

Registered Number: 3148360

Charity Number: 1058284

THE INSULIN DEPENDENT DIABETES TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

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CHARITY INFORMATION

Trustees

Mrs J M D Hirst MBE, Co-Chair
 Dr M Kiln, Co-Chair
 Dr L Gerlis, Medical Adviser
 Ms A Aubin
 Ms C Baker
 Mr J Birbeck
 Mrs G Coleman
 Mrs L Ingram
 Mrs V Readman
 Dr R Rijckborst

Company registered number 3148360

Charity registered number 1058284

Registered office 210 Abington Avenue
 Northampton
 Northamptonshire
 NN1 4PR

Non-executive director Dr Gary Adams

Bankers Yorkshire Bank
 7 Gold Street
 Northampton
 NN1 1EN

Investment advisors MPA
 98 High Street
 Henley in Arden
 B95 5BY

Accountants Paul Slater & Co
 1 Washington Street
 Northampton
 NN2 6NN

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020****Company and banking details etc**

The Trustees present their annual report together with the financial statements of the Insulin Dependent Diabetes Trust (IDDT) for the year 1 January 2020 to 31 December 2020. The Annual report serves the purpose of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statement of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provision of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard in the UK and Republic of Ireland.

Since the Company qualified as small under section 382 of the Companies Act 2006, the Strategic report of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' regulations 2013) have been omitted.

Objectives and activities**a. Policies and objectives**

In setting and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit, running a charity (PB2)'.

b. Strategies for achieving objectives

The purposes of the charity as set out in its governing document remain unchanged:

- To continue our activities to help children and their parents.
- To reach more people with Type 1 and Type 2 diabetes through publicity.
- To try to ensure that pork insulin continues to remain available for those who require it.
- To fund research aimed at improving the lives of people with diabetes now.
- To supply information booklets to health professionals at no charge to encourage them to give the booklets to their patients so they receive information and become aware of the help IDDT can offer.

c. Activities undertaken to achieve the objectives

In view of the Covid-19 pandemic, the Trustees recognised that while the purposes of the charity remain the same, some of our activities to achieve the aims and objectives had to be reduced or suspended. However, to the best of our ability, the following activities were carried out:

- To reach more people with Type 1 and Type 2 diabetes to offer information and support.
- To continue our activities to help children with diabetes and their parents with the provision of information to them and to teachers to enable them to better understand the needs of children with diabetes in schools.
- To ensure widespread distribution of existing booklets to provide insight, information and support with the aim of improving quality of life and reducing hospital admissions.
- To continue to supply information booklets to health professionals at no charge to encourage them to give the booklets to their patients so they receive information and become aware of the help IDDT can offer.
- Continuing the promotion of the help the charity can offer through letters to the editors of local newspapers.

- To increase advertising of key booklets in health professional journals.
- To continue to introduce and review the GDPR regulations and to ensure that IDDT is compliant.
- To help people in other countries who have had difficulties obtaining pork insulin due to changes in regulations and the UK leaving the EU.
- To monitor the Brexit situation to ensure that people are not left without their essential medication.
- To continue to try to ensure that flash glucose monitoring is available to everyone who wishes to use this method of monitoring glucose levels.
- To continue to develop and update information leaflets. With the success of the 2019 'Diabetes Diary', a Diabetes Diary 2021 was published and again has proved very popular with our members. A shopping list pad to aid meal planning was also introduced and was successful.
- The number of people in the lottery has remained stable and this has produced an income for the charity of around £10,000 during 2020.
- The booklet 'Looking After Your Feet' has continued to be extremely popular with people with diabetes and health professionals. It has actively been promoted as people were unable to have their usual footcare checks due to the pandemic.
- The number of health professionals becoming members has also increased showing that advertising in diabetes-related journals results in more health professionals with a specific interest in diabetes applying becoming members.
- The online shop has increased its items and the 'diabetes-friendly' socks have attracted many people and raised valuable funds.
- IDDT funded research at Nottingham University for part of the year, this funding had to be suspended due to the significantly reduced income as a result of the pandemic.

d. Social Investment policies

The charity continued to operate the policies and procedures document relating to fundraising and sponsorship for the Trust approved in 2015. The interest generated continues to assist in supporting the charities causes.

e. Grant-making policies

The Trust has made the decision to support one large 5 year study at Nottingham University which is investigating the action of insulin. However, in the middle of 2020 this funding was suspended to safeguard the financial future of the charity due to the financial uncertainties caused by the pandemic.

f. Main activities undertaken to further the Charity's purposes for the public benefit

The Charity works hard to promote various ways people can live with diabetes and lead a fulfilled and happy life. Our booklets, leaflets and newsletters all extend help and support and our helpline offers one to one assistance.

