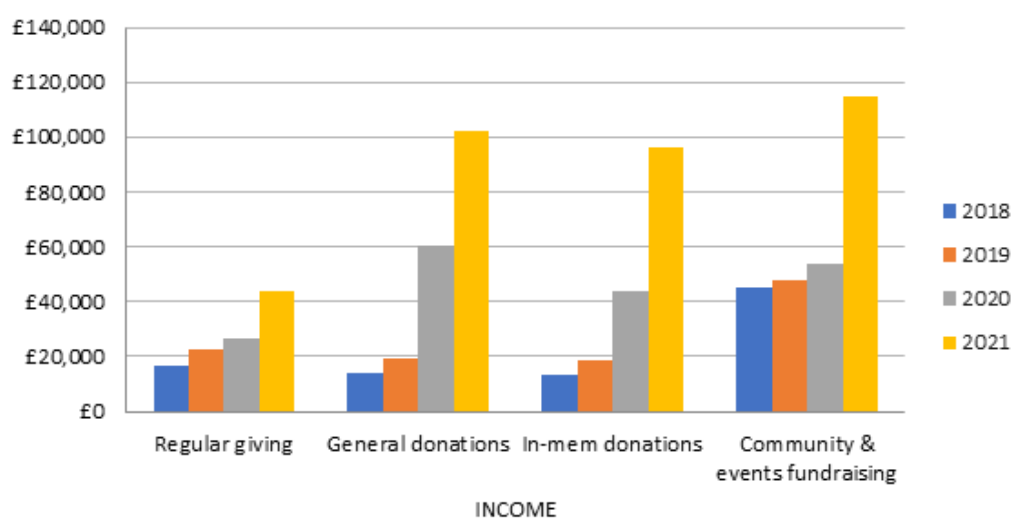
Income generation

Our goal in 2021 was to increase our long-term sustainable fundraising by growing our supporter base in order to make a transformational change to the levels of research into the gut, liver and pancreas and increase the number of people we are able to support with evidence-based information.

A programme of new donor acquisition was initiated to recruit individual financial support from the interested public, symptomatic public, patients and their families and friends.



Fundraising Income at end Dec 2018/19/20/21



2021 Increase in total voluntary income = 84%

London Marathon 2021



We had eight incredible runners (seven in person and one virtually). Between them they raised £14k for Guts UK!

BBC Radio 4 appeal

We are very grateful to Mr John Authers whose powerful first-hand account of pancreatitis helped us raise £27,600 and resulted in over 150 new donors as well as a legacy notification. The appeal continues to reap new contacts with people who had never heard of us before.

Plans for 2022

Diseases of the digestive system were the second most common primary diagnosis in 2020-21 and yet research in the area remains woefully underfunded. Guts UK exists to change that.

Research

Proposed grant funding

- 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.
- Guts UK/Dr Falk awards £24,000 – investing in the gastroenterologists of the future

- Guts UK/forCrohns development grant – amount to be confirmed
- Guts UK/BSG trainee and early career researcher awards 10 x £5,000
- Guts UK development grants for early career researchers totalling £100,000
- Research Priority Setting Partnership – diverticular disease £20,000
- Guts UK/ASGBI awards – working in collaboration with surgeons £15,000

Fundraising, patient engagement and raising awareness

Sustainable growth in fundraising for Guts UK will remain focused on building up our supporter base which grows naturally as we serve more people via our information services. We will continue to build our presence via digital platforms such as Facebook and Instagram, and propose to venture into TikTok, all spaces that enable us to reach new audiences in a format they favour.

We will build more relationships with companies to increase corporate support and to find successful partnerships with the industry around digestive health, focusing on our shared objective of helping patients get the information they need, more, kinder treatments and ultimately a cure.

We will actively promote our patient information leaflets to gastroenterology clinics across all four nations of the UK in order that more patients are able to access evidence-based information about their symptoms and/or condition.

Staff, resources and capacity building

In 2021 the charity employed a new Fundraising Administrator to provide support to the Fundraising and Communications Officer to further enhance our income generation and awareness activities. We also recruited a Patient and Public Involvement and Engagement Officer whose key role is to deliver the Priority Setting Partnerships.

The Research Manager role was made redundant and a part time Research Administration Officer has been recruited in 2022.

We have also recruited two support hub administrators, one in the London office and one in the Huddersfield office and one Income Processing Administrator to assist with answering information queries and provide essential administrative support to existing staff to allow the charity to build and grow.

Office space

Guts UK currently occupies the third floor of 3 St Andrews Place as a direct tenant of the Royal College of Physicians. This is a new 5-year tenancy agreement with a break clause at 3 years. Whilst this does 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.

In 2021 we moved into a larger space in the Media Centre in Huddersfield to house all the branded fundraising and awareness materials we have. The new space includes a separate, small office that staff can use to respond by telephone to the increasing number of in depth, personal information queries we receive.

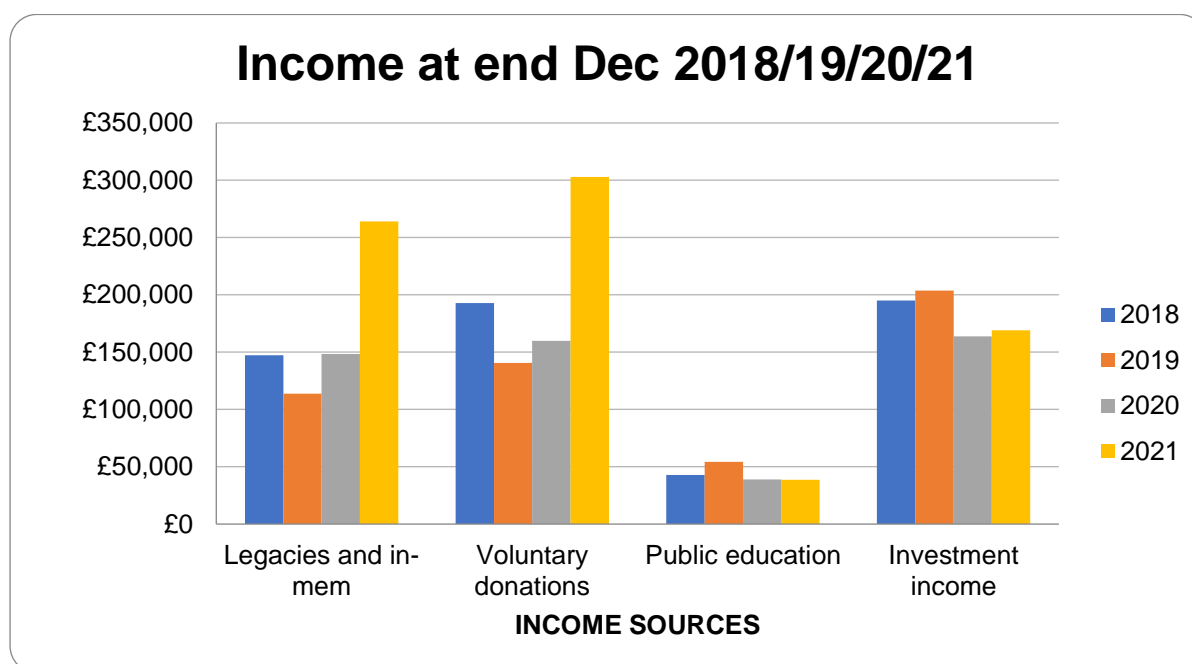
Demand on our resources continues to increase as we serve the community of people affected by digestive disorders by providing relevant information, giving patients a voice and funding vital research. Income generation may be affected by the economic situation as the rise in the cost of living reduces people's disposable income. However, we will continue to support people with digestive conditions by getting to grips with guts.

