



Our story of 2017
Annual Report



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Foreword

This annual report is the story of our 2017. It also marks another important chapter in a far longer story, in which Diabetes UK, thanks to the support of so many people over so many years, has achieved much in its history.

We now look ahead to what we need to do next to make the biggest difference for those affected by diabetes in any way.

Let's start with one of our biggest stories of 2017 – the publication of the initial findings of the DiRECT study which we've been funding since 2013, and which is at the forefront of building evidence on whether and how people can put their Type 2 diabetes into remission. The first-year results from this study, which tests a weight management programme, showed that almost half of study participants could achieve remission from their Type 2 diabetes. These data have the potential to revolutionise how Type 2 diabetes is treated and we continue to fund the necessary further research.

There was a victory for children with Type 1 diabetes after the Welsh Assembly passed new rules to improve support for children with health conditions in their schools. With our campaigners, we have pursued this issue for almost a decade and it follows similar legislation we secured in England in 2014. In October, we returned to Westminster to remind MPs that they must enforce these rules so every child gets the care they need.

Our Clinical Champions programme is now four years old and has won awards internationally. But, far more importantly, it has shown another way we can deliver improvements in NHS care for people with diabetes across the UK, by working in direct support of healthcare professionals.

You'll realise our story has many authors: those thousands of people living with or affected by every type of diabetes who campaign with us, inform our plans, volunteer for us, the researchers and those who take part in research, the clinicians and healthcare professionals, the NHS managers and service commissioners, the politicians, civil servants and corporate partners.

And it's all made possible thanks to our supporters and donors. As you'll read in this report, whether you sponsor a research project, make regular donations, plan to leave a gift to our work in your will, sell raffle tickets, run, swim, walk or dance, the money you give us is changing people's lives.

As we write our next chapters together, that support is more vital than ever as there is still so much we can and must do. More people than ever are living with diabetes. More people than ever are experiencing amputations, heart attacks and strokes because of diabetes.

With more than 4.6 million people living with diabetes in the UK we need to expand the ways in which we help everyone get the vital knowledge they need. You'll read in this report how we're planning to do just that through the launch of our online Learning Zone, through expanding the work of our Community Champions and by reaching new people every day both online and in our local support groups.

In our work of today and tomorrow, we also face new and varied demands and challenges, whether in the form of new legislation governing how we contact our supporters or in the uncertainty of life outside the EU. These pressures mean that it is more important than ever that we continue to be a charity operating to the highest standards in compliance, in safeguarding, in transparency, in inclusion and diversity and one that is governed in the best possible way.

With your support, we will keep making critical steps forward in research. We will keep changing lives with our campaigns. We will keep improving care. And we will keep helping more people live well and long with diabetes.

Thank you for your support.



Chris Askew
Chief Executive



Sir Peter Dixon
Chair



Supporter foreword

Hello,

2017 marked 11 years since I was diagnosed with diabetes, but it was the first year I really met the diabetes community.

In July I attended Diabetes UK's Big Conversation, which was part of the charity's Future of Diabetes project.

I wanted to be there to hear what people had to say and I wanted to give my opinions too.

It was such an amazing experience to go and meet like-minded people and to meet people who were in the same boat as me, because that's not something I generally come across in everyday life. It was brilliant.

Being in contact with other diabetics reassures you that you aren't alone. You may have a bad day or think, 'I can't get this right' but you know you're not the only one.

It was a completely new world to me and I loved it as everyone was in it together. Diabetes UK plays a massive role in building that community.

I now chat to other people with diabetes on Twitter and Instagram and also write a blog (diabetesandtheactor.com). It's important to share and listen to others' advice because you might be struggling with something that someone else has overcome.

Learning about diabetes is really important because when I was diagnosed my mum, dad and I had literally no idea about anything. It just happened and we had to learn everything in such a short space of time.

In fact, the first time I came across Diabetes UK was when I looked up the symptoms on the website. Right there before my eyes was a list, of which I could tick off four. The next day we went to the doctors and were thrust into this whole new world of diabetes.

I still use the website for all its resources and I have supported Diabetes UK by running the Great North Run and completing the London Bridges Walk with my boyfriend, Bobby.

I wanted to fundraise because there's so much more to do.

I'd really love to see the general public educated for everybody's sake. I get frustrated over the amount of ignorance I hear, people's misconceptions and how badly it's stigmatised. People don't realise the impact diabetes can have or what it entails.

I want people to be able to have more one-to-ones with diabetes specialists because looking after yourself can be really difficult for some. Self-care is so important but you can't always get it right.

Ultimately, I'd love to see a cure for diabetes. It would save so many lives and stop people suffering from complications they've got through their diabetes.

Working together we can achieve these things. I'm a proud and passionate member of the diabetes community – I hope you are too.

Best wishes,

Emma Bostock

Emma Bostock

Our vision



A world where diabetes can do no harm

It's a big aim and we won't achieve it overnight but at the moment diabetes does too much harm. By working together in partnership, we truly believe we can achieve this vision.



Our mission



By bringing people together to work in **partnership**...



We will **support** those living with diabetes...



Prevent Type 2...



Make **research** breakthroughs in diabetes, and ultimately find a cure.

We will do this by:

- Listening to and working with people living with diabetes, healthcare professionals and many others to drive change.
- Developing, delivering and championing the most effective ways for people to manage their diabetes, or their risk, so they can live their lives with confidence.
- Building a strong community of support that finds and shares the knowledge needed to fight diabetes.

Our values

Our values run through everything we do, they guide how we work and help us remember what we stand for.

We're driven to know more

We are a trusted source of knowledge.

But we're restless to know more.

So we listen, ask questions and exchange views and information with every part of the diabetes community.

Because our combined knowledge has the power to transform lives.

We make change happen

We know the harm diabetes can do. So we fight it every day.

We make our voices heard, push for change, try new things.

And if we fail, we learn, pick ourselves up and go again.

Together we do whatever it takes to fight diabetes.

We put people first

Diabetes affects people in many different ways.

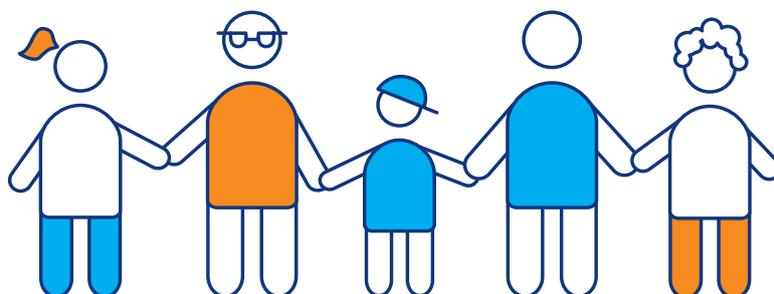
So we give people time. Listening to what they have to say and embracing their worries and concerns.

Creating a powerful network of care and support.

We keep things simple

Diabetes is complicated enough.

So we're clear and concise, helping people to easily access the information that's relevant to them. Using everyday language, we speak simple truths that people need to hear.



Our people

Meet two of our colleagues who are helping to create a world where diabetes can do no harm.



Marion Walker, Partnerships Manager in our Philanthropy and Partnerships team, joined Diabetes UK in May 2017.

“I’ve seen the impact that diabetes complications can have on people’s lives – I know people who have gone blind and have had amputations as a result of the condition. Recently, two of my friends have been diagnosed with Type 2 diabetes. Working for Diabetes UK has helped me learn so much more; we get to see presentations and hear talks from people from all walks of life – scientists, doctors and people living with diabetes – who share their experiences with us.

“Working for a charity that can make a difference to someone’s life is really inspiring and I’m privileged to be part of it. We’ve got the drive and enthusiasm to make that difference – and things are moving fast too. In the time I’ve been here, we’ve announced clinical trial results that show some people have been able to put their Type 2 diabetes into remission, and we’ve played an important role in increasing the availability of technology on the NHS. It’s an exciting time to be here.

“My role focuses on building meaningful partnerships with organisations, which can genuinely transform people’s lives. There’s a real opportunity to make a difference and make change happen, and we’re on the cusp of making and developing some really exciting partnerships that will do just that.”



Peter Shorrick is our Midlands Regional Head and has worked for us for 19 years.

Peter’s role is a varied one – on any one day he could be talking with Clinical Commissioning Groups, meeting representatives from NHS England or Public Health England, visiting a local support group, or working closely on projects with people who have diabetes.

“Diabetes UK is a great charity to work for. We’re working across the UK and what’s amazing about my role is that I get to share information, such as local successes or challenges I’m experiencing, with my colleagues all over the country – and I get that support in return.

“I also love knowing the work my team does has a direct benefit on those experiencing, or working in, diabetes. This year, on World Diabetes Day, we organised our sixth National Diabetes in Pregnancy Conference. This was attended by 450 healthcare professionals working to improve outcomes for women with gestational diabetes. That feels like real impact to me.”

Our strategy

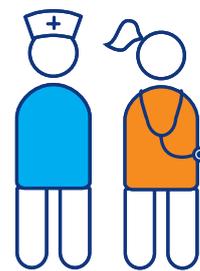
Our strategy sets out how we'll tackle the diabetes crisis. It outlines what needs to change and how we'll make this happen.

This report sets out what we've done in 2017 to meet our strategy. As a charity, it's only with your generosity, and that of the organisations who support and fund our work, that we can do everything that we are doing.

There are six key areas to our strategy:



Greater investment in diabetes research



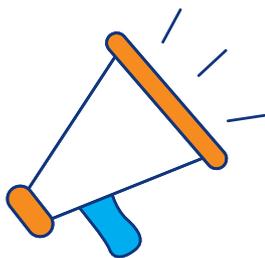
A transformation in diabetes care



Reducing obesity and preventing Type 2 diabetes



Helping everyone to manage their diabetes

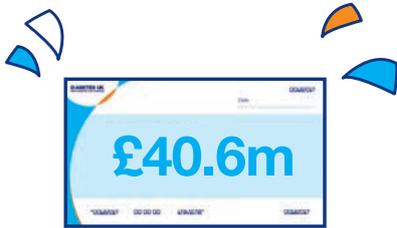


A revolution in understanding and support



The best people and the best organisation

Our year in numbers



We brought in **£40.6 million**.

It's more than we've ever achieved before and means we can help more people living with or affected by diabetes.
Thank you.



We committed more funds than ever to research and funded **38** new projects.

So we can continue making steps towards better treatment and a cure.



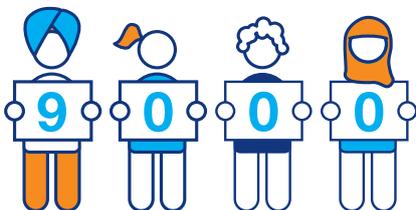
Our three year National Charity Partnership has helped us reach over **17 million people**.

So with the help of the British Heart Foundation and Tesco, we've helped them live a more healthy and active lifestyle to prevent Type 2 diabetes.



Over **4,500** people signed up to support our Flash Campaign.

Now more people have access to truly life-transforming technology to help manage their diabetes.



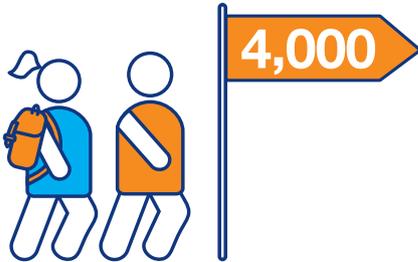
More than **9,000** people affected by diabetes shared their stories, experiences and hopes as part of our Future of Diabetes project.

This project will help shape our work now and in the years to come.



Our online forum, where the diabetes community can share their experiences with each other, has been visited more than **half a million** times.

That's double the amount of visits in 2016.



More than **4,000** people took part in our 1 Million Step Challenge.

And raised four times as much as in 2016.



Our Food You Love campaign reached more than **18,000** people.

90% of those were engaging with us for the first time.



Our volunteers have given us more than **100,000** hours of their time this year.

Including working locally to make sure people with diabetes have the support they need and campaigning to improve diabetes care.



We reached **20,000** healthcare professionals and commissioners across the UK

with information and practical tools for improving diabetes care.



Our helpline managed more than **82,000** enquiries in 2017.

That's more than 330 enquiries a day coming from phone calls, social media posts and letters.



Stories and impact

Strategic report





Investing more in diabetes research

We improve diabetes care for all types of diabetes and find new treatments through research. And it's through this research that one day, we will find a cure.

This year we celebrated 80 years of Diabetes UK funded advances in diabetes care. From the insulin pen, to blood glucose meters, and through better treatment of complications – our research has made a difference to millions of people's lives.

And our scientists are still making a difference today, like their ongoing work to prevent or stop Type 1 diabetes. This has all only been possible through the investment we've been able to make in world-class research.

But right now, **for every £1 spent on diabetes care in the UK, only 0.5p is spent on research.**

It's not enough. So we're continuing to increase our investment, so that we can carry on making vital steps forward to improve the lives of people living with and affected by diabetes.

Introducing Isobel who took part in the DiRECT research

The initial results of DiRECT, our Diabetes Remission Clinical Trial, showed that almost half of all people taking part were able to put their Type 2 diabetes into remission using a weight management programme involving a low-calorie diet.

The trial was led by Professor Mike Lean of the University of Glasgow and Professor Roy Taylor of Newcastle University, and came about thanks to our largest research grant ever awarded of £2.5 million.

Isobel Murray, from Largs in Ayrshire, was one of the first people to take part in the DiRECT trial. Before the trial started, Isobel was overweight, had suffered a heart attack and had been diagnosed with Type 2 diabetes.

"I was on various medications which were constantly increasing and I was becoming more and more ill every day."

But Isobel found that within the first year on the trial her Type 2 diabetes had been put into remission.

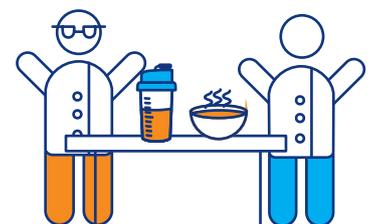
"When doctors told me that my pancreas was working again, it felt fantastic, absolutely amazing. I don't think of myself as a diabetic anymore. I get all my diabetes checks done, but I don't feel like a diabetic. I'm one of the lucky ones to have gone into remission."

A year on, Isobel's diabetes is still in remission:

"I'm absolutely over the moon that I've been able to put my diabetes into remission. Following the diet for 17 weeks was one of the most challenging things I have ever done, but it's changed my life. I now live a healthy and active life to ensure that I stay in remission."

These early results are hugely exciting. They show the potential to stop the rising tide of Type 2 diabetes, and we'd like to thank the **Charles Wolfson Trust** and other funders for helping us get here. But there's more work to be done. Which is why we've committed a further £300,000 to DiRECT to understand the cost benefit and long-term effects of the treatment in more detail.

[Find out more](#)



“Following the diet for 17 weeks was one of the most challenging things I have ever done, but it’s changed my life. I now live a healthy and active life to ensure that I stay in remission.”

Isobel



★ 2017 highlights

We identified the top 10 priorities for research into Type 2 diabetes.

Funded by us and conducted with the **James Lind Alliance**, our Priority Setting Partnership saw more than 4,000 people get involved, helping us determine where research into Type 2 is most needed.

This work identified 10 research priorities that we'll use alongside the top 10 priorities for Type 1 research, to guide our own and other's research in this area.

[Find out more](#)



We committed over £6.7 million to 38 new research projects.

These will help us make vital steps toward better treatment options, effective prevention strategies and, ultimately, a cure.

"I work with many different organisations and yours is amongst the very best in its commitment and service to the research community and the patients whom we wish to benefit."

Professor Nick Lemoine, Chair (2015–2017) of the Diabetes UK Research Committee

We celebrated 10 years of Innovators in Diabetes workshops.

These annual workshops gather together young scientists set to become the next leaders in diabetes research. These are the people who'll continue to find better treatments for people living with diabetes and will hopefully one day find a cure.

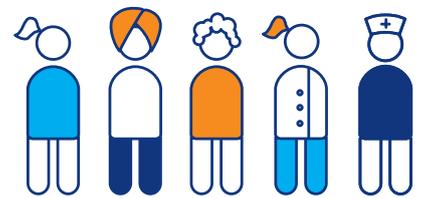
So far 73 people have been through the programme, and in 2017 we brought together the graduates to celebrate its tenth year.



Our Clinical Studies Groups began mapping out the future of diabetes research.

Our seven Clinical Studies Groups are made up of a mix of scientists, healthcare professionals and people with diabetes. They're using their expertise to identify the key clinical studies needed in future research.

[Find out more](#)



We helped 30 new clinical trials and studies get the participants they needed.