Achievements and performance

a. Main achievements of the Charity

The main achievements during 2020 have been as follows:

Financial

- The income from legacies was significantly lower than in 2019, not surprising as the legacies during 2019 were higher than our projections. Due to the pandemic and lockdowns, dealings with house sales and solicitors were much slower than normal.

- There has been an increase in the numbers of members paying by standing order and the number of members making larger donations increased during 2020.
- The Lottery income has remained stable throughout the year with a slight increase.

Membership

- Membership has remained stable during 2020 which is an achievement considering that some activities have not taken place due to lockdowns and social distancing.
- Membership of healthcare professionals has risen as they continue to contact IDDT for multiple copies of booklets and leaflets, this is despite the postpone of the professional conferences we usually attend.

Footcare

- The number of requests from people with diabetes for help in relation to footcare was significant during 2020 as many people were unable to have their regular foot checks due to the closure of their podiatry clinics. Our booklet 'Looking After Your Feet' proved particularly useful during this time.
- The sale of special socks and other items to help people care for their own feet was also steady.

Leaflets, booklets, Newsletters and Type 2 & You

- A major part of our work is to support people living with diabetes and we have continued to receive requests for these but in smaller numbers due to lockdown.
- The Newsletters and Type 2 & You have been sent out on time, despite the working difficulties and this has clearly been appreciated by our members which justifies the expenditure.
- As a result of the excellent response to the Diabetes Diary 2020, a similar Diary was published for 2021.
- In the last quarter of 2020, a pad of pages with Shopping List was published to aid people with meal planning and this was sold before Christmas 2020.
- In 2020 we produced a Christmas brochure of items for sale. This included Christmas cards and in 2020 we sold more cards than any previous years.

b. Key performance indicators

The Key performance indicators include:

- Investments
- Legacy income
- Income from members
- Membership numbers
- Numbers of members with Type 1 diabetes, Type 2 diabetes, carers and healthcare professionals
- Advertising and response rates
- IDDT funded research papers published
- Social media activity.

c. Review of activities

During 2020, the health professional conferences that the Charity usually attends were postponed due to the pandemic and the deposits paid were held over until 2021, assuming they are able to be held in 2021. It remains to be seen whether these conferences will go ahead or whether they will be cost effective for the charity. However, our advertising in professional journals continued and resulted in requests for leaflets and booklets which were much appreciated.

IDDT continues to keep an international presence, especially for people outside the UK who need to use animal insulin. There have been increased problems in obtaining animal insulin in some countries due to changes in regulations and Brexit, so the countries have worked together to rectify this. Providing information and support to people with diabetes wherever they live forms an important part of the charity's activities.

It is with regret that as the UK arm of Insulin for Life, we have had to hold on collecting unwanted insulin and other diabetes items during the major part of 2020 to send to help people in Tanzania because during the pandemic our contacts were lost and parcels did not arrive at their destination. This is likely to continue for the foreseeable future, but the Trustees would like to thank the individuals and hospitals that have tried to make donations of unwanted items.

The charity's 'Sponsor a Child' scheme to help children and young adults at Dream Trust in India continues to flourish and the Trustees and Dr Pendsey at Dream Trust thank everyone for their continued support of families in need. Dream Trust has made financial donations to help particularly needy families during the pandemic.

d. Factors relevant to achieve objectives

The short and longer term aims and objectives

- The charity continues to publish a free quarterly Newsletter and a shorter version called 'Type 2 & You' for people with Type 2 diabetes not taking insulin. People with Type 2 diabetes taking insulin and tablets receive both newsletters. We encourage people to access these online, but the majority of people prefer hard copy versions.
- The aim of the of the charity has been, and still is, to support research in line with its aims by funding research that investigates ways of making life easier for those who already have diabetes. However, the Trustees had to take the hard decision to put all research funding on hold to safeguard the financial future of the charity during the uncertainties of the pandemic.
- To maintain the charity's independence by encouraging voluntary donations and legacy income, the latter being significantly reduced from 2019.