FINANCIAL STATEMENTS

Financial review

The charity recorded income for the year of £1,078,130 (2020: £550,019) and expenditure of £920,771 (2020: £583,135). This resulted in net income, before investment gains, of £157,359 (2020: net expenditure before investment loss of £33,116). This is an exceptional performance in the second year of a pandemic and was much better than forecast due to legacy and investment income being higher than budgeted and the unexpected receipt of government funding via an MRC grant for research.

Income



During another year of tough fundraising conditions, total voluntary income increased by nearly 84%. Total voluntary income was £567,059 (2020 £308,435). We had an exceptional year for legacies including a one tenth share of a residuary estate as one of the ten Radio 4 appeals broadcast in the ten weeks prior to the legator's death. One legator told the executor of his will to leave a percentage of his residuary estate to a charity dealing with stomach problems, the executor found us on google and thought we were the most appropriate charity for the legacy. Another legator wanted to leave a donation to the Barrett's Oesophagus Foundation, their executor found that the Foundation no longer exists and thought we were the best fit as we are funding research in that area. This shows how our enhanced website presence benefits us. We are so grateful to these and others 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 doubled again 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.

Our digital advertising campaigns resulted in increased website donations, additional new donors and more than double last year's general donations figure. Community fundraising increased by 126% as our supporters continued to find new and inventive ways to fundraise. One of our supporters celebrated her 60th birthday by doing a Sky Dive to raise money and awareness in honour of our 50th birthday.

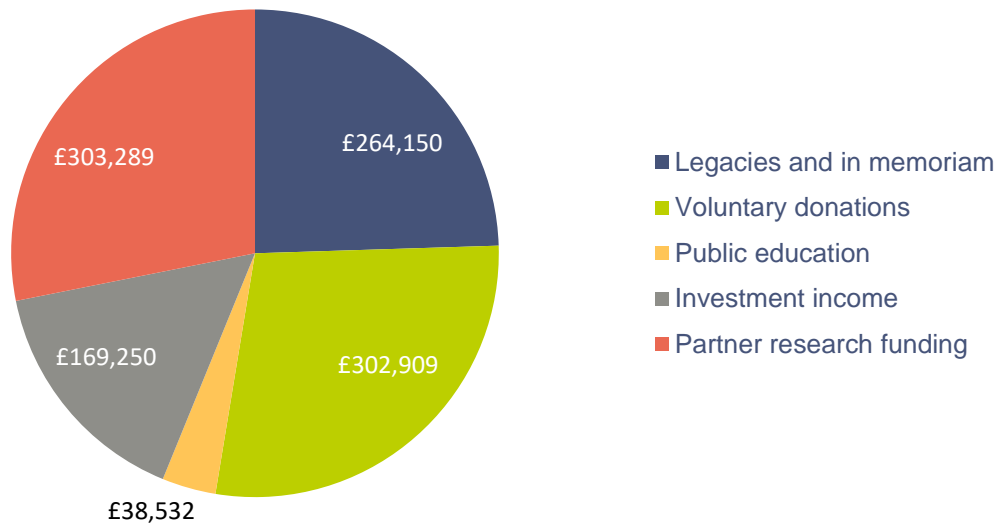
Research partner funding came from Dr Falk Pharma (UK) Ltd, the BSG, the PSGBI and BSPGHAN. We have utilised £47,027 of the forCrohn's funding received in 2020. The Parabola funding for Professor Rees colorectal cancer research was put on hold for the year but will resume in 2022. We will continue our current partnerships alongside building new partnerships to fund more research in the future.

For the first time in our history, we have received some funding from the government. We made a successful application to the UK Government COVID Medical Research Charity Support Fund to provide a valuable boost for our ongoing support for Early Career Researchers and gastroenterology trainees undergoing research projects during the financial year 2021-22. The total grant received was £151,099 for the following projects.

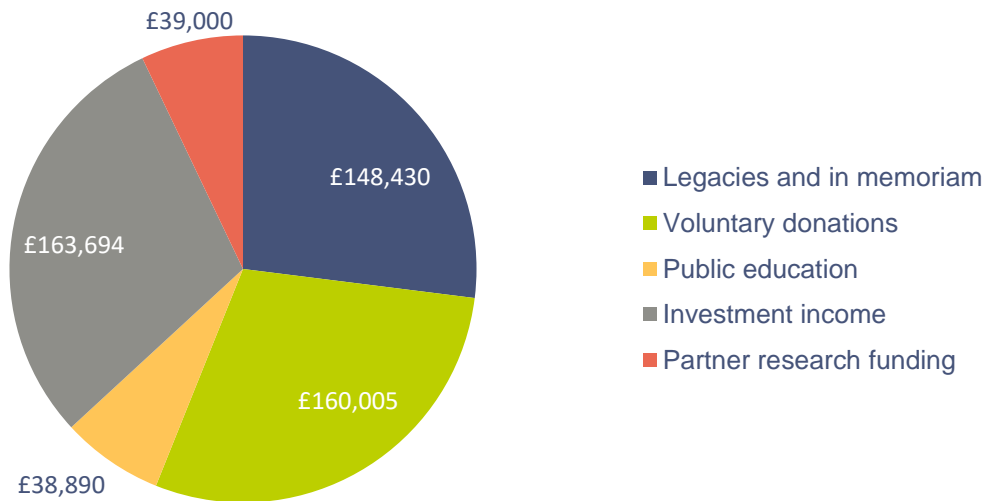
Researcher	Institution	Type of Grant	Amount Received
James O'Kelly	University of Edinburgh	Guts UK Amelie Waring Fellowship	£59,757
Sara Jamel	Imperial College London	Guts UK Olympus Fellowship	£45,844
Alessandra Frau (PI Chris Probert)	University of Liverpool	Guts UK Development Grant	£32,875
Varinder Athwal	University of Manchester	Guts UK Development Grant	£4,290
Robin Dart	Francis Crick Institute London	Guts UK/BSG Trainee Grant	£5,000
James Ashton	University of Southampton	Guts UK/BSG Trainee Grant	£3,333

Leaflet sales increased by 33% from 2020. We expect sales to increase further in 2022, as many hospitals and clinics reopen for face-to-face consultations and, with additional staff resources, we will be able to actively promote our leaflets.