Without people willing to take part in them, clinical trials do not happen. We play a vital role in bringing scientists from across the UK together with the people they're there to help.

"Having the advert on Diabetes UK's website really helped to increase its visibility and facilitate trial recruitment. Thank you so much for your support."

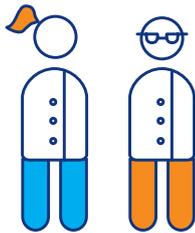
Chidi Nwolise, Research at the University of Surrey

Coming up in 2018



We're becoming an even more strategic funder.

Our Clinical Studies Groups are identifying areas of research that will have most impact on people living with diabetes. We'll focus investment on those important areas.



We're investing in researchers of the future, to make sure that the best and brightest are working in the field of diabetes.

We're providing even more funding for fellowships and early-career support, to help get great ideas off the ground.



We're funding the Type 1 diabetes Immunotherapy Consortium, which is coordinating clinical trials across the UK.

These scientists want to develop treatments that can prevent Type 1 diabetes, or stop it in its tracks.



We're building partnerships to invest more funds in critical gaps in knowledge.

We're forming strategic partnerships with funders and organisations who share our priorities.



We'll continue to highlight the impact of our research funding in order to increase financial support for diabetes research.

★ In 2017, **Sir Samuel Scott of Yews Trust** supported three new research projects. The Trust has donated to us since 2011, and their financial support is bringing about life-changing breakthroughs in research, treatment and prevention.



Transforming diabetes care

The right care and support from health services can make a big difference for everyone living with diabetes – from the point of diagnosis and throughout their lives.

But the quality of care people get isn't the same everywhere. **66% of people with Type 1 and 52% of people with Type 2 aren't receiving the care they need.** It's a postcode lottery. And not getting the right care can make it harder to manage diabetes, potentially leading to complications that could have been avoided. The right support can also make living with diabetes every day that little bit easier.

We work with people with diabetes, healthcare professionals and health and care services to make diabetes care better. This includes providing more structured education courses to help people manage

their condition, and improving care for people with diabetes while they're in hospital.

We urgently need to find new ways of providing care and support. And for that, we need to know as much as possible about day-to-day life for people living with diabetes, right across the UK.

In 2017 we listened to more than 9,000 people affected by diabetes as part of our Future of Diabetes project. They told us how it feels to live with diabetes and what they want to see in the future. They described how it affects their emotions and wellbeing, talked about the quality of care they get and how often, and described how diabetes impacts every area and stage of life – from school, to work, to family and even driving. Everything.

They also told us how the health system needs to change to create a better future for people living with diabetes. A key area that people feel really strongly about is access to technology to manage their diabetes.

We met Candy Gan through our Future of Diabetes project

Candy is one of the people who shared her story with us.

Candy studies at the London School of Economics and has lived with Type 1 diabetes since she was two years old.

After having a hypo during a university exam in 2015, Candy got an insulin pump. It's helped give her the flexibility she needs, particularly now she's living a less predictable lifestyle away from home.

She's also got a Flash Glucose Monitor (Flash GM) – a sensor that tracks her blood sugar levels continuously and that she can scan whenever she wants. This helps her manage her blood sugar levels better.

“Just having something that I can scan on a daily basis, even when I'm walking, is so helpful.

“I definitely feel that people should have access to the technology that they need. That should be prioritised in the NHS. People with diabetes have

all these complications like amputations, dialysis, retinopathy, which are costing the NHS a lot to treat and follow up on. So, if you actually give people the best technology they need to manage their care, you'd be reducing long-term costs.”

And we agree. At the moment, Candy pays for both her pump and glucose monitor. But we don't think that anyone should miss out on treatment that might help their diabetes management.

Candy's experienced first hand how helpful technology is in her diabetes management, and how it reduces the impact on her life. And she wants it to continue to help others as well. That's why Candy got involved in our work and attended one of our Future of Diabetes events.

“It's good to know that we have an organisation like Diabetes UK to fall back on and to show leadership on the issues with technology and how it can be improved. It's nice to see you act as a source of information, emotional support and overall encouragement.”

Find out more



“Just having something that I can scan on a daily basis, even when I’m walking, is so helpful.”

Candy



★ 2017 highlights

In November,  **Flash Glucose Monitoring** was made available on the NHS, subject to local decision-making, in England, Scotland, Wales and Northern Ireland.

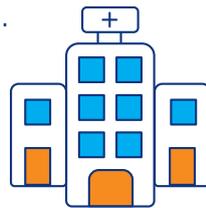
“Not since the transition from urine testing to finger-prick testing has there been such potential to transform the lives of people living with Type 1 and Type 2 diabetes through technology. The voices of thousands of Diabetes UK supporters helped make this happen.”

Chris Askew, Chief Executive

We've worked with health services in England, Scotland, Wales and Northern Ireland to improve the ways in which diabetes care is provided.

We helped 21 Clinical Commissioning Groups (CCGs) win funding from the NHS England Diabetes Transformation Fund in 2017.

And we've supported many more in implementing their plans to help improve the care people with diabetes receive across the country.



We've continued to push for more support for children with diabetes at school.

Our Make The Grade campaign has continued to raise awareness of the importance of children getting the support and care they need, so that they are safe, happy and have equal opportunities at school.

We continued to make the case for change with governments and, working with other charities, we led a campaign that resulted in the National Assembly for Wales passing a law to improve support for children and young people with Type 1 diabetes and other medical conditions.



All four UK nations have national level plans to make progress in diabetes care, and we continue to make the case for investment in diabetes care.

These plans include:

- a £40 million investment in England
- establishment of the Diabetes Network for Northern Ireland
- implementation of the Direct Enhanced Service in Wales
- and a review of the Diabetes Improvement Plan in Scotland.



We're working alongside healthcare professionals and CCGs to provide practical information and tools that improve care for everyone.

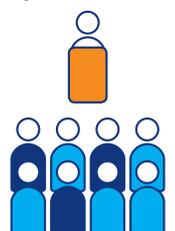
Our Tomorrow's Leaders initiative, supported by **Novo Nordisk**, has helped train dietitians and Diabetes Specialist Nurses to do just that.



[Find out more](#)

We've brought healthcare professionals together and share their knowledge about diabetes at our conferences. Including:

- the 2017 Diabetes UK Professional Conference with more than 3,000 attendees
- our sixth National Diabetes in Pregnancy Conference where 450 healthcare professionals were welcomed
- and smaller conferences across the country focussing on supporting higher risk black, Asian and minority ethnic communities.



Coming up in 2018



We'll continue to work with governments, healthcare professionals and health services in all four nations to keep diabetes at the top of the agenda.

Through this we'll aim to improve the care people with diabetes receive – from early detection and diagnosis through to emotional and psychological support, and access to new technologies.



We'll give healthcare professionals even more opportunities to share their knowledge.

Our programme of healthcare professional conferences all over the country will help more healthcare professionals learn from each other and help change people's lives.



We'll build on the key findings from the Future of Diabetes report and involve more people in campaigning for change.

We'll take action to bring about the changes people told us they want to see, including more consistent food labelling, more support for emotional and psychological health, and making the case for Flash GM to be made available to those who could benefit, wherever they live.

★ Sanofi

Sanofi has been supporting Diabetes UK for more than a decade on a range of projects and activities. They currently fund the Improving Inpatient Care programme, among other initiatives, which launched in 2016.

“The programme aims to improve hospital care for people with diabetes and support the NHS to overcome the barriers to improvement. We want it to empower people with diabetes and help make improvements to ensure consistent best practice in diabetes care is implemented across the country, to improve safety for people with diabetes who are in hospital.”

Victoria Hayes, Public Affairs and Advocacy Lead, Sanofi

★ Novo Nordisk

Our partnership with Novo Nordisk was established in 2014 when they first supported our award-winning Clinical Champions programme. Working together, we deliver two additional programmes that enable healthcare professionals to make change happen locally for people living with or at risk of developing diabetes.

When asked why they support Diabetes UK, **Adam Burt, Director of Market Access and Public Affairs at Novo Nordisk UK** said:

“It is wonderful to be working with Diabetes UK on this ambitious initiative aimed at empowering a growing network of Clinical Champions. These are inspiring individuals who wish to become advocates for change and quality improvement in diabetes services across the NHS. In the current environment this is no easy task and Novo Nordisk is passionate about enabling leaders who wish to drive the quality of care that patients living with diabetes need and deserve.”



Reducing obesity and preventing Type 2 diabetes

The number of people living with Type 2 diabetes has increased by 65% over the past 10 years.

There are now **12.3 million people at increased risk of Type 2 diabetes**. And it's largely driven by our nation's expanding waistline.

Obesity is a nationwide problem that's fuelling an epidemic in Type 2 diabetes. We need to tackle it, but we can't do it alone.

That's why we're focusing on helping people change their behaviour and why we're working alongside other

organisations on new measures to support us all in living healthier lifestyles.

We're working with governments in each of the four nations, and with industry, public sector bodies, health services and charities to build a society that makes the healthy choice the easy choice.

Our National Charity Partnership with Tesco and the British Heart Foundation is one way we tackled this crisis with others in 2017. The partnership helped individuals and families across the UK live healthier lives and aimed to lower the rate of obesity and Type 2 diabetes.

We met Natalie through the National Charity Partnership

2017 was the final year of this three-year partnership, which has achieved so much for people across the UK.

Through the partnership we've raised more than £25 million, reached 17.4 million people, and helped more than 625,000 people who have visited the Let's Do This website.

And most importantly, it got hundreds of thousands of us taking up activities that encourage a healthier lifestyle.

We've done it with initiatives like Beat the Street, which turns a town into a game where people can earn points as they walk, cycle and run around.

For Natalie Blewitt who has Type 2 diabetes, Beat the Street has been a revelation, transforming life for her and her family.

Playing it together has helped the whole family get fitter and healthier, especially Natalie who is a wheelchair user with chronic arthritis and stenosis.

"We're getting out more as a family. Everybody has been dashing in (after school), getting changed quickly so that we can all get to the park. It's given us all something to look forward to."

Fitting in with school pick up, Beat the Street has been a fun thing that Natalie and her children could do together. Alongside improving her own mental and physical health, Natalie knows that by playing it with her children she's also reduced their long-term risk of developing Type 2 diabetes.

"It's had a really positive impact on my children. My daughter's joined the gym and my two sons have joined basketball and boxing clubs. Before we never would have looked at sporty things as a family, but Beat the Street has definitely got us out there. I now understand the need for exercise. I didn't understand that at all when I was younger."

What's more, Natalie's HbA1c blood sugar levels have been brought down from 86 to 33. Because of her other health conditions, she's often had to be dependent on others. But this positive effect on her health as a result of her own hard work has given Natalie a greater sense of confidence.

"I always thought exercise was for someone else and I wasn't interested in it, but I didn't realise how much fun it would be to get out and how much better I'd feel. I'm a completely different person now."



“I always thought exercise was for someone else and I wasn’t interested in it, but I didn’t realise how much fun it would be to get out and how much better I’d feel. I’m a completely different person now.”

Natalie



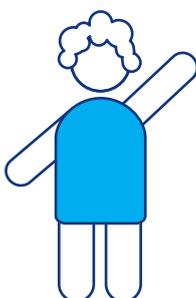
★ 2017 highlights



We've launched our Know Your Risk pack and trained volunteers across the country so they can help more people find out their risk of Type 2 diabetes.

Among others, the volunteering team in the North of England have recently taken on extra people who are now trained to deliver talks and use Know Your Risk.

Find out your risk



You just need your:

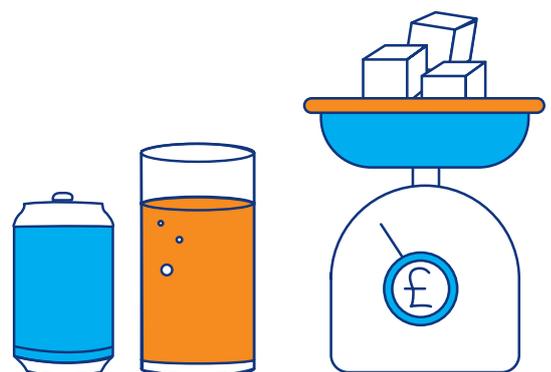
- height
- weight
- waist

Then fill out our questionnaire.

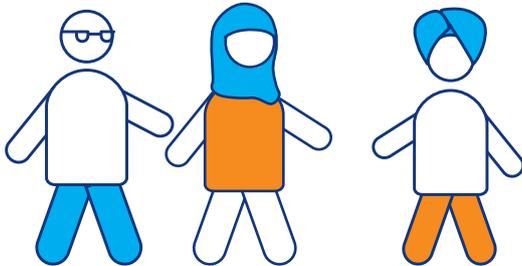
TYPE 2 DIABETES
KNOW YOUR RISK

We've been pressing for stronger action on obesity and Type 2 diabetes prevention and helped secure the Soft Drinks Industry Levy into law.

We're working across all four nations to develop and introduce prevention programmes to protect the next generation.

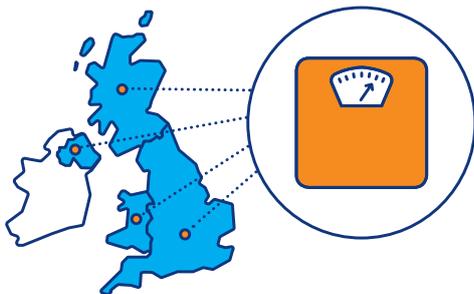


Coming up in 2018



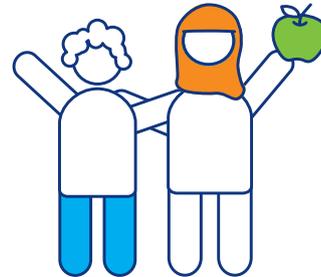
We're raising awareness and understanding of Type 2 diabetes and its risk factors in the community, through the work of our volunteers and local networks.

One example is in Bolton, where the Changing Lifestyle programme has combined exercise with a healthy eating course – with positive responses from those that took part. In a community with higher rates of Type 2 diabetes due to its high black, Asian and minority ethnic population, people are now more confident at managing their diabetes.



We're working in coalition with other public sector bodies, charities and health services to drive serious action on obesity and Type 2 diabetes prevention at local and national levels.

In Scotland we'll be working on weight management programmes for people living with or at risk of Type 2 diabetes as part of the Scottish government's A Healthier Future proposal.



We'll be continuing to partner with Tesco as part of the Little Helps for healthy living initiative.

This new four-way health partnership between ourselves, the British Heart Foundation, Cancer Research UK and Tesco will help us make a lasting difference to the health of the nation.

"Big challenges require big solutions and a ground-breaking partnership of this scale offers just that."

Chris Askew, Chief Executive

"This is a unique partnership, which will bring together the skills and expertise of the UK's leading health charities and the UK's leading food retailer to help tackle the biggest health challenges facing the nation."

Dave Lewis, Chief Executive, Tesco



Helping everyone manage their diabetes

People living with diabetes spend on average just three hours a year with a healthcare professional and, of those newly diagnosed, fewer than 2% with Type 1 diabetes and 5.4% with Type 2 diabetes attend a diabetes education course.

We know that a diagnosis of diabetes can be overwhelming and that we need to reach as many people as possible to support them in managing their condition. Everyone responds differently at diagnosis and how people feel about diabetes changes over the course of their life.

That's why it's so important that people living with diabetes get the tailored help they need in a way that leaves them feeling encouraged, not judged.

We've been working in partnership with other charities and NHS bodies to do just this for people of all ages, from all walks of life and in every corner of the UK.

Meet Zahoor who got involved in our Learning Zone project

In 2017, we launched our Learning Zone, an online education hub filled with information from our clinical experts and people living with diabetes, to help others to manage their condition.

It's personalised, so that the details you provide when you sign up ensure you get the most relevant and useful information for you. The learning experience includes videos, animations, interviews, quizzes and games, as well as clear, factual information.

It's the kind of personal, practical support that would have been invaluable to Zahoor Bukhari when he was diagnosed with Type 2 diabetes more than 20 years ago.

Zahoor's diabetes was diagnosed after an accident at work led to a stay in hospital. For a long time, managing his diabetes wasn't his top priority. It wasn't until his cousin died from diabetes-related complications, that he realised he had to take action.

"I was very determined to make changes. Diet came first. I looked on the Diabetes UK website and read all about the food I needed to eat. It looked simple but to act on it and manage this new diet was difficult. I knew I had to do it."

Armed with the knowledge that simple changes can have a huge impact, Zahoor used strategies like keeping a fridge full of fruit and veg and focusing on his health and wellbeing to take control of his diabetes.