e. Fundraising activities and income generation

The Charity relies on grant aid from donors identified in the accounts and the Trustees are most appreciative of this support. There are minor fundraising activities which include Christmas card sales, books, aids to help with caring for the feet and Recycle for Charity.

f. Investment policy and performance

The Trustees have resolved to establish reserves for future activities and they have wide powers of investment. The policy on reserves is that establishing assets are retained to produce income, income which is wholly used to support existing activities. There is no intention in the long-term to either increase or reduce the capital held. The policy is justified in that it is necessary to preserve income at present levels in order to maintain the activities of the charity.

During 2020, the investment income was significantly lower than previous years due to the economic climate, again justifying this policy of safeguarding the charity's future.

Financial review

a. Going concern

The operations and business activities of the Charity has been impacted by the COVID-19 outbreak. However, after making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

b. Reserves policy

IDDT complies with Charity Commission Guidelines

IDDT has a Research and Welfare Fund

- All monies donated for research are allocated to fund research at the time of the donation/legacy.
- Monies not designated for research are allocated to the General Fund for welfare purposes.
- These allocations are made at the time of receipt.

Short-term investments

We invest some funds in 6 and 12 monthly Bonds in order to ensure that the charity has rapid access to funds in case the day-to-day income is lower than expected. If this is not the case, then the Bonds are rolled over for further 6 and 12 month periods.

Long-term investments

We have 5 to 10 year investments. These are monitored through our investment portfolios and with regular meetings with our Financial Advisers. All investments have the facility for easy access to funds.

Cash reserves

All legacy income is paid into IDDT's Legacy account and transfers are made as/when necessary to the current account for running expenses.

Day to day income

Cash, cheques and credit cards are paid into the current account with the Yorkshire Bank. Standing order payments are paid into a Barclays Bank current account and transferred into the Yorkshire current account on a regular basis.

Lottery income

The Lottery income is paid into a stand-alone account and the profits paid into the Yorkshire Bank account on a regular basis.

c. Principle risks and uncertainties

The Trustees cannot find any major risks to which the charity is exposed each financial year when preparing and updating the strategic plan, in particular those relating to operations and finances of the charity.

A risk register has been established. Procedures are in place to ensure compliance with health and safety of staff and visitors to the offices. Internal control risks are minimised by the implementation of procedures for the authorisation for all transactions and projects.

d. Principal funding

The principal sources of income are from legacies and voluntary donations. The Trustees are aware of the need to generate regular income and are continuing to take steps to achieve this. The Trustees are very grateful for the continued generosity of the members in making donations and especially to the increasing numbers of people who make regular donations through their bank. They also wish to record their gratitude to the donors of legacies and donations in memory of loved ones for their kindness in helping other people with diabetes.

The Trustees would also like to express their thanks for the continuing support and help of members and their families which provides encouragement to the Trustees to continue with the aims and objectives of IDDT. This support reflects the needs of people living with diabetes to be represented by a patient/carer-based charity that understands their needs and remains independent and uninfluenced by outside financial influences.

Considering the small numbers of members of staff and the amount of work covered, the Trustees would like to thank the staff for their continued dedication and hard work during 2020.

The Trustees reaffirm their commitment and determination to try to ensure that people with diabetes and their families have informed choices of treatment, and access to them, that they deserve and need. While evidence from national audits suggests that there are some improvements in the care and treatment of Type 1 and Type 2 diabetes in the NHS, there are many improvements yet to be made. The Trustees are committed to try to raise awareness of this, influence policy makers to bring about the necessary improvements and to encourage those with diabetes to insist on receiving the care they need.

Structure, governance and management

a. Constitution

The Insulin Dependent Diabetes Trust is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

b. Methods of appointment or election of Trustees

The directors of the company are also charitable Trustees for the purposes of charity law and under the company's Articles of Association are known as the Board of Trustees. Under the requirements of the Memorandum and Articles of Association the members of the Board of Trustees are elected to serve for a period of three years, after which they must be re-elected at the next Annual Meeting.

