

Coeliac UK

Annual Report and Financial Statements for the year ended 31 December 2021



COELIAC UK

(A Company Limited by Guarantee)

Registered Charity Number: 1048167

Registered Company Number: 03068044

Scottish Charity Number: SC039804

Coeliac UK

Annual Report and Financial Statements for the year ended 31 December 2021

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Coeliac UK

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Legal and administrative information

The organisation is a charitable company limited by guarantee, incorporated on 14 June 1995 and registered as a UK charity on 20 July 1995. Coeliac UK is the successor body to The Coeliac Society which was established in 1968.

The Charity was established under a Memorandum of Association that established the objects and powers of the charitable company and is governed under its Articles of Association.

The Articles provide for the Board to consist of up to nine elected Trustees, two co-opted Trustees and one Trustee nominated by the Health Advisory Council. A trustee shall hold office for a period of 3 years and shall then be subject to re-election and may be re-elected for a further term of 3 years after which they must retire as a Trustee, but may be re-elected as a Trustee after an intervening period of at least 1 year.

Board of Trustees

Claire Andrews
Maureen Burnside - Chair
James Chappell (Resigned 30 March 2021)
Fiona Fowler - Treasurer
Angeli Hemnani
Margaret Morgan
Kenneth O'Dea
Dr Anita Patel (co-opted)
Professor Alan Perkins
Dr Gerry Robins (Appointed 16 July 2021)
Professor David Sanders (Resigned 16 July 2021)
Reshma Shah
Nicola Valmas
Clive Warner (Appointed 23 September 2021)

Company secretary

Ife Kantonna (Appointed 14 June 2021)
Julia Malthouse (Resigned 14 June 2021)

Chief executive

Hilary Croft

Company number

03068044

Charity number

1048167

Scottish Charity number

SC039804

Registered office and operation address

Third Floor
Apollo Centre
Desborough Road
High Wycombe
Buckinghamshire
HP11 2QW

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Legal and administrative information

Auditors

Saffery Champness LLP
St John's Court
Easton Street
High Wycombe
Buckinghamshire
HP11 1JX

Bankers

HSBC Bank plc
Oxford Circus Branch
196 Oxford Street
London
W1D 1NT

Lloyds Bank
21-31 White Hart Street
High Wycombe
Buckinghamshire
HP11 2HL

Investment manager

Cazenove Capital
1 London Wall Place,
London
EC2Y 5AU

Solicitors

Blaser Mills
Park House
40 Oxford Road
High Wycombe
Buckinghamshire
HP11 2EE

Coeliac UK

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Structure, Governance and Management

The Charity

Coeliac UK is a charitable company limited by guarantee, incorporated on 14 June 1995 and registered as a charity on 20 July 1995 with the Charity Commission. It was also registered with the Office of the Scottish Charity Regulator in 2008.

The charity's objectives are set out in its Articles of Association adopted on 3rd July 2021 and amended pursuant to Special Resolution 9 passed at the Annual General Meeting held on 3 July 2021:

improving the wellbeing and outcomes of people affected by the Coeliac condition;

increasing awareness and knowledge and improving the care and choice for those affected by the Coeliac condition; and

promoting research into the nature, causes, alleviation, treatment and cure of the Coeliac condition.

Public benefit

The Trustees in exercising their powers and duties have complied with their duty in Section 17 of the Charity Act 2011 to have due regard to the public benefit guidance published by the Charity Commission. In preparing the report and accounts the Trustees have complied with the requirements set out in that guidance to report on the significant activities and achievements of the charity in 2021. They have reported in a way that both sets out the aims and strategies of the Charity and demonstrates how the aims and activities of the charity were carried out for the public benefit.

The Board of Trustees

The Board of Trustees lead the charity in setting its strategic direction and agreeing objectives and plans to deliver the charity's aims. The Board monitors and evaluates the progress of the charity to ensure it achieves those objectives and plans.