He wanted to share this realisation with others living with or at risk of Type 2 diabetes. For two weeks of every month he offers support through one-to-one advice, interviews and speeches as one of our Community Champions.

For him, it's about engaging with people in need and recognising the value of hearing about it from someone living with the condition.

That's why he got involved with our new Learning Zone, to share his experiences, and looks forward to the change it can make.

"The knowledge comes from people who have dealt with their diabetes and have taken control. This is always going to be helpful because it's coming from the mouths of people who have the condition."

[Sign up to Learning Zone](#)



“I was very determined to make changes. Diet came first. I looked on the Diabetes UK website and read all about the food I needed to eat. It looked simple but to act on it and manage this new diet was difficult. I knew I had to do it.”

Zahoor

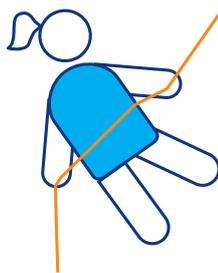


★ 2017 highlights

More than 530 people came to our Type 1 Events.

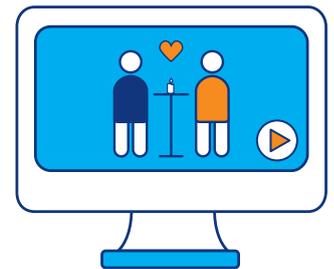
These events help children, young people and their families learn to live with their diabetes and can make a real difference for many. They get to meet others of their own age living with the condition, often for the first time, and can learn directly from healthcare professionals, helping them to gain confidence.

In fact, 83% of children who attended told us they felt more comfortable looking after their diabetes as a result of coming along, and 85% of parents said the events helped give their child a more positive attitude towards their condition.



We've been listening to what people say about how they want to receive information about diabetes.

And as a result we've developed new videos and support on sex and relationships, university and alcohol for young people living with Type 1. We piloted our Type 1 bag, a new support pack for families with a newly diagnosed child with diabetes, which will be ready for UK-wide launch in 2018. And we set up a Young Adult Panel of 18–30 year olds to help us shape our work.



We've made our Customer Care Centre even more effective.

We answer over 330 enquiries every day. These come to us through phone calls, letters and social media. We also brought our Care in Schools helpline, previously supported by volunteers, into this service so that we could give ongoing support to families and to teachers looking after children with Type 1 diabetes.

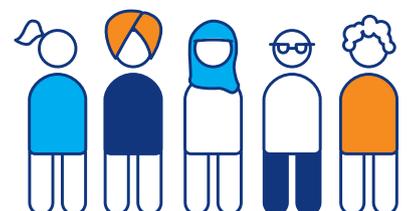
[Find out more](#)



We've continued to support people at high risk of Type 2 diabetes in areas with higher than average black, Asian and minority ethnic (BAME) populations, through our Community Champions network.

Over 1,000 Community Champions are busy raising awareness around risks, prevention and advising people on lifestyle changes. And they're helping those already diagnosed to manage their condition better.

[Find out more](#)

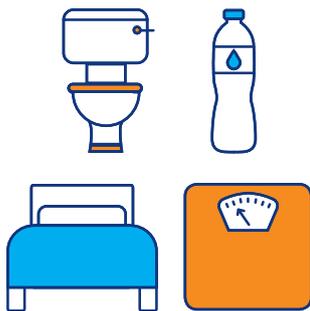


Coming up in 2018



We're expanding our Learning Zone.

In 2018, we will increase the amount of topics you can learn about, making sure more people can benefit from the practical and personalised support it offers.



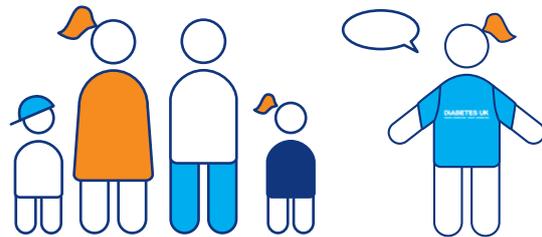
We'll continue to make sure people know the symptoms of Type 1 diabetes.

We know how important it is that people know the 4Ts of Type 1 diabetes – toilet, thirsty, tired and thinner. This year we'll reach more parents, teachers and healthcare professionals so they know to look out for the 4Ts and what to do if they see them.



We're reviewing our Type 1 events.

This year we'll review our programme of events for people of all ages living with Type 1 diabetes. We'll do this with families and young people to make sure we're offering the best service to the right people at the right time.



We'll reach more people in BAME communities.

Working closely with our Community Champions, a vital network of volunteers funded by **Janssen Pharmaceutical** we know we can reach more people at risk of or living with Type 2 diabetes.

★ **The Janssen Pharmaceutical Companies of Johnson & Johnson** has been supporting the Community Champions programme since 2016. The programme was designed to promote the prevention and better self-management of Type 2 diabetes and help people understand their risk, by creating local champions, who engage with people predominantly from a BAME background.

“Last year, the Community Champions programme recruited 1,300 volunteers and educated 200,000 people to reduce their risk of Type 2 diabetes. Janssen is proud to support this life changing programme.”

Mark Hicken, Managing Director, Janssen



Creating a revolution in understanding and support

We know the challenges that people living with diabetes can face and we understand the stigma that can be attached to talking about the condition. Or how on some days it can feel unrelenting and you just need someone to talk to who understands.

But we also know that people misunderstand and underestimate the impact of diabetes. In fact, **only 17% of people in the UK say they think diabetes is a serious condition.**

We want people to know more about what life is like for anyone living with, at risk of, or affected by diabetes. We want to be there to help the 4.6 million people currently living with diabetes and the 12.3 million at increased risk of Type 2 diabetes.

This is why we need to bring about a revolution in understanding and support.

Through the revolution, we're aiming to reach more people to help them understand more about diabetes.

Our aim is that this will lead more people to support our work in whatever way they can. Whether that's through volunteering for us, working in partnership with us or giving us the financial support that we need to make a difference to the lives of people with or at risk of diabetes.

We're a trusted source of information for a lot of people in the diabetes community already. In 2017 the number of visits to our online forum doubled to half a million. As the number of people living with diabetes increases, it's essential that we're able to be there for more people.

Because when we are, it really can change someone's life.

Introducing Colin Tiso and the launch of our new website

After serving in the first Gulf War, Colin was diagnosed with Post Traumatic Stress Disorder. A combination of medication, osteoarthritis and comfort eating meant he gained weight. Eventually, in 2015, he was diagnosed with Type 2 diabetes. It was very nearly the final straw for him.

Initially, Colin had a doctor who just gave him his medication and nothing else. No support at all. We know this is a familiar story for many people. They just didn't take the time to understand his concerns and worries.

Two things turned Colin's life around.

The first was a new doctor, a diabetes specialist who listened to him and referred him for a gastric bypass.

The second was finding Diabetes UK.

"I discovered Diabetes UK by chance when looking at a leaflet in my local Tesco. I went along to a roadshow and registered with the charity in 2015. I was amazed about the amount of information you have on your website – I wish that everyone who receives a diagnosis finds out about your website and the information you provide."

Colin now wants to give a little back. He's a member of his Diabetes UK local support group and he talks about his experiences in our online forum. And in November 2017, Colin shared his story with MPs at Parliament when we launched our Future of Diabetes report.

In 2017, we re-launched our website thanks to investment from the **Fidelity UK Foundation**, with the ambition of making it easier for people like Colin to get the help they need.

We hope our revolution leads to more people like Colin meeting and supporting us.



“I wish that everyone who receives a diagnosis finds out about your website and the information you provide.”

Colin



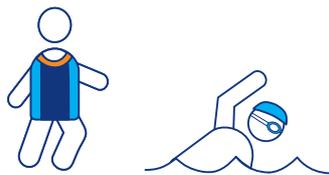
★ 2017 highlights



More people than ever before took part in an event for us.

Flagship fundraising events Swim22, London Bridges and the 1 Million Step Challenge all saw an increase both in people taking part and in the total funds raised through sponsorship. Our hard-peddalling Ride London cyclists also raised twice as much as the year before, and our determined London Marathon runners raised a record amount of sponsorship.

Find out more



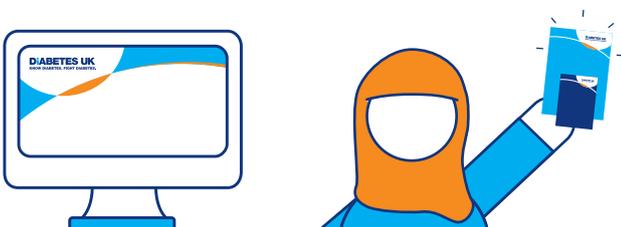
We engaged more people with the Food You Love campaign.

More than 18,000 people responded to our Food You Love campaign, which featured people living with diabetes sharing their favourite recipes and food tips.



Refreshing our brand.

Over the last year we've been changing our look and feel, helping us to stand out in a crowded charity environment and giving us a more powerful voice. It also gives us a strong foundation to get the serious and urgent messages about the diabetes crisis out there.

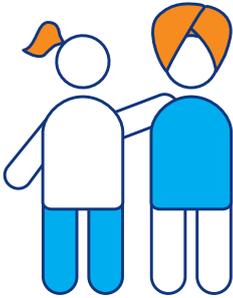


Changing how we work with corporate partners.

We're approaching our partnerships differently by forging longer term, mutually beneficial partnerships that will transform the support that we can provide to people living with and affected by diabetes.



Coming up in 2018



We'll focus on the seriousness of diabetes in a new campaign.

We know that many people affected by diabetes aren't aware of the potential complications associated with the condition, or that, with good management they can be avoided. Our campaign aims to talk about this more explicitly and show how we can support and be there for people affected by diabetes.



We'll re-launch our membership programme.

We want to encourage people to join our community so we'll look at what we offer our members and introduce new benefits. We know it can be a great help to be part of a community where you can share knowledge with each other, so this will be an important part of our new approach.



We'll continue to keep your information safe and secure.

We know how important it is to protect the personal data of those who choose to support us or use our services. To make sure we meet the General Data Protection Regulation (GDPR), we'll improve our processes and guidance so that our supporters have confidence that we'll use their information only in the ways they want us to.



We'll continue to improve our website.

Building on our re-launch in 2017, we'll improve the personal experience we offer on our website to make sure that people living with and affected by diabetes can find the information they want and need in the easiest way.



The best people and the best organisation

The scale of the diabetes crisis has never been clearer.

It affects millions of people every day.

With less than 400 of us working at Diabetes UK, we can't tackle this crisis alone. We need our wider community of volunteers and partners to work alongside our dedicated staff, because we have a big job to do.

Being part of a bigger network means we can make a bigger difference all over the country. It means we can

draw on a huge pool of expertise through our advisory panels, healthcare professionals and researchers, and tap into networks of people who know best – those living with diabetes every day.

In turn this means we achieve so much more – from influencing decisions in the NHS, to simply being there for a chat with someone who's having a hard time with their condition.

To do this it's vital that we're a charity where everyone can succeed and thrive, a charity where we learn from each other, and a charity people want to be part of.

We met the Foyle Group who were winners at our Inspire Awards

The Foyle Support Group show how much can be achieved through our work with local groups.

George Anderson and Anne Beattie founded the group in 2016 and had a lot to contend with. Especially as past diabetes support groups in Derry/Londonderry had struggled to keep growing due to the geographical and political divides in the city.

"I had never known of any meetings in the Derry area until I read about Diabetes UK looking for people to help set one up. There were a lot of groups on social media but no actual physical support group for adults."

George organised an initial meeting in February 2016, which Anne Beattie came along to and since then, they've worked tirelessly together.

And we've been there to support them.

"Diabetes UK is always on the end of the phone – they're always there to give us any assistance we need whether it's advertising the group on their website, or giving us help with funding."

The group has also collaborated with healthcare professionals, opticians and chiropodists so more people living with diabetes can access professional advice and connect with each other.

"The NHS healthcare professionals I've seen for a number of years have had such a great input into our group. Without them we'd struggle to get people in and get topics discussed at the meeting."

George, Anne and the Foyle Support Group tackled the divisions in the city by initially moving the meeting either side of the River Foyle so no-one felt excluded.

The group now has a new home, at the city's Healthy Living Centre – a place where everyone feels welcome.

In July 2017, the Foyle Support Group won our 'Reaching Out and Connecting Award' at our annual **Inspire Awards** for the difference they've made to people living with diabetes and for bringing communities together.

[Find out more](#)



“I had never known of any meetings in the Derry area until I read about Diabetes UK looking for people to help set one up. There were a lot of groups on social media but no actual physical support group for adults.”

George



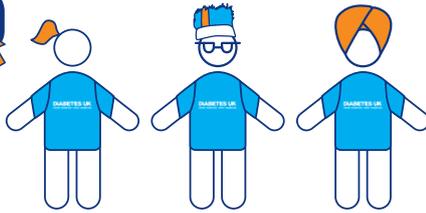
★ 2017 highlights

Our volunteers got more involved in more of our work than ever before, giving more than 100,000 hours of their time.

In 2017, our volunteers helped people understand their risk of Type 2 diabetes through our Know Your Risk programme. They informed the direction of our research through our Clinical Studies Groups and our Grant Advisory Panel.

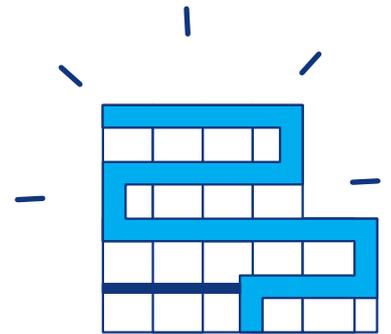
They guided our diabetes work through our Council of People Living with Diabetes and Council of Healthcare Professionals. They spoke at events all over the country, sharing their experiences and helping people understand more about diabetes. And all their fantastic fundraising made our work possible.

Volunteer for us



We worked hard to make sure our people enjoy working here and that we are working in the most effective way.

We want to make sure we attract and retain the best people. So we've improved our training programmes and introduced new ways to recognise our colleagues' work. We also relocated two of our offices to newer spaces, which offer us better environments and better value for money.



We learned more about diabetes.

Making sure we all know more about the condition is vital for everyone at Diabetes UK. So this year we invited healthcare professionals and experts to talk to our teams about topics including diet, management, advances in treatment and diabulimia.

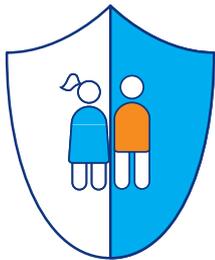


Coming up in 2018



We'll continue to improve the way we work.

We'll do this through developing our leaders, managers, staff and volunteers. We want to make sure that everyone feels valued for the role they play in tackling the diabetes crisis.



We'll review our systems and processes.

This year we'll look at how we plan and manage projects. And we'll also make sure we keep safe, legal and healthy in line with all regulatory changes, including the General Data Protection Regulation (GDPR).



We'll develop more opportunities for new volunteers.

Our volunteers continue to be at the heart of Diabetes UK, so we want to make sure everyone knows how they can get involved in helping us. Whether that's campaigning, fundraising or even being part of one of our governance boards, it all helps us build a world where diabetes can do no harm.



★ **David and Christine Thorp** are members of the Banting Circle, our exclusive giving club. The Circle is named in honour of Sir Frederick Banting, one of the co-discoverers of insulin.

“We have been supporting the work of Diabetes UK for more than 40 years and have seen the organisation grow dramatically in that time. Diabetes is an escalating health crisis and we are proud to be involved with this excellent charity, which funds world-class research, campaigns on behalf of people with diabetes, and provides support and advice to people to help them better manage their condition. Diabetes UK works hard to reduce the impact that this condition can cause. It's a subject that's close to our hearts, and we too hope for a world where diabetes can be better understood and managed.”

Joining the fight

We can't build a world where diabetes can do no harm on our own; we need our dedicated community of supporters. Here's just a small selection of stories from the thousands of people who helped us in 2017.



Jade Dunkley isn't afraid of a challenge. She skydived, she wing-walked, and now she's taking on our Swim22 challenge.

"Completing this challenge would mean a lot to me, as in 2004 my mum sadly lost her life. She had diabetes as well as the same water-related fears I had when I was younger and therefore couldn't swim, so I am taking part in this challenge in memory of her."



Beth Baldwin and her family have raised more than £70,000 in memory of their son, Peter, who died as a result of undiagnosed Type 1 diabetes. Beth has also

campaigned for a greater awareness of the symptoms of Type 1 diabetes as part of our #KnowType1 campaign in Wales. The campaign has already directly led to four families receiving a diagnosis of Type 1 diabetes.