Due to the nature of the work of the charity and the importance of understanding the needs of and representation of people with diabetes and their families, at no time shall the number of Trustees who are medically qualified or are allied health professionals exceed twenty five per cent of the total number of Trustees. The charity records the particular skills of the Trustees in order to maintain a broad mix of skills and expertise.

c. Organisational structure and decision-making policies

A Board of a maximum of 11 Trustees administer the charity, covering policy, membership and finances. Minor day to day decisions are taken by the Co-Chairs and CEO. Modern technology enables consultations to be made easily and quickly. Major decisions on future policies are taken at the AGM for the approval of members.

During 2020, some members of the staff team have changed and the team now consists of one full time member and three part-time people with temporary help being employed as necessary. This is a reduction of one part-time member of staff compared to 2019 and this situation will be reviewed when the pandemic situation becomes clearer. The charity will continue to update staff skills when

required to ensure their skills and knowledge remain relevant and up to date. The Charity contracts out the website work, PR and press releases, IT support and day to day finances.

The charity continued to operate the policies and procedures document relating to fundraising and sponsorship for the Trust approved in 2015. The day to day running of the charity is carried out by the CO-Chairs and CEO.

d. Policies adopted for the induction and training of the Trustees

The Trustees are familiar with the practical work of the charity. New Trustees are encouraged to take short training sessions to familiarise themselves with:

- The responsibilities of Trustees.
- The documents and the Memorandum and Articles of Association for the operations of the charity.
- The current financial position and sources of funding of the charity.
- The objectives and forward plans for the charity.

e. Pay policy for key management personnel

IDDT has two key management personnel

- Chief Executive Officer
- Database Manager

There is a line management structure in place.

Pay Reviews

The Trustees review staff salaries for the following year at their November meeting. The general principle is to give pay increases in line with inflation.

f. Related party relationships

The Charity maintains its links with people and groups in other countries around the world. The charity continues to offer support and information to people in other countries, especially those in need of animal insulin. Providing information and support wherever people live continue to be a major role.

The Trustees wish to thank Wockhardt UK for their ongoing supply of porcine insulin in vials and cartridges. As the only known supplier in the world, IDDT is aware of the vulnerable position this is for people who need porcine insulin because of adverse effects when using synthetic GM insulins.

Plans for future periods

The Charity's strategies for achieving its aims and objectives in the future

- The charity's aim to prevent amputations continues to be a major activity, especially during lockdown, by using the booklet 'Looking After Your Feet' which highlights how people can care for their feet at home and when they should seek professional help. This combined with selling special socks, Solesee and neuropad online and through our Christmas brochure, offer a comprehensive package. There has also been collaboration with foot care specialists which has been successful.
- During the lockdown, the charity has also tried to encourage people to take exercise and to adopt healthy eating and this will continue during 2021.
- The website continues to be a valuable way of reaching people living with diabetes and the charity employs a webmaster to regularly update and monitor traffic. New members, orders for booklets and other items are received through the website.

- The Newsletter and Type 2 & You are available in large print for people who are visually impaired, but the online talking format has been suspended during the pandemic due to the closure of the readers' office.
- When healthcare professional conferences are able to be held again, then the charity will continue to attend in order to reach healthcare professionals with booklets and leaflets so that they can offer them to their patients.
- To continue to keep informed about the latest research and changes in government and NHS policies in order to keep our members and website visitors informed.

Statement of Trustees' responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year. Under Company 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 Company and its incoming resources and application of resources, including income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe methods and principles of the Charities SOR (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 2) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the ongoing concern basis unless it is inappropriate to presume that the Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to Accountants

Each of the persons who are Trustees at the same time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant information of which the charity's accountants Paul Slater & Co are unaware, and that Trustee has taken all steps that ought to have been undertaken as a Trustee in order to be aware of any relevant information and to establish that the charity's accountants are aware of that information.