Total Income 2021

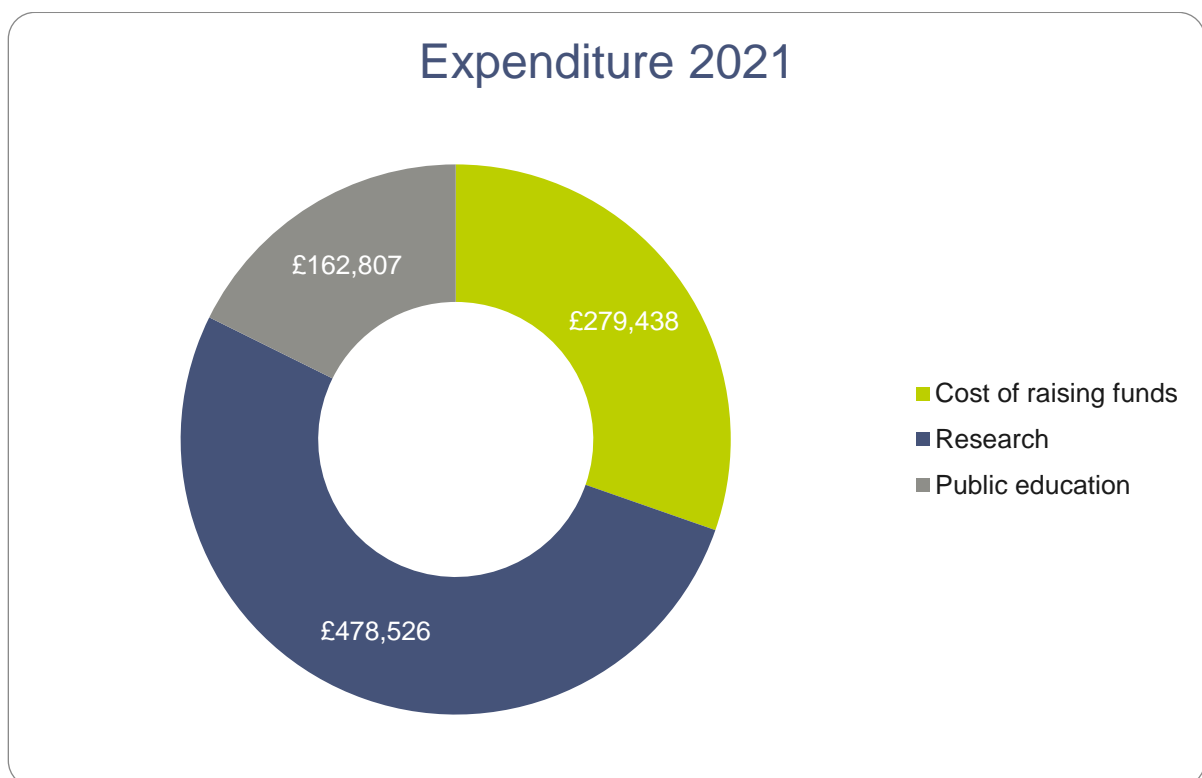


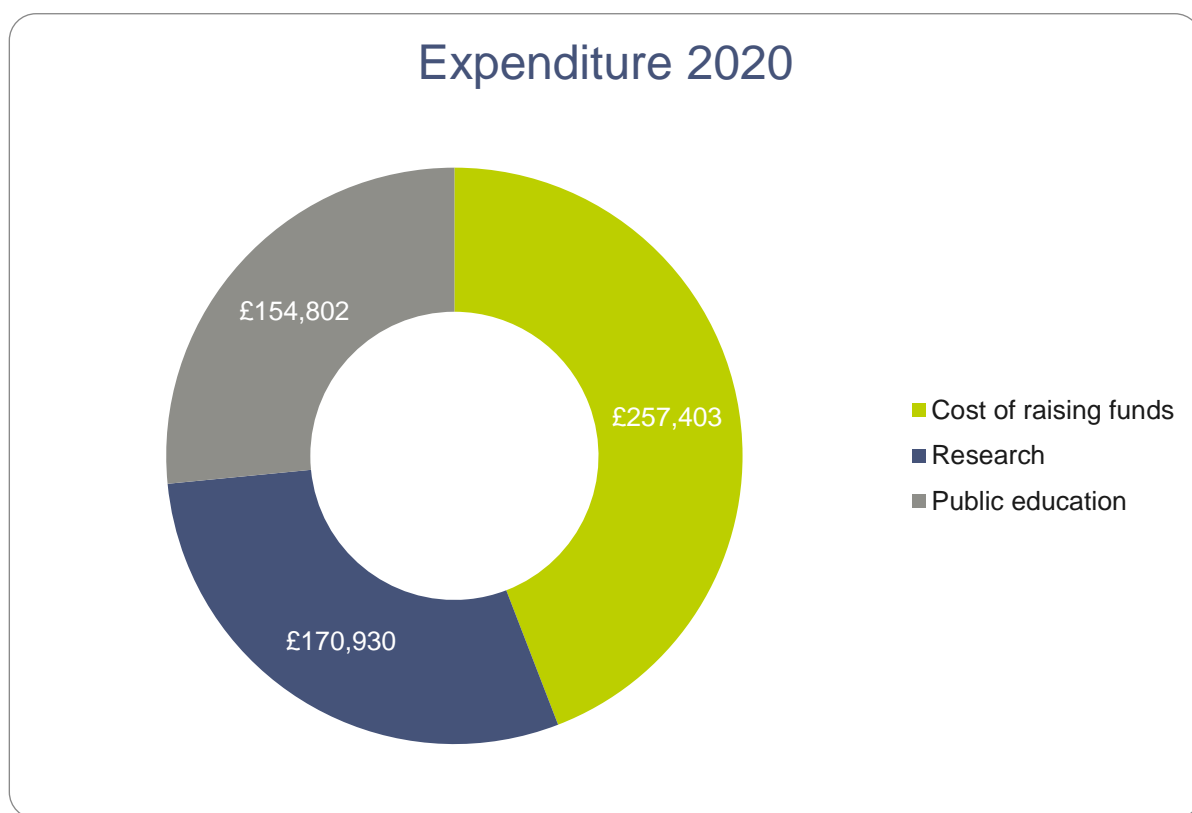
Total Income 2020



Expenditure

We have worked hard to keep costs within budget whilst continuing to improve service provision for people with digestive disorders. Our salary costs increased to £328,886 due to the recruitment of a new Fundraising Administrator and a Patient and Public Involvement and Engagement Officer to assist with the delivery of our strategic objectives of raising awareness and transforming the research landscape. Overheads were 46% up on 2020 mainly due to the move to a larger office in Huddersfield and increased activity resulting in higher subscription fees for various services as well as higher bank charges, and printing, postage and stationery costs. During the year, we spent £641,333 on charitable activities (2020: £325,732), which represents 70% of total expenditure in the year. This is significantly higher than 2020 as we renewed our research funding programme. Whilst we have committed £301,231 to new research grants in 2021, we continued 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 expenditure.