James' daughter Regan was diagnosed with Type 1 diabetes in 2016. It's had its impact on her life, but she's decided to take control and the support she's received has been vital for this.

"Regan attended Diabetes UK Type 1 events, where she met other teenagers with Type 1 diabetes. And her confidence grew significantly with their support."



Carlos Adamah works in our corporate services team and ran the Royal Parks Half marathon for us.

"I decided to run for my late grandmother and my dad who's been living with diabetes for 30 years. In the build up to the half, my dad had his first serious hypo and blacked out. That spurred me on to do the run and raise money towards our cause. Despite my legs almost giving up with 200m to the finish line, I thoroughly enjoyed the run and being part of #TeamDUK."

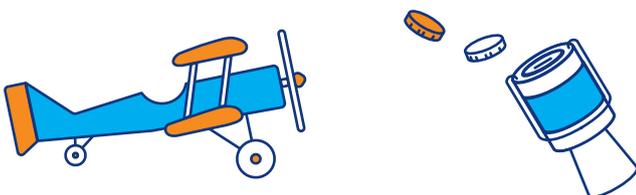


Phylex Green is one of our Community Champions. He helps raise awareness of Type 2 diabetes and the importance of healthy eating among his bus driver colleagues.



Rashida Khan is another one of our Community Champions. She shares her knowledge within her local community to help people make changes in their life.

"By raising awareness on a regular basis and providing ongoing support it can potentially give people the appropriate environment and encouragement to make the necessary changes."



Our **local support groups** across the UK are created, run and developed by our volunteers. They bring together communities to raise awareness and reach all people living with and affected by diabetes.



Jayden's sister Ava was diagnosed with Type 1 diabetes two years ago, and Jayden has been creative in his fundraising ever since.

The money he has raised has meant Jayden and his family have started a new family group.



Sally Oxlade is a Volunteer group leader in the South East. She's built relationships, used innovative promotional activities to grow group members, and even helped the Winchester

group re-establish their work in the community and prevent it from closing.



Parijat De is one of our Clinical Champions based in Birmingham, and he is working hard at improving inpatient care across his Trust (Sandwell & West Birmingham NHS Trust)

by educating staff, improving current systems and introducing new IT applications. As a result he's seen significant improvements in management of diabetes within hospital and medication and insulin errors fall by 18.3%, reducing avoidable diabetes harm and length of hospital stay.



Vicky Alexander: As part of the Clinical Champion programme, Vicky is working on the Diabetes Out There (DOT) project in Tayside.

"We are aiming to provide a seamless service for children and young people with diabetes from 0–25 years. Integral to this is increasing opportunities for peer support and peer learning, and providing services in non-clinical environments."

Sitting on **our advisory panels** are Nicola Milne and James Falade. Getting involved in this way means they help shape and direct our work.



Nicola Milne is a practice nurse in Manchester and is a member of our Council of Healthcare Professionals. She is very involved in the work Diabetes UK deliver

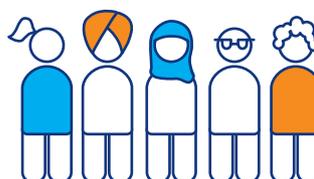
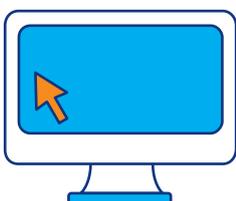
and has contributed to developing our Information Prescriptions.

"It's rewarding to see how my experience with patients is benefiting the work being done at Diabetes UK. Our clinical knowledge is being used to add even more value to their work, which is crucial for a healthcare charity."



James Falade has been part of our Council of People Living with Diabetes for six years.

"It's great to have the opportunities to provide a sounding board for Diabetes UK. The charity really listens to our experiences as people living with the condition and use this in their work. Plus I get to meet up regularly with others with the condition, which can be so helpful."



Thank you

We hugely appreciate your generosity in donating your time and money. Thank you for your loyalty and passion in helping us continue our fight for a world where diabetes can do no harm. Each one of our supporters is helping people living with and affected by diabetes every day.

We'd like to give an extra mention to the individuals, corporates and trusts who have given us a significant donation. And to those who have left, or plan to leave us a gift in their will.

It's made a huge difference, so thank you.

Trusts and Foundations

The Charles Wolfson Charitable Trust
 Chellaram Foundation
 The Clive and Sylvia Richards Charitable Trust
 Colton Trust Ltd
 Dudley and Geoffrey Cox Charitable Trust
 Edwin George Robinson Charitable Trust
 Eli Lilly and Company Limited
 The Elizabeth and Prince Zaiger Trust
 The Fidelity UK Foundation
 The Foster Wood Foundation
 Miss Emily Margaret Lidbury Charitable Trust
 The Henry Lumley Charitable Trust
 The Jordan Charitable Foundation
 The Ladham Charitable Trust
 The Marjorie and Edgar Knight Charitable Trust
 The Martin Laing Foundation
 Miss M.J.M. Smith's Trust
 Pilkington Charities Fund
 Sir Samuel Scott of Yews Trust
 The R S Macdonald Charitable Trust
 The Simon Gibson Charitable Trust

The Weinstock Fund

William Adlington Cadbury Charitable Trust

Corporates

Boots UK Limited
 Bunzl PLC
 BUPA
 Champneys Charitable Foundation
 Groupe SEB UK Limited
 Janssen-Cilag Ltd
 Next PLC
 Novo Nordisk Ltd
 Rontec
 Sanofi
 Specsavers Optical Group
 National Charity Partnership
 Trimb Healthcare AB

Individuals

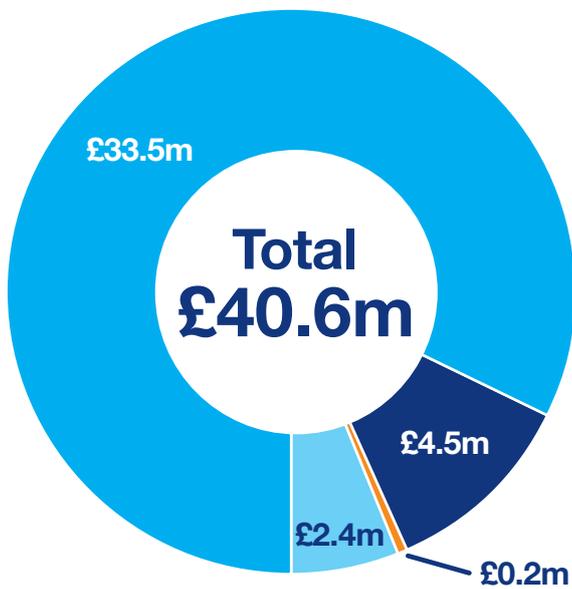
Kip and Alison Bertram
 Oisín Crawley
 David Dupont
 Ivor and Andrea Lewis
 Ben and Emily Rolfe
 Mike and Angie Rutherford
 Martin and Marianna Sheppard
 David and Christine Thorp
 Jackie Turner

We would also like to thank **Kirklees Council** and all our other local funders for helping us make a real difference across the country to those living with both Type 1 and Type 2 diabetes, and those at high risk of Type 2.



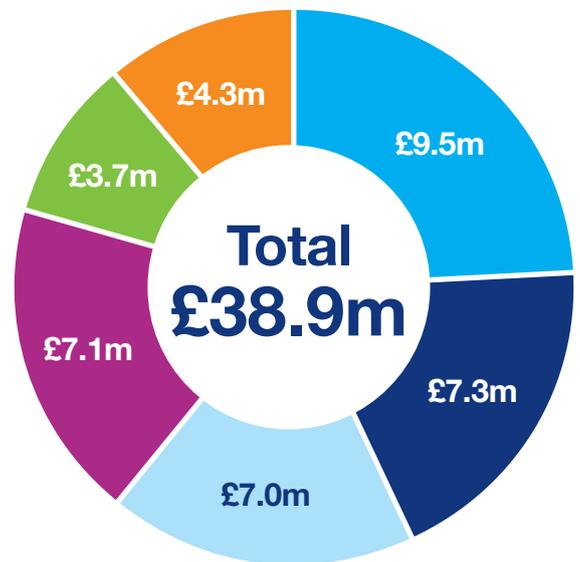
Our numbers

Income



- Donations and legacies
- Other trading activities
- Income from investments
- Income from charitable activities

Expenditure



- Expenditure on raising funds
- Expenditure on charitable activities:
- Research
 - Managing diabetes
 - Transforming care
 - Prevention
 - Understanding and support

Get involved

There is no single way we will achieve our vision of a world where diabetes can do no harm. And there is no way we can do it alone. Here are some of the ways you can be part of our fight.

Donate

We're a charity, and everything we do is only possible thanks to the generosity of the people who donate to us. Your donations help us support people living with, or at risk of diabetes in many different ways, from our helpline, to funding campaigns and spaces where people can share their experiences of diabetes and learn from each other. And, importantly, your donations are funding the vital research that will one day create a world where diabetes can do harm. Thank you.

www.diabetes.org.uk/donate

Challenge

Challenge yourself to take part in our fundraising events. Whether it be walking, running or swimming we have a range of activities that are fun and inspiring. The funds raised help us continue to make a difference.

www.diabetes.org.uk/get_involved/fundraising-events

Join us

Supporting us by becoming a member is the simplest way to help us make sure more and more people get the support and care needed to live confidently with diabetes.

Join us online today and receive all the benefits of membership, including our magazines and the latest information about support, care and research.

www.diabetes.org.uk/membership

Campaign

Whether it's securing government changes at a national level, or improvements to care locally, our campaigners make life better for people affected by diabetes. They make change happen. By joining them you will too.

www.diabetes.org.uk/campaigns

Volunteer

Our volunteers make things happen. Without them we couldn't run our Type 1 Events, help people learn their risk of Type 2 diabetes, raise awareness in local communities or provide advice and understanding at one of our local groups. We've got so many volunteering opportunities there's bound to be one that's perfect for you.

www.diabetes.org.uk/volunteer

Leave a gift

More than a third of our income is from gifts people leave us in their wills. It makes so much of our work possible. Leaving us a gift in your will means we can continue to be there for people with diabetes when they need us most.

www.diabetes.org.uk/legacies

Trusts and Foundations

Support from charitable Trusts and Foundations makes an incredible difference to our work. Their support helps us do so much, such as funding research, our helpline and Learning Zone. But there is still more we want to achieve. To find out how your Trust or Foundation can help us please do get in touch.

philanthropy@diabetes.org.uk

Corporate partners

Our unique partnerships with corporates raise awareness of diabetes and provide vital support to those affected by or at risk from it. And we want to help make your business a healthier place to work. If you'd like to team up, we'd love to hear from you.

partnershipenquiries@diabetes.org.uk

Get support



Call us

Our helpline is a dedicated diabetes helpline for anyone living with diabetes, their family or friends, and people who are worried they might be at risk.

Our team can provide you with advice on practical issues like driving or problems at work, or they can talk through any social, emotional or psychological difficulties you might be having. And if you're having a bad day and you just need to chat with someone who understands diabetes, they'll be there for you too.

Call: **0345 123 2399***, Monday to Friday, 9am–6pm

Email: helpline@diabetes.org.uk

If you're in Scotland:

Call: **0141 212 8710***, Monday to Friday, 9am–6pm

Email: helpline.scotland@diabetes.org.uk



Go online

Our website is bursting with useful information and tips to help you learn more about diabetes.

More advice and help is available from our online support forum and Facebook and Twitter communities. They're ready and waiting to answer your questions and point you in the right direction

Join the conversation:

 www.facebook.com/diabetesuk

 www.twitter.com/DiabetesUK

 forum.diabetes.org.uk



Join a local group

If you love to meet and talk to people face to face, check out your local support group – we run 360 of them up and down the UK.

Our groups are filled with people who've been there, done that and got the Diabetes UK t-shirt. Along with providing support and understanding they're also busy raising awareness, campaigning, fundraising and organising social events.

Find your nearest group:

www.diabetes.org.uk/groups

Call **0345 123 2399***

Email info@diabetes.org.uk

*Calls may be recorded for quality and training purposes.

Our finances and how we're run

Our objectives and performance

We carry out a wide range of activities to deliver our charitable purpose.

A review of the charity's main activities and achievements of 2017, together with future plans, can be found on pages 15–40.

The objectives of the charity, as set out in our Articles of Association are:

- to provide relief for people with diabetes and its related complications, and for those who care for them
- to promote the welfare of people with diabetes and its related complications, and of those who care for them
- to advance the understanding of diabetes through the education of people with diabetes and the healthcare professionals and others who care for them, and the general public
- and to promote and fund research related to the causes, prevention and cure of diabetes and into improvements in the management of the condition and its complications; and to publish the useful results of any such research.

In reviewing our aims and objectives and setting our priorities each year, we consider the Charity Commission's general guidance on public benefit, which helps steer our decision making.

Our financial performance

Commentary on our Finances 2017

We continue to be the leading UK charity for people affected by diabetes, leading the fight against the growing crisis. Thanks to our generous supporters and the many organisations we work in partnership with, we've had another successful year of raising our income and maintaining our wide range of services to help people living with, at risk of or affected by diabetes.

Our partnership with Tesco and the British Heart Foundation came to an end on 31 December 2017. This successful partnership generated more than £25 million over its three year course, bringing in income to Diabetes UK of £4.8 million during

2017 (2016: £4.1 million, 2015: £3.6 million). We look forward to the launch in 2018 of a new health partnership between ourselves, Tesco, British Heart Foundation and Cancer Research UK.

Income

Our total income increased to £40.6 million, up by around 11% from 2016. This increase was largely due to a number of exceptionally high legacies in the year, contributing to a legacy income of £16.8 million in 2017 (£12.5 million in 2016). We remain very grateful to those who leave us gifts in their wills.

While our income in other areas was broadly as planned we continue to be affected by a challenging external fundraising climate, including changes in regulation, which will impact how we contact people. We are in the process of changing the balance of investment across our fundraising activities, including a move away from some forms of fundraising that aren't generating as much income as they used to. This change in approach is likely to take several years to show a significant impact on our income.

The activities that directly meet our charitable objectives, including our professional conferences, our work with the NHS, Type 1 Events programme and publications, continue to generate around £2.4 million in income.

Expenditure

Overall, with expenditure at £38.9 million, we have spent less in 2017 than the previous year. This is because programmes of activity relating to prevention and diabetes management, funded through our National Charity Partnership with Tesco have now ended. We are now transitioning into new strategic programmes such as our online education project and the Revolution in Understanding and Support programme.

We continue to work towards reducing the proportion of funds used to generate income in current and future years. However, there has been a slight cost increase in 2017, £0.3 million, as a result of regulatory changes which have impacted on supplier costs.

Research remains a strategic priority for us, as detailed on pages 17–20. We have increased our expenditure in diabetes research, both directly and by partnering with other organisations. In 2017,

we provided funding of over £6.4 million to research institutions throughout the UK (see note 12 to the Financial Statements), of which £2.6 million were new grants awarded, higher than investment levels in 2016 (£1.7 million).

Key services and campaigns as described on pages 30–32, are critical areas of activity in **helping everyone manage their diabetes**. Funding allocated to this area is lower in 2017 than in 2016, as some programmes funded by the National Charity Partnership have come to an end as planned.

Transforming diabetes care, as described on pages 22–24, includes a broad spectrum of activity working with the NHS, national governments and individual healthcare professionals. A structural change in 2017 has resulted in lower costs in this area compared to prior years.

Working with partners on initiatives as part of **Reducing obesity and preventing Type 2 diabetes**, described on pages 25–28, continues to be a strategic priority. During the year we began work on a broader education programme and we anticipate a return to higher levels of expenditure in future years as the programme gains momentum.

The **revolution in understanding and support** programme, detailed on pages 33–36, is more critical than ever before, as we seek to increase understanding that diabetes is a serious condition, position Diabetes UK as a trusted source of support and increase the funds we raise to fight the growing health crisis. Investment in this area increased to £4.3 million and we will be investing further in this area in 2018.

Our approach to investments

We hold our reserves as either cash on deposit or invest in securities as part of an investment portfolio (for reserves we do not expect to draw down for a number of years). Our investment policy aims to produce the best financial return within an acceptable level of risk and also aims to ensure an appropriate level of assets are available to meet unanticipated cash flow requirements.

We review the amount of reserves held in our portfolio or as cash annually as part of our budget process. Our Finance Committee also reviews the underlying principles of our investments on an annual basis. Our investment managers are Cazenove, and performance of the investment portfolio was positive last year with a return of 7.4% against a bench mark of 5.35%.

In addition, our policy ensures that cash is held with sufficiently creditworthy institutions who are sufficiently

diversified to manage risk. We work to limit holdings with an individual institution at £5 million and we do not commit funds for more than 12 months. Placement in any new institutions must be approved by the Finance Committee.