The expertise within the Board is substantial and wide ranging. Trustees include director-level individuals from accounting, finance, fundraising, HR, marketing, law and healthcare backgrounds. All Trustees are volunteers committing many days, evenings and weekends of the year working for the charity.

The Board's Committees

The Board delegates some of its responsibilities to committees to provide a particular focus on some issues.

The Audit Committee

The Audit Committee ensures the robustness of the Board's overall financial and risk monitoring. The role of the Committee is to support the Board of Trustees in monitoring the adequacy of the Coeliac UK's corporate governance and control systems by offering objective advice on issues concerning the risk, control and governance of the organisation and associated assurances provided by external audit and other processes. It ensures the charity's financial management meets the standards of good practice accepted by the Charity Commission and Companies House.

The **Human Resources (HR) Committee** (see Management and staff below) oversees the charity's HR policies ensuring they are legally compliant and fit for purpose.

Structure, Governance and Management

The **Executive Action Committee** allows the Board to retain control in crisis situations when the full Board may not be able to be convened. The Committee would only be called upon in emergencies and was not invoked in 2021.

Health Advisory Council

The Health Advisory Council (HAC) provides the charity with expert insight into health issues related to coeliac disease, associated research and advice on related policies and activities. The Council draws upon a wide range of expertise to reflect all aspects of healthcare and includes representation from across all four UK nations.

During 2021 we welcomed Dr Gerry Robins to the Board of Trustees as our new HAC representative. Gerry is a longstanding member of our HAC and brings invaluable expertise in the field of coeliac disease and the gluten free diet.

Food Standards Committee

The Food Standards Committee provides the charity with additional technical expertise and independent appraisal of the standards applied to its licensing and accreditation activities. It also engages with other industry and regulatory bodies to ensure exchange of ideas and state of the art information.

A group of international expert researchers was awarded €1.2M to explore gluten analysis of fermented and hydrolysed products. Their expertise will be called upon to inform a Gluten Analysis and Toxicity Working Group, a sub-committee of the charity's Food Standards Committee. Coeliac UK will not directly receive any of this funding, but will indirectly benefit from the work of the researchers as part of the Gluten Analysis and Toxicity Working Group.

Research Strategy Board

The Research Strategy Board (RSB) provides the charity with expert insight and fulfils governance requirements for the review and development of its research strategy which underpins the charity's Research Fund. The Board reports to the Board of Trustees.

In 2021, two members stepped down having completed a three year term on the Board, all other members renewed for a further three years. Three new members were welcomed to the Board in the latter half of 2021, expanding the breadth of expertise supporting the charity's research agenda.

Research Awards Panel

The Panel manages the awards process for grants under the Research Fund. It provides the charity with expert insight and fulfils governance requirements for the review, funding and management of the charity's research awards in line with the charity's Research Strategy. The Panel reports to the Board of Trustees.

In 2021, all members of the panel renewed their membership for a further three years with the exception of one member who stepped down and was replaced after a successful recruitment campaign.

The Board and its committees continue to use a combination of face to face meetings, video calls and teleconferences during the year to review plans and activities of the charity and ensure the cost effectiveness of their operations.

Structure, Governance and Management

Fundraising Committee

The Fundraising Committee provides the charity with expert insight and fulfils the governance requirements for the detailed scrutiny and oversight of the fundraising undertaken for the charity including for the Research Fund. This Committee reports to the Board of Trustees.

Commercial Committee

The Commercial Committee, established for the first time in February 2021, provides the charity with expert insight to assist in the planning of the Commercial Services strategy and delivery of its activities. This committee reports to the Board of Trustees.

Board of the Trading Company

The directors of the trading subsidiary meet twice a year to review the finances and activities of the trading subsidiary and to ensure it continues to meet the objective of raising funds for the charity.