Balance Sheet

The markets recovered somewhat in 2021, the investment portfolios contributed unrealised gains of £213,775 and realised gains of £373,228 (2020: unrealised losses of £76,009 and realised losses of £210,087). Of this amount, total realised and unrealised losses of £267,134 (2020: £117,933 total realised and unrealised losses) related to the endowment fund.

As at 31 December 2021, Guts UK had net assets of £6,389,416 (2020: £5,645,054) an increase of £744,362 with £6,435,629 held in listed investments. These include the Derek Butler endowment fund for research into upper gastrointestinal conditions of £3,266,446. The income from this fund will finance the new three-year fellowship to be awarded in 2022.

Unrestricted funds which can be spent at the discretion of the trustees were £3,090,435 of which £1,622,028 has been designated to contribute to the Amelie Waring pancreatitis fellowship and general gastrointestinal research grants awarded by the charity.

General funds amounted to £1,468,407 More details of the disposition of Guts UK net assets can be found in the financial statements on pages 51 and 52.

The principal liability of Guts UK Charity is to complete the research programme it has committed to of £1,251,335 at 31 December 2021 as set out in detail in note 18. Of these commitments, £90,000 is due from funding partners and £1,161,335 is to be funded from Guts UK's general unrestricted funds.

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 2022, the desired minimum reserve is approximately £1,000,000. Currently free reserves total £1,468,407 less amounts held as fixed assets of £3,363 i.e. £1,465,044. 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. 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. The performance of the portfolio is monitored by the trustees.

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. The Trustees are satisfied with the investment performance.

The Responsible Multi-Asset fund aims to meet the financial objectives of the charity whilst having a positive impact on people and the planet by:

1. Avoiding harm by adopting an investment screening policy that avoids areas of significant social or environmental harm, integrating environmental, social and governance factors in the investment process across all asset classes and supporting the Paris Agreement on Climate Change by reducing total portfolio carbon emissions and funding carbon offsets.
2. Benefiting society through sustainable business.
3. Contributing to solutions to environmental and social need by investing in impact investments.
4. Influencing companies and managers, through engagement and voting, to encourage progress towards the UN sustainable development goals.
5. Collaborate with other asset owners and managers to drive industry change.

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. Consequently, the financial statements have therefore been prepared on the basis that the charity remains a going concern.

GOVERNANCE, POLICIES AND STANDARDS

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, Communications and Industry Committee (“FUNCI”) whose purpose is to deliver on Guts UK’s fund-raising programmes, ensuring engagement with patients, public, the medical profession and industry alike;
- d) Information Committee whose purpose is to recommend the strategic direction for information service provision; and to facilitate peer review and quality control of written and web-based information, plus any other public sources of information such as webinars provided by Guts UK.
- e) Research Strategy Committee (RSC) 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 84. The research policy of the charity is decided by the trustees in consultation with the Research Committee of the 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.

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 Manager.

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.

Impact of COVID-19

The COVID-19 Pandemic continues to pose some increased risks. The trustees will continue to monitor income and expenditure and adjust expenditure as required. Most staff are now working most days in the office, but all staff have the resources to work from home if required. Whilst it may be possible to hold Science of Digestion and other public awareness events in person in 2022, the possibility of digital public awareness events will be investigated as well. The public awareness programme is important to enable the charity to fulfil its charitable objectives of educating the public about digestive diseases but also impacts on the recruitment of new supporters and fundraisers.

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 2021 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.

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 Reporting 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.

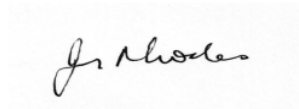
This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

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:



Mr S Williams BA ACA
Trustee



PROF JIM RHODES MD FRCP FMedSci
Chair of Trustees

Approved by the trustees on: 10th June 2022

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 2021 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 2021 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

Statement of financial activities Year ended 31 December 2021
(including the income and expenditure account)

		Unrestricted funds £	Restricted funds £	Endowment funds £	2021 Total funds £	2020 Total funds £
Income and expenditure						
Income						
Donations and legacies	1	508,081	58,978	—	567,059	308,435
Other trading activities	2	38,532	—	—	38,532	38,890
Investment income	3	88,174	81,076	—	169,250	163,694
Charitable activities						
. Grants for research	4	—	303,289	—	303,289	39,000
Total income		634,787	443,343	—	1,078,130	550,019
Expenditure						
Cost of raising funds	5	265,962	—	13,476	279,438	257,403
Expenditure on charitable activities						
. Grants for research	6	183,106	295,420	—	478,526	170,930
. Public education and Science of Digestion		162,807	—	—	162,807	154,802
Total expenditure	8	611,875	295,420	13,476	920,771	583,135
Net income/(expenditure) before transfers	9	22,912	147,923	(13,476)	157,359	(33,116)
Transfers between funds	19	41,297	(41,297)	—	—	—
Net income/(expenditure) after transfers		64,209	106,626	(13,476)	157,359	(33,116)
Net gains/ (losses) on investments						
. Realised	14	165,032	—	208,196	373,228	(210,087)
. Unrealised		154,837	—	58,938	213,775	(76,009)
Net income/ (expenditure) and net movement in funds for the year		384,078	106,626	253,658	744,362	(319,212)
Reconciliation of funds:						
Funds balances brought forward		2,706,357	255,282	2,683,415	5,645,054	5,964,266
Fund balances carried forward		3,090,435	361,908	2,937,073	6,389,416	5,645,054

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 2020 is shown in note 28 to the financial statements.