Our approach to reserves management

Reserves are held for a number of practical reasons, including:

- so that we can provide continuity of our medical research, services and advocacy to benefit people living with or at risk of diabetes should our fundraised income fall unexpectedly
- providing working capital to meet upfront expenditure during the year before income is received
- and providing resource for investment, for example, updating technology, developing services and ensuring we maximise our reach.

As at 31 December 2017 our general funds were £16.6 million of which £2.2 million represents our tangible fixed assets and £1.6 million is held against our defined benefit pension scheme, leaving £12.8 million of free reserves. Given we have some cash flow advantage due to our research commitments being payable over more than one year the trustees have agreed an interim target level of reserves based on unrestricted cash and investments. On this measure our unrestricted liquid assets, cash and investments were £21.5 million at 31 December 2017 and our plan is that this should be maintained at no less than the reserve target of £12 million.

Our planned direction of travel is to bring our general funds down so that we maximise our charitable impact and we have set a budget to draw on our reserves over 2018.

Given our strategic ambition, the changing external environment and our ambition to develop our fundraising approach we plan to review and update our reserves policy alongside updating our strategy. This work starts in 2018 although we continue to revisit key factors to our reserves policy, such as the potential short term volatility of our income, on a regular basis.

Restricted reserves

Restricted reserves totalled £5.5 million (see note 22), the majority of which relate to funds from the National Charity Partnership. We have budgeted to spend these down over the next 18 months with the greater part applied to agreed charitable activities during 2018.

Pensions

Diabetes UK provides employees with the opportunity to participate in a defined contribution pension scheme.

Historically, we also provided a defined benefit scheme which closed to new entrants and further accruals in August 2004. The scheme remains subject to a formal triennial funding valuation, with the most recently completed as at 31 December 2016. This showed a funding shortfall of £0.3 million, as a result of which a one off payment of £0.3 million was made in 2017. The actuary carries out a separate annual valuation in accordance with 'FRS102: Employee Benefits', in which different funding assumptions are applied. The FRS 102 valuation as at 31 December 2017 showed a deficit of £1.6 million (2016: £2.4 million), and is further explained in note 30 to the financial statements.

Going concern

The Board of Trustees have reviewed Diabetes UK's activities, financial position and risk management policies together with factors likely to affect future development, including the impact of economic uncertainty on voluntary income. They have concluded that it is reasonable to expect Diabetes UK to have adequate resources to continue in operation for the foreseeable future. Accordingly, the going concern basis of accounting continues to be adopted in preparing the financial statements.

Audit

Crowe Clark Whitehill LLP have expressed their willingness to continue in office, and will be reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006.

Risks and uncertainties

We are committed to effective risk management and have adopted the Three Lines of Defence Model (which is known internally as Keeping Safe, Legal and Healthy), a tried and tested framework, to ensure significant risks associated with the delivery and provision of our work and services are appropriately managed.

Risk management also forms an integral part of our planning processes and project methodology. This includes how we organise events and puts in place measures so that our employees and volunteers are encouraged to tell us about risks they identify as they work.

The Executive team discusses new risks and changes to existing risks on a monthly basis, and holds more in depth quarterly reviews of our corporate risk register. The most significant risks we face are reviewed regularly by the Audit and Risk Committee, and by the Board of Trustees, who have overall responsibility for ensuring we have appropriate systems and processes in place to manage those risks.

The key risks we have focussed on during 2017 concern the following areas:

- **Protection of the vulnerable people we work with.** We know how important it is to protect the vulnerable people we work with. As such, we make sure that our staff and volunteers are aware of the challenges vulnerable people may have and what to do if we are worried about a child or adult. Our Safeguarding team have an annual plan, which sees us working towards best practice in all aspects of safeguarding. We have also developed robust processes and training programmes so everyone has the right support they need to protect vulnerable people.
- **Capacity to deliver our strategy.** As part of our Best People Best Organisation strategy, as detailed on pages 38–40, we are continuing our programme of work to engage and upskill employees. For example, a new programme of leadership and management training will be implemented in 2018. We continue to review our IT infrastructure to ensure our systems meet new regulatory requirements, drive effective working and are future proof and fit for our evolving needs.
- **Compliance.** We continue to ensure our staff and our volunteers adhere to all guidance and legislation through our Keeping Safe, Legal and Healthy framework. This includes ongoing work which ensures our approach to contacting the public is compliant with existing and upcoming requirements such as GDPR.
- **Income targets not being met.** In order to achieve our ongoing ambitious strategy we will need to grow our income. The programme of activity described in the Revolution in Understanding and Support section on pages 32–36 is expected to help income growth in the long term by raising awareness of the diabetes crisis and the role we have in fighting it. However in the short and medium term we are working hard to develop existing sources of funding, including philanthropy and partnership funding. We have a contingency plan for adjusting planned expenditure should income drop significantly below budget.

Our external auditors perform additional assurance reviews of controls and processes within key areas of risk management each year. The auditors issue recommendations for improvement which we have either implemented, or are in the process of implementing. The Board of Trustees are satisfied that the systems we have in place manage the charity's exposure to the major risks identified.

Our approach to modern slavery and our supply chain

We are committed to continuously improving our processes to combat slavery and human trafficking in our business and supply chain. We are in the process of carrying out due diligence on existing suppliers and are developing additional procedures for assessing and auditing suppliers as part of our procurement process. This will ensure we only select suppliers who comply with our high standards and policies. Our full statement is available on our website.

How we're organised and governed

We were founded as The Diabetic Association in 1934 by the novelist HG Wells and Dr RD Lawrence – both of whom had diabetes. We changed our name to The British Diabetic Association in 1954, and have operated as Diabetes UK since the year 2000.

We work in England, Wales, Scotland and Northern Ireland, adapting our services as appropriate to relevant regional and local need. Diabetes UK is a company limited by guarantee, and is also registered with the Charity Commission in England and Wales and with the Office of the Scottish Regulator in Scotland.

Our Board of Trustees

We are governed by our Board of Trustees, who are responsible for:

- the overall strategic direction of our organisation, including evaluating progress against our strategic plans
- ensuring our financial stability
- acting in the best interests of our organisation
- and ensuring that we comply with our governing documents, with charity and company law as well as with any other relevant legislation.

We currently have 14 trustees with a broad range of skills and experience of diabetes and technical skills they bring from their varied professional backgrounds. All of our trustees support and work with us on a voluntary basis to ensure that we are doing everything we can to create a world where diabetes can do no harm.

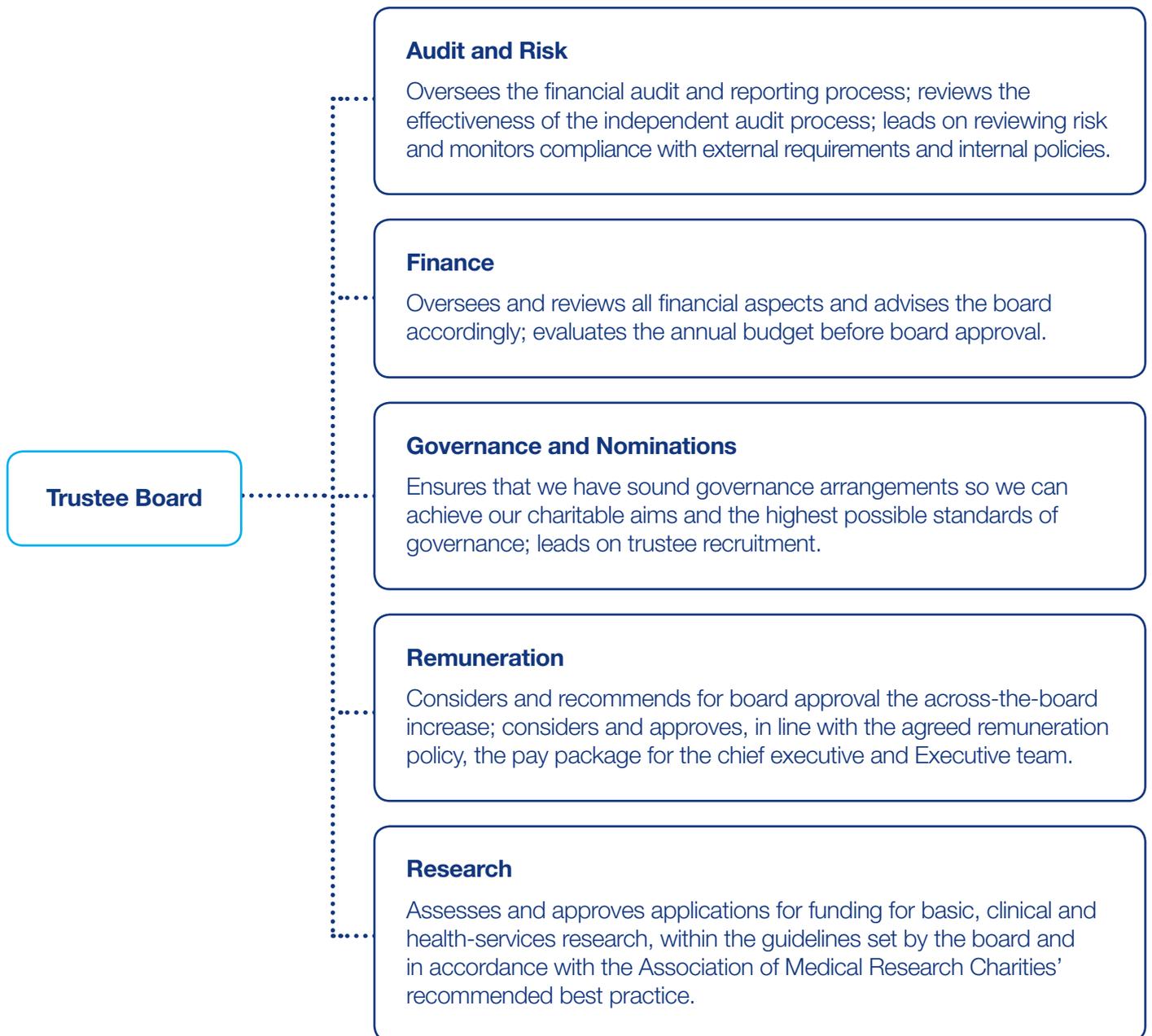
Trustees usually serve an initial term of up to three years, which may be extended on two further occasions up to a maximum of nine years. Our Governance and Nominations Committee oversees the recruitment process, and trustees are recruited through a variety of mechanisms including open advertising.

An induction programme covers key information including a trustee welcome pack, and sessions where they can learn more about every aspect of our work with our chief executive and members of the Executive team (our senior staff colleagues). Trustees also meet at least annually on a one-to-one basis with the chair of the board.

Board meetings

Our Board of Trustees usually meets around six or seven times a year, including an annual away day, so that they and our Executive team can have a more in-depth review of key strategic issues. In recent years the Board of Trustees have spent part of each away day looking at its own effectiveness and in 2017 measured this against the six key principles set out in the National Council of Voluntary Organisation’s Good Governance Code.

Following publication of the new Charity Code in July 2017, our Governance and Nominations Committee considered an overview note of the principles and key changes from the earlier code; our Board of Trustees will be considering how best to meet the principles and outcomes at its May 2018 meeting.



Membership of our sub-committees comprises trustees, with most serving on at least one sub-committee. Our Governance and Nominations Committee however, is chaired by a non-trustee and its membership also comprises two other

non-trustee members; and given the more technical nature of its work, our Research Committee also comprises non-trustee members with specialist knowledge across our varied areas of research.

Stakeholder engagement – our advisory groups

To help us achieve our vision for a world where diabetes can do no harm, we benefit enormously from a number of advisory groups:

- **The Council of People Living with Diabetes (CPD)** – this group comprises up to 30 members, including those with direct experience of Type 1 and Type 2 diabetes and carers and parents of children with diabetes; membership is drawn from all four nations.
- **The Council of Healthcare Professionals (CHP)** – this group includes healthcare professionals from a range of disciplines who help us provide support and advice to the wider community of healthcare professionals; membership is drawn from all four nations.

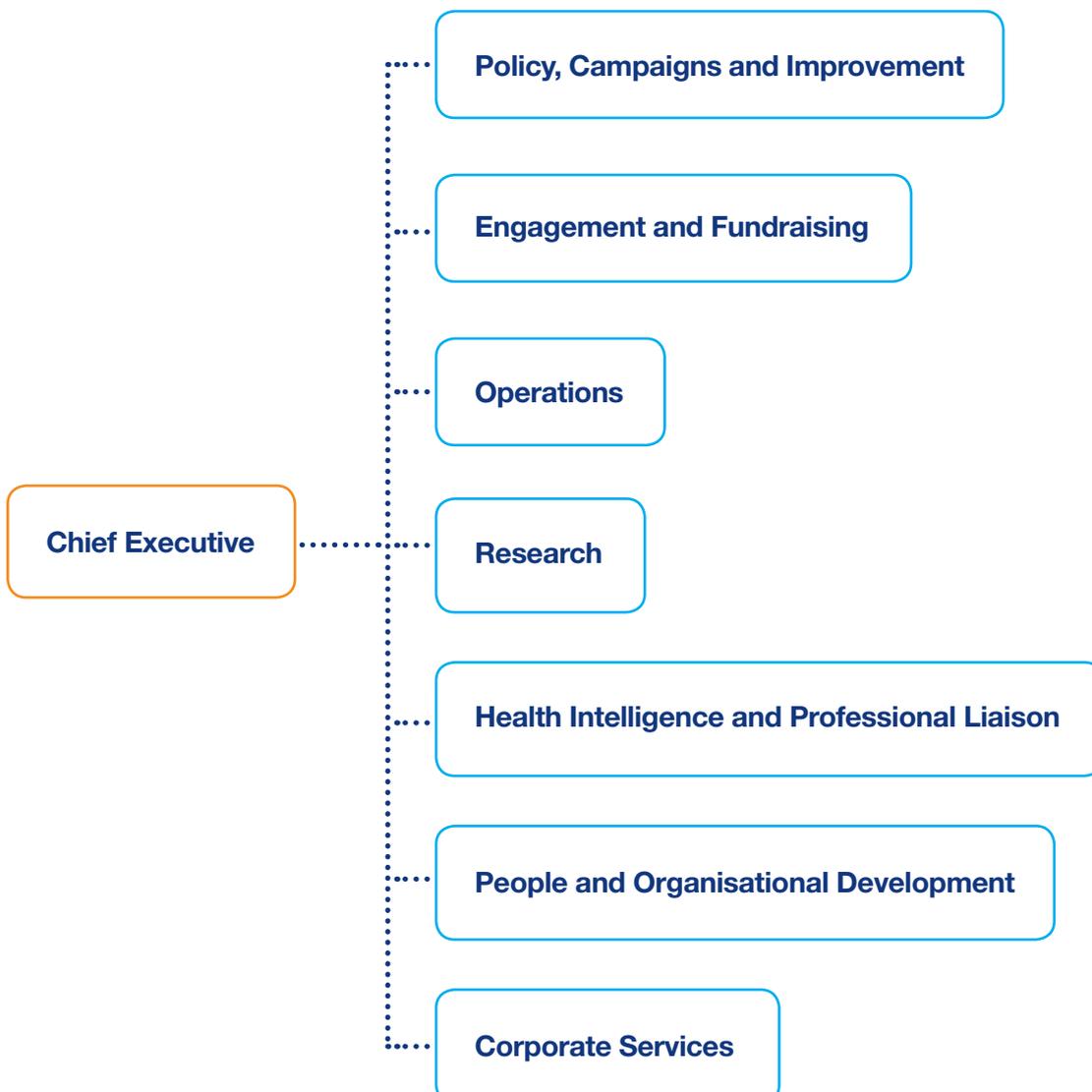
Our trustees will often attend meetings of CPD and CHP as observers.

- **National Advisory Councils in Scotland, Wales and Northern Ireland** – members include people with Type 1 and Type 2 diabetes and healthcare professionals; our national directors are supported by these advisory groups and benefit from their experience and expertise on particular issues.
- **Science and Research Advisory Group** – both professional and lay members of this group help us review research in our field with recommendations to the board on those strategic areas which will have the most benefit.

We thank all the members of our advisory groups for their contribution to our work.

How we organise our work

We have seven directorates, each led by an Executive team member reporting to our chief executive.