Recruiting and supporting Trustees

Prior to any recruitment round the Board of Trustees will undertake a skills audit to identify current and future skills gaps, and identify significant gaps in diversity on the Board. Roles are advertised widely both in the charity's communications to members and on recruitment websites open to all. The selection process comprises shortlisting on the basis of CVs and supporting statements, followed by an interview panel for shortlisted candidates. Following appointment, new Trustees are provided with induction packs and sessions spent with key staff.

Management and staff

The Board of Trustees delegates the day to day management of the charity to the Chief Executive who leads a team of 43 full time equivalent staff. Their work is supplemented at times of peak workload by a limited number of temporary staff. The staff work within the Delegation of Authority agreed by the Board. The staff agree a work plan with the Board at the beginning of the year and report progress at Board meetings throughout the year through quarterly reporting.

The Board of Trustees appoints an HR Committee to oversee the setting of pay and remuneration for senior management and the entire organisation. Their remit is to regularly review and agree performance review arrangements; agree remuneration policies including terms, conditions and benefits; consider recommendations for individual pay on the basis of individual appraisals and to consider the Charity's human resource strategy. The committee is comprised of the Chair of the Board of Trustees and at least two other Trustees.

The organisation is comprised of Coeliac UK, a registered charity, and its subsidiary The Coeliac Trading Company Ltd. The principal activity of the trading subsidiary is to raise funds on a commercial basis for the charity to support its charitable activities. The subsidiary is governed by two directors appointed from the senior management team of the charity and two Trustees from the Board of the charity.

Our approach to fundraising

Coeliac UK operates a small team of in-house staff to lead and develop its fundraising. As a charity regulated by the Fundraising Regulator we strive to achieve the highest

Structure, Governance and Management

standards in all our fundraising activities and communications and will continue to do this, referring to all the relevant professional and statutory bodies as guidance and regulation develops. Developing positive long-term relationships with all our members, donors and supporters underpins all our actions in this area. We use the services of a number of carefully selected external companies who are able to provide significant specialist skills to help us deliver specific activities. With each of these companies, we have signed agreements, committing them all to adhere both to the letter and spirit of the regulations.

Managing risk

The Trustees have overall responsibility for ensuring appropriate systems of financial and other controls are in place. At Coeliac UK, the role of risk management is delegated to the Audit Committee who review the risk quarterly and report back to the full Board.

A risk register is used by the Board and staff to review the main risks and uncertainties, and systems put in place for management and mitigation. All major project work undertaken by staff have risks and mitigation measures identified at the beginning and these are monitored throughout the project lifetime.

The key risks are made up of financial, operational, regulatory, external and strategic risks; and the main risks identified in 2021 were:

The continued impact of the coronavirus pandemic on our ability to increase our impact for our beneficiaries and achieve income targets.

The risk of a more unstable workforce as staff members re-evaluate their lifestyles and working preferences following the personal impact of covid 19.

Report of the board of trustees

The Board of Trustees who are the Charity Trustees, and Directors of Coeliac UK ('the charitable company'/'the Charity'), have pleasure in presenting their report, which incorporates the report of the Directors for the purposes of company law, and the accounts for the year ended 31 December 2021.

Introduction

The unexpected hurdles thrown at us during 2020 continued in 2021, and the year began with a harsh reminder that the pandemic was far from over. Although we were heartened by the support of our community and staff to help as much as they could in 2020, the nation was still tired and afraid. Job insecurity, full COVID restrictions, and low morale across the country naturally had a knock on effect to our services, face to face events and fundraising activity.

We had put in place revised plans to maintain our presence and support our community, so were prepared to pivot many activities online, which still worked well. The area that we could not affect was the pathway to diagnosis, as the NHS was already overwhelmed, and later in the year when things looked to pick up, there was a test tube shortage meaning all 'non-essential' blood tests were cancelled. It was not the right time ethically or practically to proceed with our diagnosis messaging across our Children's campaign, Awareness Week and other general marketing communications, and with our diagnosis efforts essentially on hold it meant that we were falling short against our pathway to the strategic target of 50% diagnosed by 2025. This has affected membership figures, awareness targets and research opportunities. And the inability to hold events for the majority of the year has also affected membership, awareness and fundraising.