Balance sheet 31 December 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible fixed assets	13		3,363		3,520
Investments	14		6,435,629		5,992,360
			6,438,992		5,995,880
Current assets					
Debtors: due within one year	15	343,764		358,480	
Short term cash deposits		685,537		526,860	
Cash at bank and in hand		260,268		332,599	
		1,289,569		1,217,939	
Liabilities:					
Creditors: amounts falling due within one year	16	(1,119,105)		(1,136,452)	
Net current assets			170,464		81,487
Total assets less current liabilities			6,609,456		6,077,367
Liabilities:					
Creditors: amounts falling due after one year	17		(220,040)		(432,313)
Total net assets			6,389,416		5,645,054
The funds of the charity					
Unrestricted income funds					
. General			1,468,407		1,096,988
. Designated funds	20		1,622,028		1,609,369
Restricted funds	19		361,908		255,282
Endowment fund	21		2,937,073		2,683,415
			6,389,416		5,645,054

Approved by the trustees and signed on their behalf by:

Mr S Williams BA ACA

Trustee

Approved on:

Guts UK Charity

Registered Company Number: 07274105 (England and Wales)

Statement of cash flows 31 December 2021

	Notes	2021 £	2020 £
Cash inflow used in operating activities:			
Net cash used in operating activities	A	(225,219)	(211,571)
Cash inflow from investing activities:			
Dividends and interest from investments		169,250	163,694
Purchase of tangible fixed assets		(1,417)	(2,921)
Proceeds from the disposal of investments		6,504,709	1,390,982
Purchase of investments		(6,473,053)	(1,454,396)
Net cash provided by investing activities		199,489	97,358
Change in cash and cash equivalents in the year		(25,730)	(114,213)
Cash and cash equivalents at 1 January	B	1,321,977	1,436,190
Cash and cash equivalents at 31 December	B	1,296,247	1,321,977

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

	2021 £	2020 £
Net movement in funds (as per the statement of financial activities)	744,362	(319,212)
Adjustments for:		
Depreciation charge	1,574	1,386
(Gains) / losses on investments	(587,003)	286,096
Dividends and interest from investments	(169,250)	(163,694)
Decrease in debtors	14,718	173,795
(Decrease) in creditors	(229,620)	(189,942)
Net cash used in operating activities	(225,219)	(211,571)

B Analysis of changes in cashflow and net debt

	1 Jan 2021 £	Movement in year £	31 Dec 2021 £
Cash at bank and in hand	332,599	(72,331)	260,268
Short term cash deposits	526,860	158,677	685,537
Cash held by investment managers	462,518	(112,076)	350,442
Total cash and cash equivalents	1,321,977	(25,730)	1,296,247

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the Charity and the cash and cash equivalents.

Principal accounting policies Year ended 31 December 2021

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 2021 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 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 and
- ◆ 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.

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 2022, 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 been 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.

Principal accounting policies Year ended 31 December 2021

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.

Principal accounting policies Year ended 31 December 2021

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.

Notes to the financial statements 31 December 2021

1. Donations and legacies

	Unrestricted funds £	Restricted funds £	2021 Total funds £
Donations	276,420	26,489	302,909
Legacies & In Memoriam donations	231,661	32,489	264,150
2021 Total funds	508,081	58,978	567,059
	<i>Unrestricted funds £</i>	<i>Restricted funds £</i>	<i>2020 Total funds £</i>
<i>Donations</i>	<i>143,636</i>	<i>16,369</i>	<i>160,005</i>
<i>Legacies & In Memoriam donations</i>	<i>146,823</i>	<i>1,607</i>	<i>148,430</i>
<i>2020 Total funds</i>	<i>290,459</i>	<i>17,976</i>	<i>308,435</i>

2. Other trading activities

	Unrestricted funds £	Restricted funds £	2021 Total funds £
Public education	38,532	—	38,532
2021 Total funds	38,532	—	38,532
	<i>Unrestricted funds £</i>	<i>Restricted funds £</i>	<i>2020 Total funds £</i>
<i>Public education</i>	<i>28,890</i>	<i>—</i>	<i>28,890</i>
<i>Public Education – leaflet sponsorship</i>	<i>10,000</i>	<i>—</i>	<i>10,000</i>
<i>2020 Total funds</i>	<i>38,890</i>	<i>—</i>	<i>38,890</i>

3. Investment income

	Unrestricted funds £	Restricted funds £	2021 Total funds £
Interest – fixed interest securities	7	18	25
Dividends - UK and international equities	22,206	40,470	62,476
Bonds - UK and international	5,643	6,200	11,843
Multi asset funds	52,389	26,048	78,437
Charities property fund	5,086	4,886	9,972
Other funds	2,979	3,454	6,433
Interest on cash deposits	64	—	64
2021 Total funds	88,174	81,076	169,250

3. Investment income (continued)

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

4. Income from charitable activities

	Unrestricted funds £	Restricted funds £	2021 Total funds £
New grants for research	—	303,289	303,289
2021 Total funds	—	303,289	303,289

	Unrestricted funds £	Restricted funds £	2020 Total funds £
<i>New grants for research</i>	—	39,000	39,000
2020 Total funds	—	39,000	39,000

5. Cost of raising funds

	Unrestricted funds £	Endowment funds £	2021 Total funds £
Fundraising costs	81,417	—	81,417
Investment manager's fees	9,679	13,476	23,155
Support costs (note 8)	174,866	—	174,866
2021 Total funds	265,962	13,476	279,438

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

6. Expenditure on charitable activities

	Direct costs £	Research grants awarded (note 7) £	Support costs (note 8) £	2021 Total funds £
Gastroenterology research	1,059	288,068	189,399	478,526
Public Education	58,263	—	104,544	162,807
2021 Total funds	59,322	288,068	293,943	641,333

	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

7. Research grants awarded

	2021 Total funds £	2020 Total funds £
New research grants	301,231	61,950
Less grants no longer required – research commitments	(13,163)	(3,513)
Research grants awarded (note 6)	288,068	58,437

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 £	2021 Total funds £
Directly incurred				
Grants payable (see note 7)	—	288,068	—	288,068
Research administration	—	1,059	—	1,059
Fundraising costs	81,417	—	—	81,417
Public education	—	—	58,263	58,263
Investment management fees	23,155	—	—	23,155
	104,572	289,127	58,263	451,962
Support costs				
Staff costs (see note 10)	122,674	132,870	73,342	328,886
Premises and donated facilities	8,685	9,407	5,193	23,285
Postage	495	536	296	1,327
Telephone	1,727	1,871	1,033	4,631
Stationery, printing, design and marketing	2,566	2,780	1,534	6,880
Insurance	1,603	1,735	958	4,296
Bank charges	2,968	3,215	1,775	7,958
Meeting costs	1,732	1,874	1,033	4,639
Subscriptions/publications	3,685	3,992	2,203	9,880
Equipment/maintenance and website development	16,635	18,018	9,945	44,598
Depreciation	587	636	351	1,574
Training and recruitment	(464)	(504)	(278)	(1,246)
Governance costs:				
. Audit & Accountancy	3,702	4,010	2,213	9,925
. Professional fees	2,863	3,101	1,712	7,676
. Bookkeeping costs	1,697	1,838	1,015	4,550
Brand development	3,711	4,020	2,219	9,950
	174,866	189,399	104,544	468,809
2021 Total funds	279,438	478,526	162,807	920,771

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>2020 Total funds</i>
	£	£	£	£
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
	<u>74,404</u>	<u>60,330</u>	<u>48,204</u>	<u>182,938</u>
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
	<u>182,999</u>	<u>110,600</u>	<u>106,598</u>	<u>400,197</u>
2020 Total funds	<u>257,403</u>	<u>170,930</u>	<u>154,802</u>	<u>583,135</u>

9. Net income/(expenditure) before transfers

This is stated after charging:

	2021 Total funds	2020 Total funds
	£	£
Staff costs (note 10)	328,886	297,321
Depreciation	1,574	1,386
Auditor's remuneration (including VAT)		
. Statutory audit services – current year	9,000	8,460

10. Staff costs and remuneration of key management personnel

	2021 Total funds £	2020 Total funds £
Salaries and wages	294,066	266,856
Social security	26,352	22,508
Pension costs	8,468	7,957
	328,886	297,321

The average number of employees during the period was 8 (2020: 8). One employee earned between £60,001 and £70,000 during the year (2020: 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 £164,730 (2020: £159,857).