Subsidiaries and related parties

Diabetes UK Services Limited is a wholly owned trading subsidiary of Diabetes UK and its accounts are consolidated in the accounts presented on pages 59–85. Its principal activities are corporate sponsorship, fundraising events and the sale of seasonal goods including Christmas cards. The company's performance continues to be satisfactory and the taxable profit of £1.3 million (2016: £1.7 million) will be donated to Diabetes UK under Gift Aid.

How our work delivers public benefit

We have a duty to report on the public benefit that Diabetes UK delivers under section four of the Charities Act 2011. Having considered this, along with Charity Commission guidance, our Board of Trustees is satisfied that these public benefit requirements have been met.

With someone diagnosed with diabetes every two minutes, our work has never been so important and so greatly needed by the public. We are committing more of our own funds to research, working with the health systems across all four nations to improve overall diabetes care and working with healthcare professionals to drive this change. We offer a confidential helpline staffed by trained counsellors to support those affected by diabetes, and their family or friends, as well as a range of online practical advice and information to help people manage their diabetes, or their risk of Type 2. We offer support to parents and schools to ensure children get the support they need at school. Even though they have been paused for 2018 while we review and improve, we run a range of events for young people affected by Type 1 diabetes. We're also working to prevent Type 2 diabetes by helping people understand their risk and taking the appropriate action to reduce that risk.

All this and more, is helping us work towards our vision of a world where diabetes can do no harm.

How we fundraise

We are almost entirely reliant on donations to fund our work. Without the generosity of the public we would not be able to continue our support for people with, at risk of, and affected by diabetes.

We believe that it is essential that we are clear and open about how we raise our funds and about the broad range of ways people can support our work.

People raise money for us in many different ways, including fundraising in their local communities and through our local groups. We also develop opportunities for people to fundraise by participating

in exciting events such as the London Marathon and our own activities such as Swim22 and the London Bridges Walk.

Supporters can sign up to make a regular donation, to play our lottery or to become a member through a variety of methods. For example, these include door-to-door fundraising or at a private site such as a shopping centre. We also ask people to give to us through our regular appeals, our raffles or to leave us a gift in their will.

We work with a number of corporate partners. We're also supported by a number of charitable trusts and foundations, as well as philanthropic gifts from major donors.

Some of our fundraising activity is conducted on our behalf by carefully selected professional fundraising agencies. We work with an agency to carry out door-to-door and private site fundraising as this is a cost-effective way for us to manage this activity. We also work with agencies to telephone existing supporters (where we have permission) to talk about their donation and, on some occasions, to ask for a further donation.

We work very closely with our agencies to ensure they represent our work and our organisation to the very highest standards.

Regulation

Diabetes UK is registered with the Fundraising Regulator and is a member of the Institute of Fundraising and Direct Marketing Association. We are committed to adhering to the Code of Fundraising Practice. We have had no significant failures to comply with these standards.

The ICO (Information Commissioner's Office) concluded an investigation into one of our fundraising campaigns this year. We co-operated fully with the investigation and implemented a number of improvements to our procedures as a result. The ICO decided not to take further action.

This year we received donations from more than 165,000 people. We received 169 complaints relating to fundraising, 30 of which were about face-to-face fundraising and three about telemarketing.

We've delivered training for our fundraising agencies in how to identify and protect people in vulnerable circumstances. We regularly monitor our agencies through a range of methods including call listening, shadowing, mystery shopping and the use of seed lists to ensure that everyone who works on our behalf adheres to our high standards.

In line with Charity Commission guidance Charity fundraising: a guide to trustee duties (CC20), we have a framework in place to ensure there is effective governance around our vital fundraising activities. Regular reports are made to our Finance Committee, Audit and Risk Committee and our Board of Trustees on fundraising performance, compliance and plans to ensure trustees have good visibility of our activities. In addition, the board has nominated a trustee with responsibility for taking an overview of fundraising governance.

Our approach to remuneration

Our approach is designed to ensure we can attract and retain talented and motivated people across our organisation with the right experience and skills. We also aim to pay competitively, within the context of affordability, and benchmark our salaries against other similar organisations. We have a simple and transparent job evaluation process, using an externally recognised benchmarking tool to set our pay bands. We also have a recognition scheme in place and a range of benefits that support our staff.

Our trustees have overall responsibility for our pay policy including the salaries of our chief executive and other Executive team members. Our Remuneration Committee – comprising the chair and vice-chair of the trustee board and our treasurer – approve any across-the-board increases as well as the remuneration for our Executive team.

Our approach to grant-making

Diabetes UK invites applications for funding of projects, fellowships and studentships through advertising in specialist medical and scientific media and on relevant websites. Applicants based at not-for-profit UK-based academic or NHS institutions submit proposals which are reviewed against criteria such as relevance to diabetes, scientific merit, feasibility and value for money.

All grant applications are assessed by a minimum of three external peer reviewers before being submitted to the Research Committee or the Fellowship and Studentship Panels. High-level research strategy and objectives are set by the Board of Trustees and the decisions about the funding of specific projects are delegated to the Research Committee.

We offer fellowships and studentships to carry out diabetes research. Applicants for fellowships are invited for interview by an expert panel which makes the funding decision. At least one member of the Research Committee sits on each fellowship panel.

Funding decisions for studentships are decided by a panel, consisting of Research Committee members.

Statement of trustees' responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP
- make judgments and estimates that are reasonable and prudent
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- state whether FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" has been followed, subject to any material departures disclosed and explained in the financial statements
- and prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Board of Trustees is responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose (with reasonable accuracy) at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act

2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as each of the trustees is aware:

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the company'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 Board of Trustees of Diabetes UK on 24 May 2018 including in their capacity as company directors, the strategic report contained therein, and signed on its behalf by:

Sir Peter Dixon
Chair

Patrons, Trustees, Officers and Professional Advisors

Patron

Her Majesty The Queen

Ambassador

Richard Lane OBE

Vice Presidents

Professor Sir George Alberti

Mrs Barbara Elster BEM

Mrs Anne Felton

Mr John Grumitt

Dr Michael Hall

Sir Michael Hirst

Professor Simon Howell

Mrs Judith Rich OBE

Board of Trustees

Sir Peter Dixon (Chair)^{3,4}

Julian Baust (Vice-Chair)^{1,3}

Noah Franklin (Treasurer)^{1,2,3}

Professor Sir Harry Burns

Rosie Cunningham-Thomas (appointed 20 July 2017)

Professor Wasim Hanif⁴

Gareth Hoskin²

Ian King (appointed 20 July 2017)¹

James McCall (resigned 2 May 2017)

Helen McCallum²

Bob Swindell (appointed 20 July 2017)

Wendy Thomson (appointed 20 July 2017)

Professor Rhys Williams⁴

Janice Watson¹

Dr Bob Young

¹ Finance Committee member

² Audit and Risk Committee member

³ Remuneration Committee member

⁴ Governance and Nominations Committee member

Non-trustee members

We thank all the members of the Research Committee for the expert advice they provide.

We would also like to thank the following members of the Governance and Nominations Committee, and our medical advisor to the board:

Governance and Nominations Committee

Caroline Lor (Chair)

Dr Reg Hinkley

Anne Moynihan (to 14 June 2017)

We also thank the trustees of the

British Diabetic Association Pension and Life Assurance Scheme

Simon Hartley (Chair)

Colette Marshall

Simon O'Neill

Peter Shorrick

Senior management (the Executive team)

Chief Executive

Chris Askew

Director of Engagement & Fundraising

Kath Abrahams

Director of Health Intelligence & Professional Liaison

Simon O'Neill

Interim Director of Human Resources

Jon Forde (to 5 May 2017)

Director of People and Organisational Development

Adrian Blair (from 2 May 2017)

Director of Operations

Colette Marshall

Director of Corporate Services

Graham Galvin*

*Company secretary

Director of Policy, Care and Improvement

Bridget Turner

Director of Research

Dr Elizabeth Robertson

Bankers and professional advisors

Bankers

Barclays Bank Plc
One Churchill Place
London E14 5HP

Auditor

Crowe Clark Whitehill LLP
St Bride's House
10 Salisbury Square
London EC4Y 8EH

Legal advisors

Bates Wells & Braithwaite LLP
10 Queen Street Place
London
EC4R 1BE

Investment managers

Cazenove Capital Management
12 Moorgate
London EC2R 6DA

Diabetes UK offices

London and registered office address

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Wells Lawrence House
126 Back Church Lane
London E1 1FH
0345 123 2399
info@diabetes.org.uk

National and regional offices

Diabetes UK Eastern

8 Atlantic Square
Station Road
Witham
Essex CM8 2TL
01376 501390
eastern@diabetes.org.uk

Diabetes UK Cymru

Argyle House
Castlebridge
Cowbridge Road East
Cardiff CF11 9AB
029 2066 8276
wales@diabetes.org.uk

Diabetes UK South East

Ground floor, Blenheim House
Blenheim Road
Longmead Industrial Estate
Epsom KT19 9AP
0208 549 5418
south.east@diabetes.org.uk

Diabetes UK Northern Ireland

Bridgewood House
Newforge Business Park
Newforge Lane
Belfast BT9 5NW
028 9066 6646
n.ireland@diabetes.org.uk

Diabetes UK South West

Victoria House
Victoria Street
Taunton TA1 3FA
01823 448260
south.west@diabetes.org.uk

Diabetes UK Scotland

The Venlaw
349 Bath Street
Glasgow G2 4AA
0141 332 2700
scotland@diabetes.org.uk

Diabetes UK Northern & Yorkshire

Office 1.3 Business Central
2 Union Square Central Park
Darlington DL1 1GL
01325 488606
north&yorks@diabetes.org.uk

Diabetes UK Midlands

Suite 2C, St David's Court
Union Street
Wolverhampton WV1 3JE
01922 614500
w.midlands@diabetes.org.uk

Diabetes UK North West

Suite C, 2nd Floor
Dallam Court, Dallam Lane
Warrington WA2 7LT
01925 653281
n.west@diabetes.org.uk

Diabetes UK is the operating name of The British Diabetic Association, a company limited by guarantee, registered in England and Wales (company no: 339181) and a charity registered with the Charity Commission for England & Wales (registered charity no: 215199) and with the Office of the Scottish Charity Regulator (registration no: SC039136).

Independent auditor's report to the members and trustees of The British Diabetic Association

Opinion

We have audited the financial statements of The British Diabetic Association for the year ended 31 December 2017 which comprise Group Statement of Financial Activities, the Group and Charity Balance Sheets, the Group Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees 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, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 December 2017 and of the group's incoming resources and application of resources 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, the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (amended).

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 group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate, or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on pages 54–55, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's or 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

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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.

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.

N. Hashemi

Naziar Hashemi
Senior Statutory Auditor
For and on behalf of
Crowe Clark Whitehill LLP
Statutory Auditor
London

25/5/18

Financial statements 2017

Consolidated statement of financial activities (incorporating income and expenditure account and statement of total recognised gains and losses) for the year ended 31 December 2017

	Notes	2017			2016		
		Unrestricted £'000	Restricted £'000	Total £'000	Unrestricted £'000	Restricted £'000	Total £'000
Income from:							
Donations and legacies	3	23,674	9,841	33,515	21,025	7,882	28,907
Other trading activities	4	4,520	-	4,520	4,808	-	4,808
Income from investments	5	236	-	236	309	-	309
Income from charitable activities	6	1,804	567	2,371	1,710	740	2,450
Total income		30,234	10,408	40,642	27,852	8,622	36,474
Expenditure on:							
Expenditure on raising funds	8	8,763	724	9,487	8,455	726	9,181
Expenditure on charitable activities							
Research	9	1,782	5,474	7,256	3,062	3,893	6,955
Managing diabetes	9	6,371	619	6,990	5,706	1,879	7,585
Transforming care	9	6,323	827	7,150	7,004	697	7,701
Prevention	9	1,772	1,972	3,744	1,781	3,205	4,986
Understanding and support	9	3,809	449	4,258	2,189	1,825	4,014
Total Expenditure	9	28,820	10,065	38,885	28,197	12,225	40,422
Net gains on investments	17	702	-	702	960	-	960
Net income/(expenditure) for the year		2,116	343	2,459	615	(3,603)	(2,988)
Transfers between funds	22	693	(693)	-	78	(78)	-
Other recognised gains/(losses)							
Actuarial gains/(losses) on defined benefit pension scheme	30	546	-	546	(2,227)	-	(2,227)
Net movement in funds		3,355	(350)	3,005	(1,534)	(3,681)	(5,215)
Fund balances at the beginning of the financial year		11,684	5,832	17,516	13,218	9,513	22,731
Fund balances at the end of the financial year	23	15,039	5,482	20,521	11,684	5,832	17,516

There are no unrealised gains or losses which do not appear on the SOFA. All the above results are derived from continuing activities. The notes on pages 62–85 form part of these accounts.

Balance sheet at 31 December 2017

	Notes	Group		Diabetes UK	
		2017 £'000	2016 £'000	2017 £'000	2016 £'000
Fixed assets					
Tangible assets	16	2,173	2,195	2,173	2,195
Investments in subsidiary undertakings	26	-	-	40	40
Other investments	17	19,526	21,660	19,526	21,660
		<u>21,699</u>	<u>23,855</u>	<u>21,739</u>	<u>23,895</u>
Current assets					
Stock		150	88	-	-
Debtors	18	5,633	3,265	5,353	4,704
Cash at bank and in hand		7,467	5,516	6,940	4,895
		<u>13,250</u>	<u>8,869</u>	<u>12,293</u>	<u>9,599</u>
Creditors: amounts falling due within one year	19	(12,596)	(12,708)	(13,015)	(13,478)
Net current assets		<u>654</u>	<u>(3,839)</u>	<u>(722)</u>	<u>(3,879)</u>
Net assets before provisions		<u>22,353</u>	<u>20,016</u>	<u>21,017</u>	<u>20,016</u>
Provisions for liabilities and charges	21	(239)	(137)	(239)	137
Provision: defined benefit pension scheme liability	30	(1,593)	(2,363)	(1,593)	(2,363)
Net assets		<u>20,521</u>	<u>17,516</u>	<u>19,185</u>	<u>17,516</u>
Funds					
Restricted funds	22	5,482	5,832	5,482	5,832
Unrestricted funds					
General funds		16,632	14,047	15,296	14,047
Pension reserve deficit	30	(1,593)	(2,363)	(1,593)	(2,363)
Unrestricted funds including pension liability		<u>15,039</u>	<u>11,684</u>	<u>13,703</u>	<u>11,684</u>
Total funds		<u>20,521</u>	<u>17,516</u>	<u>19,185</u>	<u>17,516</u>

The notes on pages 62–85 form part of these accounts. The net movement in funds for the financial year dealt with in the financial statements of the parent company was £1,669k (2016: -£5,215k).

Approved by the Board of Trustees on 24 May 2018 and signed on their behalf by:

Sir Peter Dixon
Chair

Noah Franklin
Treasurer

Registered company no: 339181

Consolidated statement of cash flows for the year ended 31 December 2017

	2017	2016
	£'000	£'000
Cash flows from operating activities:		
Net cash (used in) operating activities (note 1)	(710)	(931)
Cash flows from investing activities:		
Dividends and interest from investments	236	309
Proceeds from the sale of tangible fixed assets	20	13
Purchase of tangible fixed assets	(431)	(2,061)
Proceeds from the sale of investments	2,496	5,155
Purchase of investments	(3,353)	(4,480)
Purchase of cash deposits	3,693	3,142
Net cash provided by investing activities	2,661	2,078
Change in cash and cash equivalents in the reporting period	1,951	1,147
Cash and cash equivalents at 1 January 2017	5,516	4,369
Cash and cash equivalents at 31 December 2017	7,467	5,516
Note 1 to the consolidated statement of cash flows	2017	2016
	£'000	£'000
Reconciliation of changes in resources to net cash (outflow) from operating activities		
Net income/(expenditure) for the year per the SOFA	2,459	(2,988)
Adjustments for:		
Depreciation charges	448	291
Gains on investments	(702)	(960)
Dividends and interest from investments	(236)	(309)
(Gain)/loss on the sale of fixed assets	(15)	78
(Increase)/decrease in stocks	(62)	12
(Increase)/decrease in debtors	(2,368)	296
(Increase)/decrease in creditors	(112)	3,040
Decrease/(increase) in provisions	102	(396)
Difference between payments to defined benefit pension scheme and amount charged to expenditure	(224)	5
Net cash (used in) operating activities	(710)	(931)

The charity has taken advantage of the exemptions in FRS 102 from the requirement to present a charity only cash flow statement.

1 Charity information

The charity is a private company (registered number 339181), which is incorporated and domiciled in the UK. The address of the registered office is Wells Lawrence House, 126 Back Church Lane, London E1 1FH.