Despite the many barriers faced, there have been many positives:

- We have had the opportunity to focus more on digital communication and are seeing positive results with an increase in followers of 9% and a doubling of engagement rate to 4%.
- Having successfully piloted a virtual Challenge Weekend in Sept 2020, the activity was lengthened in 2021 and given a prominent position as part of our Awareness Week. The virtual Challenge Week raised £50k and running alongside Awareness Week gained 5.5 million impressions on social media; 347 items of national, regional and trade press delivering the equivalent of £3.9 million PR value; and a 10% increase on new joiners compared to May 2020.
- Our membership retention increased by 6% versus 2020.
- Catering establishments were some of the hardest hit in the pandemic, and as our gluten free accreditation has a strong community benefit we were delighted to find that 90% of our partners had renewed.
- 90% of all Crossed Grain partners also renewed.
- Partnerships with Warburtons and Panasonic showed the desire of our commercial partners to support our work in the light of significant challenges for their own endeavours.
- We formed a new partnership with Co-op to promote our mass participation events, which was a real boost after the pandemic had decimated the usual programme of fundraising event activity.
- We received a grant from the James Tudor Foundation for £10,602 to support our core dietetic services.
- Our Christmas Raffle yielded a very positive response, raising over £130k at the end of a difficult year – the Co-op donated hampers which helped us make Christmas special for a number of nominated winners

Report of the board of trustees

Community Support

Thank you notes can be taken for granted, however we take them very seriously as for each letter or email we receive saying that we've improved someone's life, that's a major accolade and one of which we are proud. Hearing these stories is a validation of our impact– here are some excerpts of comments received in 2021:

Coeliac UK have been an absolutely invaluable wealth of information to me. When I was diagnosed, they were my only source of information for some months before I got an appointment with a gastroenterologist. Coeliac UK helped me to understand coeliac disease and the gluten free diet a lot better. I've also been able to share their resources with family members to help them better understand. The staff on the phone lines are also always there for any questions. - Holly, Manchester

The apps have helped me massively in identifying what is gluten free and not, and being able to search for gluten free certified restaurants has also taken the pressure off eating out. - Ryan, West Midlands

Coeliac UK have enabled me to direct myself through my first year of coeliac disease and being gluten free. They helped me to make safe food choices at home and out and about and gave me the tools to ensure others are educated about coeliac disease when cooking for me. - Natalie, Woodley

Coeliac UK has helped me feel like I'm not alone and that there are plenty of recipes and information about coeliac disease out there. – Harry, Hertfordshire

I turned to Coeliac UK for guidance and information, throughout the diagnostic process when I needed reassurance, and ever since I've been learning to eat gluten free, Coeliac UK has had my back! I've looked things up on the website, I've downloaded and used the food checker app, I've joined my local Coeliac UK committee, I've rung up to ask for guidance and so much more. It's been a year since diagnosis and I wouldn't have made it this far without Coeliac UK - Clare, Basingstoke

Being diagnosed during a pandemic, the website and app were the places that gave me the information I needed. I felt hopeful instead of deprived. I have used parts of the website to share information with family and friends. The app helps me feel more confident about the foods I can buy. - Alice, Chorley

After living 30 years of my life undiagnosed, I had no idea where to start. I was anxious and confused. Coeliac UK have made me feel as though I'm not alone with coeliac disease and the resources have been useful in helping me to understand my condition. I am now confident in managing my condition and living my life to the fullest while looking after my health. - Rebecca, Nottingham

Coeliac UK

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Report of the board of trustees

Objectives and activities for 2021

Activities planned for 2021 aligned with the 2020-2025 Strategic Objectives, specifically:

Reach

- Increased investment in digital and improvements to digital user experience/engagement and content
- New digital membership recruitment campaigns
- New fully integrated Coeliac Awareness and Christmas campaigns

Experience

- Increased investment in digital and marketing to improve digital user experience, content and channel relevance
- Development of new resources to improve support for children and youth
- Regional volunteer support events to help local group engagement

Partnerships

- Development of strategic partnership approach including account based marketing
- Review/improvement of commercial value propositions and resources for partners
- Increased consumer marketing of commercial products and services

Research

- Improved communication on research progress to key stakeholders
- New fundraising initiatives to grow income available for research
- Development of new research initiatives and partnerships

Global Leadership

- Work with AOECs (Association of European Coeliac Societies) to improve support for its members and extend the European Licensing Scheme.
- Work with ISSCD (International Society for the Study of Celiac Disease) to improve outcomes for the coeliac community.

Looking at each in more detail and a reflection on 2021 achievements against objectives set in 2020:

Reach

- Increased investment in digital and improvements to digital user experience and content: on-going modifications are being made to all of our digital communications and the user experience of interacting with the charity; a series of new content sources have been identified including new ambassador inputs and the introduction of tools to make engaging with the charity easier eg. QR codes. New mobile app proposition was commissioned and in development.
 - New digital membership recruitment campaigns: we ran a new membership drive campaign to reaffirm our valued services and expertise across the gluten free community. The campaign has supported our 6% increase in membership retention rates on 2020 and we welcomed back over 2,000 lapsed members back into membership. We also launched our gift membership ecard as part of the Christmas campaign.
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Report of the board of trustees

- New fully integrated campaigns: Awareness Week and Christmas campaigns were completed with strong results.

Experience

- Increased investment in digital and marketing to improve digital user experience, content and channel relevance. We are trialling a range of channel solutions alongside our persona work to ensure more relevant communications with our community
- Development of new resources to improve support for children and youth:
 - New resources and events created for younger members around key annual events; and new resources for Young Champion members (under 16 years) to encourage participation and interaction.
 - As part of our Children's diagnosis campaign a number of information resources have been created for children and parents – the launch of the campaign was delayed until 2022 for the reasons previously mentioned and will be live early 2022.
- Regional volunteer support events to help local group engagement: Volunteers Week 2021 recognised our current volunteers and showcased opportunities for new volunteers through a week of virtual open days. This allowed us to involve our wider staff team showcase the work of the many different volunteer roles across Coeliac UK from Trustees to Young Champions and everyone in between. Monthly Volunteer Lounge meetings have continued virtually, together with quarterly Mini Meet ups.

Partnerships

- Development of strategic partnership approach including account based marketing: We strengthened relationships with our gluten free partners by working together on new initiatives through recipe development, volunteer activities and our membership drive and have a programme of activities being developed with key partners.
- Review/improvement of commercial value propositions and resources for partners: During Awareness Week we provided assets to commercial partners and several supported the campaign by using our logo and posting on their own channels to raise awareness including Carluccio's, Tesco, Co-op, M&S, Walkers Shortbread.
- Increased consumer marketing of commercial products and services: the pandemic put our plans on hold until 2022 with promotion roll outs planned for key product and services later in the year.

Research

- Improved communication on research progress to key stakeholders: we delivered the Research Fund Impact Report, reflecting on the achievements of the funds raised since its launch in 2018
- New fundraising initiatives to grow income available for research: An appeal to relaunch the Research Fund was postponed until early 2022 due to other priorities for the charity. Links with grant-making trusts for specific projects developed in 2021 have raised expectations for new grants due to come in 2022.
- Development of new research initiatives and partnerships:
 - We became an associate member of the Connect Immune Research initiative. A first-of-its-kind charity research partnership aimed at confronting the UK's high prevalence of autoimmune conditions. This partnership also presents further opportunities to extend our reach with joint initiatives.