11. Trustees' remuneration and expenses

£nil remuneration (2020: £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.

Five trustees were reimbursed for travel expenses of £308 during the period (2020: two trustees: £258).

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 2021	9,564
Additions in the year	1,417
At 31 December 2021	10,981
Depreciation	
At 1 January 2021	6,044
Charge for the year	1,574
At 31 December 2021	7,618
Net book value	
At 31 December 2021	3,363
At 31 December 2020	3,520

14. Investments

	Endowment portfolio £	Unrestricted portfolio £	2021 £	2020 £
At valuation				
Balance brought forward at 1 January	2,663,217	2,866,625	5,529,842	5,752,524
Additions	3,157,315	3,315,737	6,473,052	1,454,396
Disposal proceeds	(3,144,124)	(3,360,586)	(6,504,710)	(1,390,982)
Investment gains				
. Realised gains/(losses)	208,196	165,032	373,228	(210,087)
. Unrealised gains/(losses)	58,938	154,837	213,775	(76,009)
Total investment gains/(losses)	267,134	319,869	587,003	(286,096)
Balance carried forward at 31 December	2,943,542	3,141,645	6,085,187	5,529,842
Cash held by investment managers	322,904	27,538	350,442	462,518
Total investments	3,266,446	3,169,183	6,435,629	5,992,360
Analysis by Type				
Listed investments at market value				
. UK Equities	—	—	—	2,150,378
. Overseas Equities	—	—	—	1,666,706
. UK Bonds	—	—	—	472,081
. Overseas bonds	—	—	—	224,861
. Multi-asset funds	2,845,427	3,141,645	5,987,072	370,826
. Property funds	98,115	—	98,115	284,198
. Other	—	—	—	360,792
Total investments	2,943,542	3,141,645	6,085,187	5,529,842

14. Investments (continued)

Historic cost of listed investments (all are listed in the UK) - excluding cash held by investment managers

	2,867,205	2,999,548	5,866,753	5,209,146
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At 31 December the charity had the following material investment holdings:

	Endowment £	Unrestricted £	Market value £	Percentage of portfolio %
Listed investments within the portfolio are:				
SUTL Cazenove Charity Responsible	2,845,427	3,141,645	5,987,072	98%

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

	2021 £	2020 £
Unrealised gains included above:		
On investments	218,440	320,696
Total unrealised gains at 31 December	218,440	320,696
Reconciliation of movements in unrealised gains:		
Unrealised gains at 1 January	320,696	709,656
(Losses) in respect to disposals in the year	(316,031)	(312,951)
	4,665	396,705
Add: net gains arising on revaluation in the year	213,775	(76,009)
Total unrealised gains at 31 December	218,440	320,696

15. Debtors

	2021 £	2020 £
Prepayments, accrued income and sundry debtors	52,664	78,414
Commitments due from funding partners	291,100	280,066
	343,764	358,480

Included within debtors under commitments due from funding partners is £291,100 (2020: £70,000) which is due within one year

16. Creditors: amounts falling due within one year

	2021 £	2020 £
Other creditors	9,799	8,722
Accruals and deferred income	78,011	105,059
Research grants payable (see note 18)	1,031,295	1,022,671
	1,119,105	1,136,452

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

	2021 £	2020 £
Research grants payable (see note 18)	220,040	432,313

18. Research grants payable

	2021 Total funds £	2020 Total funds £
At 1 January	1,454,984	1,721,855
Research grants awarded in the year	301,231	61,950
Research grants no longer required	(13,163)	(3,513)
Paid during the year	(491,717)	(325,308)
At 31 December	1,251,335	1,454,984
Research grants at 31 December are payable as follows:		
Within one year (see note 16)	1,031,295	1,022,671
After more than one year (see note 17)	220,040	432,313
	1,251,335	1,454,984

Details of research grants payable are provided overleaf.

Notes to the financial statements 31 December 2021

18. Research grants payable (continued)

			At 1 January 2021 £	Research grants awarded £	Grants no longer required £	Grants paid in the year £	At 31 December 2021 £
Ongoing research							
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
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	147,301	-	-	-	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	120,122	-	-	(69,043)	51,079
Professor Colin Rees	Parabola-Guts UK Colorectal Cancer Research Grant	COLO-COHORT Colorectal Cancer Cohort Study	404,045	-	-	(132,540)	271,505
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	4,290	-	-	-	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
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	13,830	-	-	(2,171)	11,659
Balance carried forward			743,185	-	-	(203,754)	539,431

Notes to the financial statements 31 December 2021

18. Research grants payable (continued)

			At 1 January 2021 £	Research grants awarded £	Grants no longer required £	Grants paid in the year £	At 31 December 2021 £
Ongoing research cont'd							
Balance brought forward			743,185	-	-	(203,754)	539,431
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	-	-	(45,206)	3,531
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	1,887	-	-	-	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	-	-	(1,500)	1,500
Dr Samuel Smith	Guts UK-BSG Trainee Research Network Award	Improving key performance measures in inflammatory bowel disease surveillance	5,000	-	-	-	5,000
Professor Jonathan Fallowfield	Development Grant	A molecular phenomic approach to define the high risk NAFLD population	49,623	-	-	(30,317)	19,306
Dr Salvatore Papa	Development Grant	Starving livers of glucose for HCC prevention and treatment	50,000	-	-	(1,428)	48,572
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	-	-	(6,691)	22,447
Balance carried forward			983,649	-	-	(288,896)	694,753

Notes to the financial statements 31 December 2021

18. Research grants payable (continued)

			At 1 January 2021 £	Research grants awarded £	Grants no longer required £	Grants paid in the year £	At 31 December 2021 £
Ongoing research cont'd							
Balance brought forward			983,649	-	-	(288,896)	694,753
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	-	-	(2,396)	37,540
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	-	-	(38,662)	10,393
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	-	-	(4,000)	4,000
Balance carried forward			1,281,819	-	-	(333,954)	947,865