Approved by order of the members of the Board of Trustees and signed on their behalf by:

Mrs J M D Hirst MBE

Date:

**REPORT OF THE INDEPENDENT EXAMINER TO THE TRUSTEES OF THE
CHARITABLE COMPANY ON THE ACCOUNTS FOR THE YEAR ENDED 31
DECEMBER 2020**

I report to the Trustees on my examination of the accounts of the above charity for the year ended 31 December 2020.

Respective responsibilities of Trustees and Independent Examiner

As the Charity's Trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011.

The Trustees consider that the audit requirement of Section 144(1) of the Charities Act 2011 (the Act) does not apply, and that there is no requirement in the memorandum and articles of the charity for the conducting of an audit, and that the accounts do not require an audit in accordance with Part 16 of the Companies Act 2006 and that no member or members have requested an audit pursuant to section 476 of the Companies Act 2006. As a consequence, the Trustees have elected that the financial statements be subject to independent examination.

I report in respect of my examination on the Trust's accounts carried out under Section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under Section 145 950 9B0 of the Act.

Basis of Examiner' Statement and scope of work undertaken

The Charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of AAT.

No matters have come to my attention in connection with the examination which gives me cause to believe that the accounting records were kept in accordance with Section 130 of the Charities Act or the accounts did not accord with the accounting records or the accounts did not comply with the applicable requirements concerning the form and contents of accounts set out in the Charities Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

Mrs T Loughran – Independent Examiner
FMAAT, MIP

1 Washington Street
Kingsthorpe
Northampton
NN2 6NN

This report was signed on 30 August 2021

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:					
Donations & Legacies	3	0	368,771	368,771	1,152,054
Other trading activities	4	0	3,068	3,068	5,909
Investments	5	0	685	685	13,924
Other income	6	0	38,213	38,213	36,964
Total income		0	410,737	410,737	1,208,842
Expenditure on:					
Raising funds		0	19,107	19,107	24,020
Charitable activities and governance costs	7	137,532	389,205	526,737	645,068
Total expenditure		137,532	408,312	545,844	669,088
Net gains (losses) on Investments		0	158,074	158,074	217,334
Net movement in funds		(137,532)	160,499	22,967	757,088
Reconciliation of funds:					
Total funds brought forward		874,365	2,030,783	2,905,148	2,148,060
Net movement in funds		(137,532)	160,499	22,967	757,088
Total funds carried forward		736,833	2,191,282	2,928,115	2,905,148

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 13 to 25 form part of these financial statement.

THE INSULIN DEPENDENT DIABETES TRUST

BALANCE SHEET AS AT 31 DECEMBER 2020

	Note		2020 £	2019 £
Fixed assets				
Tangible assets	12		358,034	358,528
Investments	13		1,825,076	1,679,412
			<hr/>	<hr/>
Total fixed assets			2,183,110	2,037,940
Current assets				
Stocks	14	10,092	10,138	
Debtors		8,800	0	
Investments	15	145,334	142,261	
Cash at bank and in hand		601,151	725,413	
		<hr/>	<hr/>	
Total current assets		765,377	877,812	
Creditors: amounts falling due within one year	16	(32,054)	(22,286)	
		<hr/>	<hr/>	
Net current assets			733,323	855,526
			<hr/>	<hr/>
Total assets less current liabilities			2,916,433	2,893,466
			<hr/>	<hr/>
Total net assets			2,916,433	2,893,466
			<hr/>	<hr/>
Charity funds				
Restricted funds	18		736,833	874,365
Unrestricted funds	18		2,179,600	2,019,101
			<hr/>	<hr/>
Total charity funds			2,916,433	2,893,466
			<hr/>	<hr/>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Mrs J M D Hirst MBE

Date:

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. General information

The charity is a company limited by guarantee, registered in England and Wales. The registered office is as noted in the Trustee's Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) (Issued in October 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Insulin Dependent Diabetes Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The operations and business activities of the Charity has been impacted by the recent COVID-19 outbreak. However, after making appropriate enquiries, the Trustees have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

2.3 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid Will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Company, can be reliably measured.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party. It is probable that a transfer of economic benefit will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up to the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributed to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Expenditure on raising funds includes all expenditure incurred by the Company to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Office Equipment	-	20% reducing balance
Computer equipment	-	20% reducing balance

The freehold property is not depreciated as the depreciation would be immaterial.