2 Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with the Charities SORP (FRS102) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland and the Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006, and UK Generally Accepted Practice as it applies from 1 January 2015. The charity has taken advantage of exemption 408 of the Companies Act and as such a separate parent income statement has not been prepared.

Diabetes UK meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Basis of consolidation

The consolidated financial statements comprise Diabetes UK and its local groups ("Diabetes UK") together with its subsidiary, Diabetes UK Services Limited ("the Group"). A summarised profit and loss account and balance sheet for the subsidiary is given in note 26. The results of the subsidiary have been consolidated on a line by line basis.

Diabetes UK includes the income and expenditure of local groups where returns have been made prior to the preparation of the consolidated financial statements. 263 local groups were required to submit a return.

Going concern

As detailed in the financial commentary in the Trustees' Annual Report the trustees, having reviewed the charity's activities and financial position, consider the going concern basis of accounting to be appropriate.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent

from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects the current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are pensions liabilities where the charity recognises its liability to its defined benefit scheme which involves a number of estimates as disclosed in note 30, and legacies which are recognised when evidence of entitlement exists and the charity is able to measure reliably. Recognition is therefore sometimes in advance of receiving the cash.

Income

All income is accounted for when the charity has entitlement, there is probability of receipt and the amount is measurable.

Legacies

Income from legacies is recognised where evidence of entitlement exists, the value is measurable with sufficient reliability, and on the earlier of the date of receipt of finalised estate accounts, the date of payment or where there is sufficient evidence that the legacy will probably be received. In addition, full provision is made for any clawback of legacy payments when notification of such clawbacks is received.

Donations

Where donations have been collected by a third party, these are recognised when the value is measurable with sufficient reliability through the third party systems.

Membership subscriptions

In general, subscriptions, including life membership subscriptions are credited to income on receipt, as these are considered to be in the nature of donations.

Donated goods, services and facilities

These are included at the value to the charity where this can be quantified. In accordance the Charities SORP (FRS 102), no amounts are included in the financial statements for services donated by volunteers.

Where possible, gifts in kind are valued at their market value on date of receipt. If no market value is available, gifts in kind are valued at their estimated value to the charity.

Grants receivable

Grants receivable are credited to income as these become receivable, except in situations where they are related to performance, in which case these are accrued as the charity earns the right through performance.

Expenditure

All expenditure is accounted for on an accruals basis and includes irrecoverable VAT where applicable.

Costs of raising funds

Costs of raising funds comprise the costs incurred in fundraising, commercial trading activities and investment management.

Fundraising costs include salaries, direct costs and an appropriate allocation of central overhead costs.

Charitable activities

Expenditure is allocated to the relevant charitable activities on a basis consistent with resource use against the strategic plan and includes salaries, direct costs and an appropriate allocation of central overhead costs.

Research grants

Diabetes UK contracts with a range of institutions to fund specific research projects. Payment is conditional on the performance of key tasks and where such tasks remain incomplete, payment is withheld. Diabetes UK operates an annual review process whereby grants are reviewed to ensure progress is being made and the research programme complies with expectations before continuing payment is confirmed. As a result of this the first year of each research grant is recognised upfront, except where the grant is for one year only, when the final payment for that first year is not recognised until the final report is received.

Further detail on the grant making policy is contained in the Trustees' Annual Report.

Support and Governance costs reallocation

Support costs consist of Central team costs including governance, information technology, human resources, finance and office management functions.

Governance costs are made up of the staff costs for the Governance team, Board of Trustee costs and audit fees.

Support and governance costs are allocated to activities based on the number of staff involved in each activity.

Retirement benefits

For the defined benefit scheme the amount charged to the SOFA in respect of pension costs and other post retirement benefits is the estimated regular cost of providing the benefits accrued in the year, adjusted to reflect variations from that cost. Current service costs, interest costs and expected return on assets are included within charitable expenditure, allocated on a headcount basis by department.

Actuarial gains and losses arising from new valuations and from updating valuations to the balance sheet date are recognised in the SOFA under the heading of actuarial gains and losses on defined benefit pension scheme.

For defined contribution schemes the amount charged to the SOFA in respect of pension costs and other post retirement benefits is the contributions payable in the year, allocated between activities and to unrestricted and restricted funds on the same basis as other employee-related costs. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Taxation

Diabetes UK has charitable status and is thus exempt from taxation of its income and gains falling within Section 478 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that they are applied to its charitable objectives. No material tax charges have arisen in its subsidiaries and no provision is required for deferred taxation.

Assets and liabilities

Tangible fixed assets

All expenditure on fixed assets in excess of £2,000 is capitalised.

The charge for depreciation is calculated to write off fixed assets by equal instalments over their expected useful lives. These are estimated to be:

Leasehold Improvements: 10 years
Office equipment, fittings and furniture: 7 to 10 years
Computer hardware: 3 to 5 years
Computer software: 3 to 8 years
Motor vehicles: 5 years

Where any assets are impaired in value, provisions are made to reduce the book value of such assets to the recoverable amount.

Investments

The investments in the subsidiary undertakings are stated at cost less impairment; all other investments are stated at market value.

The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year. Investment cash is held for investment purposes only. It is the intention of the trustees that fixed asset investments will not be drawn upon within the following year.

Stocks

Stocks are valued at the lower of cost and net realisable value. Stock is reviewed at year end to identify any impairment with reference to sales activity and other changes in the environment. The cost of publications held for charitable purposes is expensed as incurred.

Operating leases

Rental payments under operating leases are charged against income on a straight line basis over the term of the lease.

Pension liability

The charity recognises its liability to its defined benefit pension scheme, to the extent that the charity has a legal or constructive obligation to settle the liability, which involves a number of estimations as disclosed in note 30.

Provision is made in full for the estimated cost of unfunded pensions payable to a small number of retired former employees. The provision is re-estimated each year, based on the pensions in payment, estimated future increments and changes in the pensioners' circumstances.

Funds

The funds of Diabetes UK consist of unrestricted and restricted amounts. Diabetes UK may use unrestricted amounts at its discretion.

Restricted funds represent income contributions which are restricted to a particular purpose in accordance with the wishes of the donor.

Financial Instruments

The charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method.

Financial assets held at amortised cost comprise cash at bank and in hand, together with trade debtors, other debtors and accrued income.

Financial liabilities held at amortised cost comprise trade creditors, other creditors and accruals.

Investments, including bonds held as part of an investment portfolio are held at fair value at the balance sheet date, with gains and losses being recognised within income and expenditure. Investments in subsidiary undertakings are held at cost less impairment.

3 Donations and legacies

	2017	2016
	Total	Total
Incoming resources	£'000	£'000
Legacies	16,763	12,531
Donations	16,752	16,376
Total	33,515	28,907

Income from donations comprises £4.7m (2016: £4.2m) raised through the National Charity Partnership with Tesco and £12.1m (2016: £12.2m) raised from membership, donations and fundraising.

4 Other trading activities

	2017	2016
	Total	Total
Incoming resources	£'000	£'000
Lotteries	2,085	2,304
Advertising	412	379
Corporate sponsorship	1,401	1,535
Consultancy	13	23
Merchandising	592	567
Service charges	17	-
Total	4,520	4,808

5 Income from investments

	2017	2016
	Total	Total
Incoming resources	£'000	£'000
Dividends from listed securities	188	165
Interest on cash at bank	48	144
Total	236	309

6 Income from charitable activities

	2017	2016
	Total	Total
	£'000	£'000
Conferences	542	490
Service delivery	1,062	1,268
Care holidays	70	72
Professional membership	175	177
Publications	461	443
Rental	61	-
Total	2,371	2,450
Research	159	175
Managing diabetes	249	218
Transforming care	1,758	1,745
Prevention	144	244
Understanding and support	61	68
Total	2,371	2,450

7 Government grants

	2017	2016
	Total	Total
	£'000	£'000
Significant government grants used to fund diabetes projects and recognised in the accounts are:		
Heath and Social Care Volunteering Fund	82	97
Scottish Government	28	153
Big Lottery Fund	4	19
NHS Southwark Clinical Commissioning Group	-	35
Health and Social Care Board – Northern Ireland	4	-
NHS England	35	73
Public Health England	-	75
Kirklees Council	-	17
	153	469

8 Expenditure on raising funds

	2017 Total £'000	2016 Total £'000
Voluntary income		
Legacies	339	299
Donations	6,141	5,940
	6,480	6,239
Fundraising trading		
Lotteries	1,051	1,239
Advertising	213	222
Corporate sponsorship	876	772
Merchandising	798	641
	2,938	2,874
Investment management costs	69	68
Total	9,487	9,181

9 Analysis of total expenditure

	Activities undertaken directly £'000	Activities undertaken by grant funding £'000	Support and Governance costs £'000	2017 Total £'000	2016 Total £'000
Expenditure on raising funds	8,253	-	1,234	9,487	9,181
Expenditure on charitable activities					
Research	669	6,426	161	7,256	6,955
Managing diabetes	5,649	-	1,341	6,990	7,585
Transforming care	5,701	-	1,449	7,150	7,701
Prevention	3,261	-	483	3,744	4,986
Understanding and support	3,561	-	697	4,258	4,014
	27,094	6,426	5,365	38,885	40,422

10 Support costs allocations

	Governance £'000	Facilities £'000	Finance £'000	Human Resources £'000	IT £'000	2017 Total £'000	2016 Total £'000
Expenditure on raising funds	41	211	212	313	457	1,234	1,209
Expenditure on charitable activities							
Research	5	28	28	40	60	161	101
Managing diabetes	45	229	231	339	497	1,341	1,363
Transforming care	48	248	249	367	537	1,449	1,413
Prevention	17	82	83	122	179	483	505
Understanding and support	23	119	119	177	259	697	455
Total	179	917	922	1,358	1,989	5,365	5,046

11 Governance costs

	2017 £'000	2016 £'000
Trustee costs	15	14
Advisory council expenses	11	23
Governance and stakeholder support costs	102	124
External audit	51	49
Total	179	210

12 Grant funding

The institutions receiving grant funding in the year in excess of £100,000 were:

	2017
	£'000
Cardiff University	382
Imperial College	579
King's College London	422
University College London	425
University of Aberdeen	106
University of Birmingham	142
University of Bristol	286
University of Cambridge	267
University of Dundee	298
University of Edinburgh	429
University of Exeter	472
University of Glasgow	467
University of Leeds	163
University of Manchester	355
University of Newcastle	332
University of Oxford	248
University of Southampton	128
University of Warwick	241
University of York	171
	<hr/>
	5,913
Grants to other institutions	668
Write back of grant creditor to reflect underspends	(74)
	<hr/>
	6,507
Return of unspent grant funding	(81)
	<hr/>
Total grants to institutions	6,426
Direct administration costs	669
Support costs	161
	<hr/>
Total	7,256
	<hr/>

	2017	2016
	£'000	£'000
Analysis of grant by area of research:		
Prevention	1,782	1,549
Care	3,958	4,406
Cure	686	336
Direct administration costs	669	563
Support costs	161	101
Total	7,256	6,955
	2017	2016
	£'000	£'000
Grants reconciliation		
Creditor at the beginning of the year	7,297	6,369
Grants awarded in the year	2,553	1,747
Liabilities arising on existing grants	4,028	4,544
Write back of grant to reflect underspends	(74)	-
Payments in the year	(5,492)	(5,363)
Creditor at the end of the year	8,312	7,297

13 Net incoming resources for the year is stated after charging:

	2017	2016
	£'000	£'000
Net incoming resources for the year is stated after charging:		
Depreciation (see note 16)	448	291
Auditors remuneration		
– external audit: group statutory audit	41	40
– external audit: other	10	9
– tax advice	4	9
– internal audit	6	3
– project management	11	-
Non-recoverable VAT	711	1,110
Operating leases		
– property	1,252	1,828
– other	9	10

14 Transactions with trustees

Trustees have not been remunerated for their work as trustees during the year (2016: £nil). However, Dr Bob Young worked as an independent contractor as a National Diabetes Audit Clinical Lead for which he received payment of £27,269 (2016: £8,400). This was paid under the statutory power to pay trustees as set out at s185 of the Charities Act 2011. The payment satisfied the conditions under the Act and was also in line with Charity Commission Guidance “Trustee Expenses and Payments” (CC11). A total of 7 trustees (2016: 7) have been reimbursed directly for expenses or had such expenses met by payments made to third parties at a total cost of £7,919 (2016: £19,077). All amounts were for reimbursement of travel and subsistence costs in relation to Board of trustee meetings and Advisory council expenses.

15 Staff costs

	2017 £'000	2016 £'000
Salaries	12,882	13,021
Social security costs	1,331	1,375
Other pension costs	714	725
Redundancy and termination payments	<u>63</u>	<u>72</u>
Total	<u>14,990</u>	<u>15,193</u>

Redundancy and termination payments include £22k (2016: £nil) of ex-gratia payments which were agreed as part of severance packages to nine individuals. As at the year end, £14k of redundancy and termination payments were unpaid. These were paid in 2018.

Average headcount	2017 number	2016 number
Fundraising	78	84
Charitable activity	266	273
Support	43	39
Governance	<u>2</u>	<u>3</u>
Total	<u>389</u>	<u>399</u>

Pension costs

Pension costs comprise £713,455 (2016: £721,028) in respect of defined contribution pension schemes and £nil (2016: £nil) in respect of the defined benefit pension scheme.

Number of employees whose remuneration fell within the following ranges:

	2017 number	2016 number
£60,001–£70,000	6	5
£70,001–£80,000	3	5
£80,001–£90,000	1	1
£90,001–£100,000	3	-
£100,001–110,000	-	1
£110,001–120,000	1	-
£130,001–140,000	1	1

The key management personnel (of the charity) comprise the trustees (unremunerated for their role as trustees, see note 14), the chief executive, and the Executive team. The total employee benefits of the key management personnel (of the charity) were £897,492 (2016: £878,268).

16 Tangible fixed assets

Group and Diabetes UK	Leasehold improvements	Office equipment, fittings and furniture	Computer equipment and software	Motor vehicles	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 January 2017	1,067	1,431	1,262	299	4,059
Additions	-	-	431	-	431
Disposals	-	(1,008)	(35)	(100)	(1,143)
At 31 December 2017	1,067	423	1,658	199	3,347
Depreciation					
At 1 January 2017	(27)	(1,106)	(432)	(299)	(1,864)
Charge for the year	(107)	(40)	(301)	-	(448)
Disposals	-	1,006	32	100	1,138
At 31 December 2017	(134)	(140)	(701)	(199)	(1,174)
Net book value At 31 December 2017	933	283	957	-	2,173
At 31 December 2016	1,040	325	830	-	2,195

All tangible fixed assets are used for or to support charitable purposes. At the year end there were no contracted capital commitments (2016: £nil).

17 Investments

	2017	2016
Group and Diabetes UK	£'000	£'000
Market value at 1 January	21,660	24,517
Acquisitions at cost	3,353	4,480
Disposal proceeds	(2,496)	(5,155)
Gains on investments	702	960
Net movement in cash and short term deposits	(3,693)	(3,142)
Market value at 31 December	19,526	21,660
Represented by:		
Listed securities	7,263	5,663
Property funds	890	877
Bonds	3,515	3,569
Cash on deposits	7,858	11,551
	19,526	21,660
Historical Cost of investments at 31 December 2017	17,728	21,706

All investments are carried at their fair value. Investments in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market price, using the bid price.

Investments which comprised more than 5% of the total market value of non-cash investments at 31 December 2017 were:

	2017	2016
	£'000	£'000
COIF Property Fund	880	861
Jupiter Responsible Income Fund	-	999
Kames Ethical Equity Fund	1,192	1,050
UBS ETF MSCI North America Socially Responsible	1,794	-
UBS ETF MSCI UK IMI SRI GBP	1,202	1,092
UBS ETF MSCI USA Socially Responsible	-	1,627
United Kingdom Gilt I/L 0.125%	835	823
United Kingdom Gilt TSY 3.25	-	533
UBS ETF – MSCI EMU Socially	742	-
MU Lyxor US TIPS (DR) UCITS ETF	707	-

18 Debtors: amount falling due within one year

	Group		Diabetes UK	
	2017	2016	2017	2016
	£'000	£'000	£'000	£'000
Trade debtors	440	399	127	164
Donation due from subsidiary undertaking	-	-	-	1,673
Other amounts due from subsidiary undertakings	-	-	172	167
Other debtors	537	584	537	583
Prepayments	677	689	677	689
Accrued income	3,979	1,593	3,840	1,428
	5,633	3,265	5,353	4,704

Diabetes UK Services Limited has adopted the amendment to FRS102 as set out in the triennial review 2017 published in December 2017. Therefore the donation due from the subsidiary will be accounted for when it has a legal obligation to make payment. For the 2017 profit, the legal obligation will arise in 2018 following a resolution by the directors to make payment.