Notes to the financial statements 31 December 2021

18. Research grants payable (continued)

			At 1 January 2021 £	Research grants awarded £	Grants no longer required £	Grants paid in the year £	At 31 December 2021 £
Ongoing research cont'd							
Balance brought forward			1,281,819	-	-	(333,954)	947,865
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	-	-	(4,975)	4,975
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	-	-	(5,000)	5,000
Dr Rooney Sheth	Guts UK-BSG Trainee Research Network Award	A UK wide Audit of the Management of Primary Biliary Cholangitis (PBC)	10,000	-	-	(5,000)	5,000
			1,311,769	-	-	(348,929)	962,840

Notes to the financial statements 31 December 2021

18. Research grants payable (continued)

			At 1 January 2021 £	Research grants awarded £	Grants no longer required £	Grants paid in the year £	At 31 December 2021 £
New commitments							
Falk Pharma 2021 awards - various	Guts UK - Dr Falk awards 2021		-	14,000	-	(11,500)	2,500
Dr Flora Korkwaro	Guts UK - Dr Falk SpR Trainee Audit/Quality Improvement Award	My Tube Passport - "Mind My Tube" - a hospital e-passport for the patient with an enterostomy device	-	8,000	-	-	8,000
Dr Tessa Cacciottolo	Guts UK - Dr Falk SpR Trainee Audit/Quality Improvement Award	Using age-appropriate information to support adolescents and young adults with liver disease as they transition from paediatric to adult services	-	2,325	-	-	2,325
Dr Dimitrios Koutoukidis	Guts UK - BSG Early Career Researcher Grant	A proof-of-concept trial exploring the mechanism of diet-induced weight loss in non-alcoholic steatohepatitis with fibrosis through the gut microbiome and intestinal permeability	-	14,996	-	-	14,996
Dr Nicholas Edward Illott	Guts UK - BSG Early Career Researcher Grant	DYNAMHIX in PSC : Longitudinal Dynamics of the Hepatic-Intestinal axis in PSC-UC	-	12,642	-	-	12,642
Dr Benjamin P Sharpe	Guts UK - BSG Early Career Researcher Grant	Investigating the cellular microenvironment of lymph node metastasis in oesophageal adenocarcinoma	-	14,649	-	-	14,649
Dr Rachael Slater	Guts UK - BSG Early Career Researcher Grant	Investigating the mechanisms of irritable bowel syndrome using shotgun metagenomics sequencing and volatile metabolomics in integrated omics analysis	-	11,075	-	-	11,075
Dr Nikhil Vergis	Guts UK - BSG Early Career Researcher Grant	Which socioeconomic and healthcare factors determine survival for patients with alcohol related liver disease? A secondary analysis of patient data from the Steroids or Pentoxifylline for Alcoholic Hepatitis (STOPAH) trial 2011-2015	-	15,000	-	-	15,000
Balance carried forward			-	92,687	-	(11,500)	81,187

Notes to the financial statements 31 December 2021

			At 1 January 2021 £	Research grants awarded £	Grants no longer required £	Grants paid in the year £	At 31 December 2021 £
Balance brought forward			-	92,687	-	(11,500)	81,187
Dr Naaventhana Palaniyappan	Guts UK - BSG Early Career Researcher Grant	Risk stratification of patients with cirrhosis undergoing colorectal surgery: pilot feasibility study."	-	13,350	-	-	13,350
Dr Paloma Ordóñez Moran	Guts UK - BSG Early Career Researcher Grant	MINIGUTS: Development of novel in vitro models of paediatric IBD	-	14,977	-	-	14,977
Dr Zoe Saynor	For Crohn's Grant	EnableExercise in Crohn's: A qualitative study to understand the barriers and facilitators to physical activity and exercise in children and adolescents with Crohn's disease - perceptions of patients, caregivers and clinicians	-	21,807	-	-	21,807
Dr Tariq Ahmad	For Crohn's Grant	Impact of biologic and immunomodulatory therapy on SARS-CoV-2 re-infection, chronic carriage and evolution of viral variants	-	25,220	-	-	25,220
Pancreatitis Priority Setting Partnership (PSP)	Guts UK / BSG / PSGBI	Identification and prioritisation of gaps in evidence in the diagnosis, treatment, management and support of patients with pancreatitis	-	36,000	-	(618)	35,382
Irritable Bowel Syndrome (IBS) Priority Setting Partnership	Guts UK / BSG	Identification and prioritisation of the unanswered questions about the diagnosis, treatment and care of people (16 years +) with IBS	-	36,000	-	(618)	35,382
Professor Anil Dhawan	Guts UK - BSPGHAN Joint Development Grant	Umbilical Cord-Mesenchymal Stromal/stem cell immunotherapy for Biliary Atresia	-	38,902	-	-	38,902
Dr Tassos Grammatikopoulos	Guts UK - BSPGHAN Joint Small Grant	Mental health and quality of life in children and young people with acute recurrent and chronic pancreatitis	-	4,248	-	-	4,248
Dr Peter Rimmer	Guts UK – BSG trainee grant	The Microbiome in IBD Inception: An exploratory two year longitudinal analysis of the gastrointestinal microbiome through IBD onset, treatment, and relapse, to guide future microbiome based interventions	-	5,000	-	-	5,000
Balance carried forward			-	288,191	-	(12,736)	275,455

Notes to the financial statements 31 December 2021

			At 1 January 2021 £	Research grants awarded £	Grants no longer required £	Grants paid in the year £	At 31 December 2021 £
Balance brought forward			-	288,191	-	(12,736)	275,455
Dr Katja Christodoulou	Guts UK – BSG trainee grant	Consent for contact in endoscopy	-	1,275	-	-	1,275
Dr Julian Yeh	Guts UK – BSG trainee grant	Microscopic Colitis: a regional multi-centre audit."	-	4,000	-	-	4,000
Dr Simeng Lin	Guts UK – BSG trainee grant	End of life care provision in patients with advanced liver disease in the south-west: a regional perspective	-	765	-	-	765
Dr Oliver Tavabie	Guts UK – BSG trainee grant	Does the implementation of the BASL/BSG bundle improve the survival of patients with decompensated chronic liver disease acutely admitted into hospital	-	2,000	-	-	2,000
Dr Ayman Bannaga	Guts UK – BSG trainee grant	The Fatty Liver and Liver Cancer Study (Tendency)	-	5,000	-	-	5,000
New commitments total			-	301,231	-	(12,736)	288,495