Report of the board of trustees

- Two projects from the first joint research call with Innovate UK were completed. The first project was developing a less invasive test to diagnose people with coeliac disease even if they had already adopted a gluten free diet. The other project successfully identified methods for extracting proteins from faba bean and naked oats and tested their functionality in gluten free bread recipes.
- In 2019 we had a joint epidemiology research call with Crohn's and Colitis UK to provide an update of the latest incidence and prevalence figures. The project finished in 2021 and we will be using the latest figures, broken down by age, gender, ethnicity and geographical region to underpin our campaigns and policy work.

Global Leadership

- Work with AOECs (Association of European Coeliac Societies) to improve support for its members and extend the European Licensing Scheme.
- As members of AOECs working groups we contributed to the revision of the "AOECs Standard" version 2016 to bring it up to date and improve terminology and structure of this gluten free food safety standard. These improvements will allow Food Business Operators (FBO) and Auditors to have a better understanding of the AOECs Standard which will facilitate its implementation and improve auditing of products bearing the Crossed Grain Trademark. In 2021, AOECs partnered with SGS (a leading inspection, verification, testing and certification company) to develop a new AOECs Gluten Free Addendum Audit Programme to be used by FBOs undergoing a Food Safety Audit against a GFSI (Global Food Safety Initiative) Benchmarked scheme.
- AOECs concluded a partnership with BRCGS (Brand Reputation through Compliance of Global Standards) to introduce the use of the BRCGS Gluten Free Certification Programme to be used alongside the AOECs Position Statement for supporting companies using or wishing to obtain a licence to use the Crossed Grain Trademark. As a member of the AOECs working groups, we contributed to the development of the position statement.
- Work with ISSCD (International Society for the Study of Celiac Disease) to improve outcomes for the coeliac community: We continued to provide administrative support and host the International Society for the Study of Celiac Disease (ISSCD) Board meetings online throughout 2021. We also managed the ISSCD website.

Devolved nations

- In September 2021 the charity took out a double page spread in Holyrood magazine's annual Health of the Nation edition and focused on the challenges of diagnosis in Scotland. The publication is read by around 3,000 policy makers, including Scottish MPs and Members of the Scottish Parliament and provides a great opportunity to communicate directly with Scottish power brokers. It's the first time we've advertised in the magazine and represents the initial step in our ongoing Scottish Parliamentary engagement, recognising the unique constitutional settlement of the UK.
- In Wales, we continued to work closely with Hywel Dda University Health board as it rolled out the top-up card prescribing scheme across the area. The voluntary scheme provides a subsidy to those with a diagnosis of coeliac disease to access gluten free staples through shops.
- We successfully re-established the Cross Party Group in Wales under a new Chair (Rhun ap Iorwerth, MS) and several new members, hosting a total of three meetings through the year.

Report of the board of trustees

Measuring Our Success

- Key criteria for our success is the increase in diagnosed prevalence of coeliac disease which was 0.24% of the estimated 1% of people with coeliac disease in 2011, it increased to 0.30% in 2015 and from our latest funded research in 2020 it has increased further to 0.36%. The impact of COVID means that under-diagnosis of coeliac disease remains a significant challenge and will continue to be a key focus of the charity.
- One of our key objectives is to fund research into diagnosis, treatments, management of the gluten free diet and alleviation of coeliac disease and we aim to spend a proportion of our income each year specifically on research. In 2021 we spent £149k, 4% of our income on research.
- We monitor new joiners to the charity as a measure of improving diagnosis rates, improved awareness of coeliac disease and increased awareness of Coeliac UK as the charity to support those needing to live a gluten free life. In 2021, we welcomed 8,772 new members, with a further 2,088 lapsed members re-joining.
- To help us measure how successfully we are providing our members with the help and support they need, we set a target Net Promoter Score (NPS) which is a measure of customer loyalty and satisfaction for some of our key services as part of our new five year strategy. These scores and other survey responses helps us identify service improvements. We set a target of 50 (>20 as broad industry benchmark is considered good) for our key services by the end of 2025. At the last point of assessment in 2020, our latest scores were as follows, with some being affected by the pandemic as they impacted our activities:
 - Membership Scheme - 46.8 – from 65.3 in 2020
 - Gluten Free Food Checker App - 53 (2020)
 - Gluten Free On The Move App - 22 (2020)
 - Home of Gluten Free Recipes – 17.7 – no 2020 comparative score as recipe access was made open for the duration of the first series of lockdowns
 - Dietetic Workshops 57.13 – from 42.6 in 2020
 - Volunteering Scheme - 14 (2020)