2.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

2.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Costs includes all direct costs.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipated it will pay to settle the debt or the amount it has received as advanced payments for the goods and services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation.

2.11 Financial instruments

The Company only 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 their settlement value.

2.12 Pensions

The Company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

3. Income from donations and legacies

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Legacies			
A M G Devere-Holloway	1,000	1,000	0
J A Moore	50,918	50,918	438,759
E Harrower	15,000	15,000	218,910
M C Broker	14,417	14,417	342,412
A Skelton	4,986	4,986	28,385
J B Jennings	3,488	3,488	41,259
S G Litchfield	2,501	2,501	0
P Jackson	200,000	200,000	0
	<hr/>	<hr/>	<hr/>
Subtotal detailed disclosure	292,310	292,310	1,055,725
	<hr/>	<hr/>	<hr/>
Donations	74,598	74,598	69,791
Legacies under £1,000	1,863	1,863	26,529
	<hr/>	<hr/>	<hr/>
Subtotal	76,461	76,461	96,320
	<hr/>	<hr/>	<hr/>
Total	368,771	368,771	1,152,045
	<hr/>	<hr/>	<hr/>

4. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Fundraising	3,068	3,068	5,909
	<hr/>	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

5. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Investment income	685	685	13,924

6. Other income resources

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Sales of goods and lottery	38,213	38,213	36,964

7. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Charitable activities	137,532	389,205	526,737	645,068
<i>Total 2019</i>	<i>156,113</i>	<i>488,955</i>	<i>645,068</i>	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

8. Analysis of expenditure by activities

	Activities Undertaken Directly 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Charitable activities	465,879	60,858	526,737	645,068
	_____	_____	_____	_____
	_____	_____	_____	_____
<i>Total 2019</i>	<i>552,599</i>	<i>92,471</i>	<i>645,068</i>	
	_____	_____	_____	

Analysis of direct costs

	Charitable Activities 2020 £	Total funds 2020 £	Total funds 2019 £
Staff Costs	98,223	98,223	105,152
Research grants	137,532	137,532	156,113
Temporary staff	0	0	1,198
Travel and subsistence	444	444	3,673
Marketing and advertising	61,344	61,344	69,733
Research and editorial costs	42,468	42,468	54,062
Health and Safety	825	825	730
Professional indemnity costs	1,485	1,485	1,022
Website and IT	23,865	23,865	22,712
Printing costs	42,087	42,087	59,229
Direct Mail	51,119	51,119	51,608
Conference, information and meeting costs	2,889	2,889	25,451
Legal and professional	0	0	1,914
Charitable activities	3,598	3,598	0
	_____	_____	_____
	465,879	465,879	552,597
	_____	_____	_____

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

Analysis of support costs

	Charitable Activities 2020 £	Total funds 2020 £	Total funds 2019 £
Staff costs	12,086	12,086	19,147
Depreciation	1,238	1,238	1,423
Legal and professional	16,050	16,050	26,977
Telephone and internet	660	660	685
Printing, postage and stationery	18,808	18,808	24,221
HR Training and welfare – staff	3,600	3,600	817
Rates and water charges	1,828	1,828	1,761
Bank Charges	756	756	1,219
Cleaning and waste management	655	655	1,001
Premises repairs and renewals	5,177	5,177	15,220
	60,858	60,858	92,471

9. Auditors' remuneration

	2020 £	2019 £
Fees payable to the Company's auditors for the audit of the Company's annual accounts	0	9,000

10. Staff costs

	2020 £	2019 £
Wages and salaries	110,309	124,217
Social security costs	6,397	8,567
Contribution to defined contribution pension schemes	3,598	3,198
	120,304	135,982

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

The average number of persons employed by the Company during the year was as follows:

	2020 No.	2019 No.
Employees	4	5
	<u> </u>	<u> </u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2020 No.	2019 No.
In the band £60,001 to £70,000	0	1
	<u> </u>	<u> </u>

11. Trustees' remuneration and expenses

With the agreement of the Charities Commission Mrs J M D Hirst's remuneration is for extensive research, publications and editorial work. Mrs Hirst attends meetings, conferences and seminars on behalf of the Charity to lecture on the rights to retain a choice of insulins. Her continued contribution to the work of the Charity is invaluable. The value of the Trustees' remuneration and other benefits is fees of £25,263 (2019 £44,150).