Notes to the financial statements 31 December 2021

18. Research grants payable (continued)

			At 1 January 2021 £	Research grants awarded £	Grants no longer required £	Grants paid in the year £	At 31 December 2021 £
Research completed in during the year							
Professor Laurence Lovat	Development award	Salivary EpigeNetics to Stratify Oesophageal Cancer Risk (SENSOR)	35,041	-	-	(35,041)	-
Dr Conor McCann	Core-Derek Butler Fellowship	Enteric neural stem cell therapy for Oesophageal Achalasia and Diabetic Gastroparesis	74,904	-	(5,811)	(69,093)	-
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	-	(3,605)	1,605	-
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	-	(3,747)	1,248	-
Dr Matthias Zilbauer	Guts UK - BSPGHAN Development Grant	Stratification of inflammatory bowel disease treatment in children using human intestinal organoid derived epigenetic signatures	14,771	-	-	(14,771)	-
Falk Pharma 2020 awards - various	Guts UK-Dr Falk awards 2020		14,000	-	-	(14,000)	-
			143,215	-	(13,163)	(130,052)	-
Total grants for the year			1,454,984	301,231	(13,163)	(491,717)	1,251,335

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 2021 £	Income £	Expenditure £	Transfers £	At 31 December 2021 £
Guts UK / Dr Falk Awards	—	19,163	(24,325)	5,162	—
Restricted research grants	—	133,028	(242,000)	108,972	—
UK Government COVID Medical Research Charity support fund	—	151,100	—	(151,100)	—
Pancreatitis	8,114	12,100	(18,000)	—	2,214
Stomach Cancer	—	6,031	—	—	6,031
Research into adhesions	—	548	—	—	548
Diverticular	—	500	—	—	500
Oesophageal	—	1,312	(1,312)	—	—
Liver	—	831	—	(831)	—
Microbiome	—	625	—	—	625
Barrett's Oesophagus	—	18,633	—	—	18,633
Trust funding	2,500	—	(2,500)	—	—
Trust funding for Amelie Waring Fellow	—	3,500	—	(3,500)	—
Company donations - restricted	—	14,896	—	—	14,896
Derek Butler Endowment Income fund	244,668	81,076	(7,283)	—	318,461
	255,282	443,343	(295,420)	(41,297)	361,908

	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	—
Pancreatitis	—	8,114	—	—	8,114
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
	126,037	134,177	(66,950)	62,018	255,282

The transfer represents the contribution from general funds towards the research grants or from restricted funds to general or designated funds for previously committed research as specified by the donor.

19. Restricted Funds (continued)

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

- ◆ Restricted research grants: grants for specific research schemes.
- ◆ Pancreatitis: contribution to the Pancreatitis PSP
- ◆ Oesophageal: contribution to Dr Benjamin Sharpe's research project into oesophageal cancer (Early Career Researcher Grant 2021)
- ◆ Liver: contribution to Dr Salvatore Papa's liver research (Development Grant 2019)
- ◆ Trust funding: contribution to the Early Career Researcher Grants 2021
- ◆ Trust funding for Amelie Waring fellow: contribution to James O'Kelly
- ◆ UK Government COVID Medical Research Charity Support Fund: contribution to the Amelie Waring Fellow, the Olympus Fellow, Development Grants and Trainee Awards.
- ◆ 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 2021 £	Income £	Expenditure £	Transfers £	Investment gains £	At 31 December 2021 £
Investments	889,217	25,967	(8,604)	(120,000)	88,364	874,944
Research Commitments	(147,300)	—	—	46,775	—	(100,525)
Total Amelie Waring Fund	741,917	25,967	(8,604)	(73,225)	88,364	774,419

20. Designated Funds (continued)

Designated Funds – GI Research

	At 1 January 2021 £	Income £	Expenditure £	Transfers £	Investment gains £	At 31 December 2021 £
Investments	887,402	28,486	(26,959)		97,526	986,455
Research Commitments	(19,950)	—	—	(118,896)	—	(138,846)
Total GI Research Fund	867,452	28,486	(26,959)	(118,896)	97,526	847,609

Total Designated Funds

Total Designated Funds	1,609,369	54,453	(35,563)	(192,121)	185,890	1,622,028
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	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

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.

21. Endowment fund

	At 1 January 2021 £	Income £	Expenditure/ transfers £	Investment gains £	At 31 December 2021 £
Derek Butler Endowment	2,683,415		(13,476)	267,134	2,937,073

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

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 £	2021 Total £
Unrestricted funds					
. General	3,363	1,307,784	298,362	(141,102)	1,468,407
. Designated funds – AW	—	874,944	(100,525)	—	774,419
. Designated funds – GI	—	986,454	(59,907)	(78,938)	847,609
Restricted funds	—	329,374	32,534	-	361,908
Endowment funds	—	2,937,073	-	-	2,937,073
	3,363	6,435,629	170,464	(220,040)	6,389,416

	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

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 £52,000 (2020: £25,000) to support trainee research grants, development grants for early career researchers and the IBS and Pancreatitis PSPs.

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 £410,000 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 2021. 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 2021, £840,000 remains receivable, of which up to £240,000 is receivable and payable within one year.

25. Related party transactions

During the year the charity received donations of £3,200 from trustees (2020: £1,680). Transactions with the British Society of Gastroenterology are detailed in note 23.

There were no further related party transactions during the period requiring disclosure (2020: 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:

	2021 £	2020 £
Payments which fall due:		
Within one year	772	772
Within 2 to 5 years	1,160	1,932
	1,932	2,704

28. Comparative Statement of Financial Activities for the year ended 31 December 2020

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

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) (Resigned 1st August 2021)</p> <p>Mrs K Au BSc (Resigned 4th March 2021)</p> <p>Miss M Boland (Appointed 9th December 2021)</p> <p>Dr L Dugdale-Bradley</p> <p>Miss N Bridge (Appointed 6th September 2021)</p> <p>Mr G Christian-Lim BSc (Resigned 14th March 2022)</p> <p>Professor A Ford MBChB, MD, FRCP (Resigned 15th March 2022)</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 (Until 10th June, appointed as Chair from 10th June 2022)</p> <p>Ms S Murray</p> <p>Professor C Norton (Appointed 14th March 2022)</p> <p>Professor C Probert MD FRCP (Appointed 10th June 2022)</p> <p>Professor J Rhodes MD FRCP FMedSci – Chair (Resigned as Chair 10th June 2022, resigned as Trustee 23rd June 2022)</p> <p>Professor S Sebastian* MD FRCP (Appointed 6th September 2021)</p> <p>Dr P Smith BMedSci BMBS MRCP MSc – Medical Director (Resigned 9th December 2021)</p> <p>Mr S Williams BA ACA – Honorary Treasurer</p> <p>* nominee of the British Society of Gastroenterology (BSG)</p>
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Principal office	<p>3 St Andrews Place</p> <p>Regent's Park</p> <p>London</p> <p>NW1 4LB</p>
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Charity registration number 1137029

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Investment managers Cazenove Capital Management
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Solicitors Hempsons
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