19 Creditors: amount falling due within one year

	Group		Diabetes UK	
	2017 £'000	2016 £'000	2017 £'000	2016 £'000
Trade creditors	796	805	794	790
Amounts due to subsidiary undertakings	-	-	678	953
Taxation and social security	355	365	355	365
Other creditors	149	184	144	179
Accruals	2,573	3,461	2,448	3,393
Deferred income	411	596	284	501
Research grants creditor	8,312	7,297	8,312	7,297
	12,596	12,708	13,015	13,478

20 Deferred income

	Group		Diabetes UK	
	2017 £'000	2016 £'000	2017 £'000	2016 £'000
Balance as at 1 January	596	684	501	609
Income deferred in the current year	348	378	220	282
Release from prior year	(533)	(466)	(437)	(390)
Balance as at 31 December	411	596	284	501

Income received in advance to fund activities due to take place in 2018 has been deferred where this is consistent with the terms of the funding agreement.

21 Provisions for liabilities and charges

	Pensioner Costs £'000	Dilapidation Provision £'000	Total	Total
			2017 £'000	2016 £'000
Balance brought forward at 1 January	56	81	137	533
New provision	-	99	99	64
Increase to provision	-	35	35	1
Payments made	(9)	(6)	(15)	(353)
Release of provision	-	(17)	(17)	(108)
Balance carried forward at 31 December	47	192	239	137

The pensioner cost provision is for future pensioner salaries that are estimated to be fully utilised by 2024. The dilapidation provision provides for the expected cost of returning our rented offices to the condition in which Diabetes UK occupied the properties. This expenditure is a condition of the lease agreements and provisions are expected to be utilised at the end of the lease agreements which range from 2019 to 2026.

22 Funds

Group – current year

	At 1 January 2017 £'000	Incoming funds £'000	Outgoing funds £'000	Gains/ (losses)	Transfers	At 31 December 2017 £'000
General funds	14,047	25,788	(25,822)	702	581	15,296
	-	-	-	-	-	-
Diabetes UK Services Limited	-	4,446	(2,938)		(172)	1,336
Pension reserve (see note 30)	(2,363)	-	(60)	546	284	(1,593)
Total unrestricted funds	11,684	30,234	(28,820)	1,248	693	15,039
Restricted funds						
Diabetes Foundation	132	-	(17)	-	-	115
Research funds	539	3,813	(4,136)	-	(96)	120
Care and information funds	472	447	(279)	-	(597)	43
Geographical funds	69	1,313	(882)	-	-	500
Children funds	1	34	(34)	-	-	1
Charity Partnership	4,533	4,776	(4,617)	-	-	4,692
Prevention	59	25	(84)	-	-	-
Warren Memorial Fund	27	-	(16)	-	-	11
Total restricted funds	5,832	10,408	(10,065)	-	(693)	5,482
Total of unrestricted and restricted funds	17,516	40,642	(38,885)	1,248	-	20,521

The Diabetes UK Services Limited fund represents the profit generated by the trading company which has yet to be donated to the charity. This fund is new in 2018 and arises from the early implementation by Diabetes UK Services Limited of FRS 102 para 29.14A.

The Diabetes Foundation fund represents the net assets of the Diabetes Foundation when it merged with Diabetes UK on 31 December 2010. These are held to support and advance research in the field of diabetes and particularly in that of Juvenile (insulin dependent) diabetes.

The research funds represent funds received and used to meet the direct costs of maintaining the research programme. The care and information funds are restricted to meeting the costs of providing care and information.

The geographical funds are restricted to use in specified areas of the UK. The children funds are restricted funds to be used to meet additional cost of holidays, parent/child weekends and other youth activities. The charity partnership funds are funds raised through our partnership with Tesco and will be spent in the next 18 months on agreed charitable activities.

The Warren Memorial fund is restricted to expenditure on projects which commemorate the names of Alec and Beryl Warren.

The transfers from restricted to unrestricted represent expenditure on restricted fund projects which in the prior year were funded by general funds.

**Group – prior
year comparative**

	At 1 January 2016 £'000	Incoming funds £'000	Outgoing funds £'000	Gains/ (losses)	Transfers	At 31 December 2016 £'000
General funds	13,349	27,852	(28,192)	960	78	14,047
	-	-	-	-	-	-
Pension reserve (see note 30)	(131)	-	(5)	(2,227)	-	(2,363)
Total unrestricted funds	13,218	27,852	(28,197)	(1,267)	78	11,684
Restricted funds						
Diabetes Foundation	132	-	-	-	-	132
Research funds	535	3,035	(2,959)	-	(72)	539
Care and information funds	363	504	(389)	-	(6)	472
Geographical funds	-	751	(682)	-	-	69
Children funds	11	33	(43)	-	-	1
Charity Partnership	8,445	4,152	(8,064)	-	-	4,533
Prevention	-	147	(88)	-	-	59
Warren Memorial Fund	27	-	-	-	-	27
Total restricted funds	9,513	8,622	(12,225)	-	(78)	5,832
Total of unrestricted and restricted funds	22,731	36,474	(40,422)	(1,267)	-	17,516

23 Total funds

Total funds are invested as follows:

Current year:

Group	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
Tangible fixed assets	2,173	-	2,173
Fixed asset investments	19,526	-	19,526
Net current assets	(4,828)	5,482	654
Provisions	(1,832)	-	(1,832)
Total net assets	15,039	5,482	20,521

Diabetes UK	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
Tangible fixed assets	2,173	-	2,173
Investments in subsidiary undertakings	40	-	40
Fixed asset investments	19,526	-	19,526
Net current liabilities	(6,204)	5,482	(722)
Provisions	(1,832)	-	(1,832)
Total net assets	13,703	5,482	19,185

Prior year comparative:

Group	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
Tangible fixed assets	2,195	-	2,195
Fixed asset investments	21,660	-	21,660
Net current liabilities	(9,671)	5,832	(3,839)
Provisions	(2,500)	-	(2,500)
Total net assets	11,684	5,832	17,516

Diabetes UK	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
Tangible fixed assets	2,195	-	2,195
Investments in subsidiary undertakings	40	-	40
Fixed asset investments	21,660	-	21,660
Net current liabilities	(9,711)	5,832	(3,879)
Provisions	(2,500)	-	(2,500)
Total net assets	11,684	5,832	17,516

24 Operating lease commitments and contracted income

	Other		Property	
	2017 £'000	2016 £'000	2017 £'000	2016 £'000
Total lease commitments under non-cancellable operating leases:				
within one year	5	9	1,373	935
between two and three years	-	5	2,534	2,935
between four and five years	-	-	2,252	2,765
after five years	-	-	2,723	4,960
	5	14	8,882	11,595

	Property	
	2017 £'000	2016 £'000
Total lease income due under non-cancellable operating leases:		
within one year	88	-
between two and three years	316	-
between four and five years	316	-
after five years	26	-
	746	-

The lease income relates to the rental, to a third party, of office space at our central office.

25 Commitments to spend – research grants

At 31 December 2017 Diabetes UK had entered into research contracts amounting to £12,327,000 (2016: £11,461,000). These contracts are subject to an annual review process at which future funding is determined. Diabetes UK recognises grant expenditure and the associated liability on an annual basis (as explained in note 1). The forecast for when the liabilities are expected to arise is set out below.

	2017 £'000	2016 £'000
within one year	5,329	4,910
between two and three years	6,071	5,575
between four and five years	927	964
after five years	-	12
	12,327	11,461

26 Subsidiary undertakings

Diabetes UK has two wholly owned subsidiaries, BDA Research Limited and Diabetes UK Services Limited which are incorporated in the UK and registered in England with registered office 126 Back Church Lane E1 1FH.

Their company registration numbers are 3339062 and 891004 respectively.

The financial statements of Diabetes UK Services are audited and filed at Companies House. BDA Research Limited did not carry out any business activity in the year.

(a) Investment in subsidiary

	2017 £'000	2016 £'000
Investment in subsidiary undertakings	40	40

Diabetes UK's investment in BDA Research Limited is £2, being the whole of the issued share capital of that company.

BDA Research Limited has net assets and called up share capital of £2 as at 31 December 2017 (2016: £2).

Diabetes UK's investment in Diabetes UK Services Limited is 40,003 ordinary shares of £1 each, being the whole of the issued share capital of that company. Diabetes UK Services Limited has net assets and called up share capital of £40,003 as at 31 December 2017 (2016: £40,003).

(b) Summary of results of consolidated entities

	Diabetes UK 2017 £'000	Diabetes UK Services Limited 2017 £'000	Intercompany transactions 2017 £'000	Total 2017 £'000
Income				
Donations and legacies	33,515	-	-	33,515
Other trading activities	248	4,444	(172)	4,520
Income from investments	234	2	-	236
Income from charitable activities	2,371	-	-	2,371
	<u>36,368</u>	<u>4,446</u>	<u>(172)</u>	<u>40,642</u>
Expenditure				
Expenditure on raising funds	(6,549)	(2,938)	-	(9,487)
Expenditure on charitable activities	(29,398)	-	-	(29,398)
Donation to Diabetes UK	-	-	-	-
Service charge	-	(172)	172	-
	<u>(35,947)</u>	<u>(3,110)</u>	<u>172</u>	<u>(38,885)</u>
Net gains on investments	702	-	-	702
Actuarial losses on defined benefit pension	546	-	-	546
Net movement in funds	<u>1,669</u>	<u>1,336</u>	<u>-</u>	<u>3,005</u>

(c) Financial position of consolidated entities

	Diabetes UK	Diabetes UK Services Limited	Intercompany Balances	Total
	2017	2017	2017	2017
	£'000	£'000	£'000	£'000
Fixed assets	21,739	-	(40)	21,699
Current assets	12,293	1,807	(850)	13,250
Creditors due within one year	(13,015)	(431)	850	(12,596)
Provisions	(1,832)	-	-	(1,832)
Net assets	19,185	1,376	(40)	20,521

27 Result for the year under the historical cost accounting convention

	2017	2016
	£'000	£'000
Net income/(expenditure)	1,757	(3,948)
Gain on sale of investments calculated under the historical cost accounting convention	210	945
Surplus/(deficit) under the historical cost accounting convention	1,967	(3,003)

28 Members

The legal members of the company are the trustees as explained in the annual report. The liability of the members is limited to £1 per member.

29 Legacies

The value of legacies notified to the charity but which do not meet the recognition criteria (and so are not accounted for within the financial statements) is approximately £7.9 million (2016: approximately £7.2 million).

30 Pensions

Defined contribution scheme

The charity contributes towards a defined contribution scheme. The cost of this scheme is charged to the SOFA and amounted to £713,455 (2016: £725,343). The scheme did not give rise to any provision.

British Diabetic Association Pension and Life Assurance Scheme

The charity sponsors the British Diabetic Association and Life Assurance Scheme, a funded defined benefit arrangement which closed to future accruals on 31 August 2004. This is a separate trustee administered fund holding the pension scheme assets to meet long term pension liabilities for some 54 current and former employees with entitlements to preserved benefits. Pensions in payment are currently secured by annuity purchase at retirement. The level of retirement benefit is principally based on salary earned in the last three years of employment before accrual ceased and the length of service in the scheme.

The trustees of the scheme are required to act in the best interest of the scheme's beneficiaries. The appointment of the trustees is determined by the scheme's trust documentation.

A full actuarial valuation was carried out as at 31 December 2016 in accordance with the scheme funding requirements of the Pensions Act 2004 and the funding of the scheme is agreed between the charity and the trustees in line with those requirements. These in particular require the funding position to be calculated using prudent, as opposed to best estimate, actuarial assumptions.

This valuation revealed a funding shortfall of £276,000. In respect of this shortfall in the scheme as at 31 December 2016, the charity agreed to pay a one-off contributions of £284,500. The charity expects to pay no contributions in 2018.

The next valuation is due at as at 31 December 2019 and it should be available in summer 2020.

The results of the most recent formal actuarial valuation as at 31 December 2016 have been updated to 31 December 2017 by a qualified independent actuary.

Present value of scheme liabilities, fair value of assets and deficit

	2017 £'000	2016 £'000
Fair value of scheme assets	12,478	12,146
Present value of scheme liabilities	(14,071)	(14,509)
(Deficit) in scheme	(1,593)	(2,363)

Reconciliation of opening and closing balances of the present value of the scheme liabilities

	2017 £'000	2016 £'000
Scheme liabilities at 1 January	14,509	11,364
Interest cost	361	428
Actuarial losses/(gains)	64	2,936
Benefits paid	(863)	(219)
Scheme liabilities at 31 December	14,071	14,509

Reconciliation of opening and closing balances of the fair value of the scheme assets

	2017 £'000	2016 £'000
Fair value of scheme assets at 1 January	12,146	11,233
Interest income	301	423
Return on scheme assets, excluding interest income	610	709
Benefits paid	(863)	(219)
Contribution by employer	284	-
Fair value of scheme assets at 31 December	12,478	12,146

The actual return on the scheme assets over the period ended 31 December 2017 was £911,000 (2016: £1,132,000).

Total expense recognised in SOFA

	2017 £'000	2016 £'000
Interest cost	361	428
Expected return of scheme assets	-	-
Interest income	(301)	(423)
Restriction on expected return	-	-
Total expense recognised in SOFA	60	5

Other comprehensive income

	2017 £'000	2016 £'000
Actuarial (loss) on defined benefit obligation	(64)	(2,936)
Actual return on assets less interest income	610	709
Total gain/(loss) recognised in other comprehensive income	546	(2,227)

Assets

	2017	2016
	£'000	£'000
Equities	2,118	5,579
Diversified growth funds	3,204	-
Liability driven investment	964	-
With profits policy	2,414	3,175
Annuities	3,492	3,392
Cash	286	-
Total assets	12,478	12,146

None of the fair values of the assets shown above include any of the charity's own financial instruments, any property occupied by the company or any other assets used by the company.

It is the policy of the trustees and the charity to review the investment strategy at the time of each funding valuation. The trustees' investment objectives and the processes undertaken to measure and manage the risks inherent in the scheme investment strategy are documented in the scheme's Statement of Investment Principles.

Assumptions

	2017	2016
	% per annum	% per annum
Inflation (RPI)	3.40	3.60
Rate of discount	2.40	2.60
Allowance for pension in payment increases at the lower of RPI or 5%	3.30	3.50
Allowance for revaluation of deferred pensions at the lower of RPI or 5%	2.40	2.60
Allowance for commutation of pension for cash at retirement	80% of HMRC maximum	80% of HMRC maximum

The mortality assumptions adopted at 31 December 2017 are based on the S2PXA CMI Model 2016 [1.25%].

These imply the following life expectancies:

	2017	2016
Male retiring at aged 62 in 2017	24.8	24.9
Female retiring at aged 62 in 2017	26.7	27.1
Male retiring at aged 62 in 2037	26.3	26.8
Female retiring at aged 62 in 2037	28.3	29.0

31 Related party transactions

There have been no related party transactions that require disclosure other than transactions with the subsidiary company, Diabetes UK Services Limited. These are detailed below:

During the year the 2016 gift aid of £1,673,000 was remitted from the subsidiary to the charity, and at 31 December the subsidiary had a balance of £172,000 (2016: £167,000) owing for the 2017 service charge.

At 31 December the charity owed the subsidiary £678,000 (2016: £953,000) representing the net of income and expenditure processed on behalf of the subsidiary.

32 Financial instruments

	2017	2016
	£'000	£'000
Financial assets measured at fair value through income and expenditure		
Non cash investments	11,668	10,109
Financial assets measured at amortised cost		
Cash	7,467	5,516
Cash investments	7,858	11,551
Trade debtors	440	399
Other debtors	537	584
Accrued income	3,979	1,593
	20,281	19,643
Financial liabilities measured at amortised cost		
Trade creditors	796	805
Other creditors	149	184
Accruals	2,573	3,461
Research grant creditors	8,312	7,297
	11,830	11,747

The charity has taken advantage of the exemptions in FRS 102 from the requirement to present certain disclosures about the charity's financial instruments.



Working for a world where diabetes can do no harm

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*Calls may be recorded for quality and training purposes.

The British Diabetic Association operating as Diabetes UK, a charity registered in England and Wales (no. 215199) and in Scotland (no. SC039136). A company limited by guarantee registered in England and Wales with no. 00339181 and registered office at Wells Lawrence House, 126 Back Church Lane London E1 1FH. © Diabetes UK 2018 1326.



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