During the year ended 31 December 2020, no Trustee expenses have been incurred (2019 - £NIL)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

12. Tangible fixed assets

	Freehold Property £	Office equipment £	Total £
Cost or valuation			
At 1 January 2020	351,842	49,906	401,748
Additions	0	744	744
	<hr/>	<hr/>	<hr/>
At 31 December 2020	351,842	50,650	402,492
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1 January 2020	0	43,220	43,220
Charge for the year	0	1,238	1,238
	<hr/>	<hr/>	<hr/>
At 31 December 2020	0	44,458	44,458
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 December 2020	351,842	6,192	358,034
	<hr/>	<hr/>	<hr/>
At 31 December 2019	351,842	6,686	358,528
	<hr/>	<hr/>	<hr/>

13. Fixed asset investments

	Unlisted Investments £
Cost or valuation	
Transfers between classes	1,825,076
	<hr/>
At 31 December 2020	1,825,076
	<hr/>
Net book value	
At 31 December 2020	1,825,076
	<hr/>

Investment portfolios have previously been treated as current asset investments.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

14. Stocks

	2020 £	2019 £
Finished goods and goods for resale	10,092	10,138

15. Current asset investments

	2020 £	2019 £
Unlisted investment	0	0
Unlisted investments (liquid)	145,334	142,261
	<u>145,334</u>	<u>142,261</u>

16. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	18,139	9,152
Other taxation and social security	7,000	2,835
Other creditors	1,048	660
Accruals and deferred income	5,867	9,639
	<u>32,054</u>	<u>22,286</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

17. Statement of funds

Statement of funds – current year

	Balance at 1 January 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2020 £
Unrestricted funds					
Reserves	2,030,783	410,737	(419,994)	158,074	2,179,600
Restricted funds					
Restricted funds	874,365	0	(137,532)	0	736,833
Total of funds	2,905,148	410,737	(557,526)	158,074	2,916,433

Statement of funds – prior year

	Balance at 1 January 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2019 £
Unrestricted funds					
Reserves	1,117,582	1,208,842	(524,657)	217,334	2,019,101
Restricted funds					
Restricted funds	1,030,478	0	(156,113)	0	874,365
Total of funds	2,148,060	1,208,842	(680,770)	217,334	2,893,466

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

18. Analysis of net assets between funds

Analysis of net assets between funds – current year

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	0	358,034	358,034
Fixed asset investments	0	1,825,076	1,825,076
Current assets	736,833	28,544	765,377
Creditors due within one year	0	(32,054)	(32,054)
Total	736,833	2,179,600	2,916,433

Analysis of net assets between funds – prior year

	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	0	358,528	358,528
Fixed asset investments	0	1,679,412	1,679,412
Current assets	874,365	3,447	877,812
Creditors due within one year	0	(22,286)	(22,286)
Total	874,365	2,019,101	2,893,466

19. Reconciliation of net movement in funds to net cash flow from operating activities

	2020 £	2019 £
Net income for the year (as per Statement of Financial Activities)	22,967	757,088
Adjustments for:		
Depreciation charges	1,238	1,423
Gains/(losses) on investments	(158,074)	(217,334)
Decrease/(increase) in stocks	46	(352)
Increase/(decrease) in creditors	9,768	(5,665)
Net cash provided by operating activities	(124,055)	535,160

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

20. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	601,151	725,413
Total cash and cash equivalents	601,151	725,413

21. Analysis of changes in net debt

	At 1 January 2020 £	Cash flows £	Other non- cash changes £	At 31 December 2020 £
Cash at bank and in hand	725,413	(124,262)	0	601,151
Liquid investments	142,261	0	(3,073)	139,188
	867,674	(124,262)	(3,073)	740,339

22. Pension commitments

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £3,598 (2019 - £3,198).

23. Post Balance Sheet events

The Charity has been impacted post year end as a result of COVID-19. Currently the extent of the financial impact is uncertain but the Charity is confident that it has the sufficient reserves and resources to continue operating and therefore the Trustees consider it to be a going concern.