2022 Initiatives

Reach

- Two pivotal campaigns in the first half of 2022 to begin to get us back on track with our Diagnosis targets:
 - Diagnosis campaign: fully integrated campaign focusing on children aged 5-11 years.
 - Awareness Week: 9-15 May, diagnosis messaging and incorporating a fundraising challenge.
- To extend our reach to the wider GF community we are also testing a series of new approaches to tap into the user journey for having any dialogue with Coeliac UK with a focus on encouraging action.
- Surveys to gain greater understanding of the GF community and their gluten free dietary requirements and shopping habits. We will also use the information to underpin other marketing messages and advocacy work.
- Following on from our parliamentary engagement work in 2021, we will be seeking to establish cross party groups in Scotland, N. Ireland and at Westminster in line with the model developed in Wales. This will ensure we have champions at the heart of each of the UK's four parliaments, enabling us to drive policy change for the benefit of the coeliac community.

Report of the board of trustees

Experience

- A series of membership driving campaigns and experiences to run alongside the diagnosis campaigns that will, over time, deliver more members and widen the community we support.
- Working to improve the experience of our Commercial Partners as they engage with us.
- During 2022 we will develop a health policy strategy which will encompass two other areas of work, Coeliac UK's care standard and diagnosis strategy.
- During 2022, we will also develop a food policy strategy which will set out a long term plan with clear objectives to achieve one of Coeliac UK's objectives to improve access and availability to gluten free food in and outside of the home.
- In recognition of our commitment to patient advocacy we will put the community's voice at the heart of what we do. We will recruit voluntary panels (Community Voice Councils) for each of the nations of the UK, representing the diversity and breadth of the coeliac community.

Partnerships

- In 2020 we laid out our aim to launch a new Coeliac UK Care Standard in line with the five year strategy. The Coeliac UK Care Standard will aim to recognise and support best practice and support improvements in care around diagnosis and management of coeliac disease. In 2022 we will be developing a wider long term diagnosis strategy which will encompass the Coeliac UK Care Standard.
- Increase support from grant-making trusts, both for specific research projects and our core offering for information and support.
- Growth in the take up of gluten free food safety products within priority sectors – health and social care, and educational establishments.
- Investment in streamlining processes to improve customer experience and make better use of staff time and expertise.

Research

- The Research Fund that was originally launched in 2018 will be revamped to align with our Key Research Priorities and new materials including case study videos will be produced.
- Our £150,000 research call planned for 2021 was postponed and will now take place in 2022 following the rescheduled Research Summit.
- In 2022, we will review our research strategy and ensure that it remains focused on the needs of people with coeliac disease and gluten related conditions. We will also review the way in which our community helps us select what research to fund.
- We will host our rescheduled Research Summit and take the findings to underpin our £150k research call, postponed from 2021.

Global Leadership

- Support the improvement and development of European Food Safety Schemes.
- Partnerships with national coeliac societies to deliver the charity's food safety services.
- Working alongside AOCS and other Coeliac societies around the globe to improve recognition of suitable gluten free food and addressing issues around intellectual property and trademarks around the globe.
- Work with Association of European Coeliac Societies (AOECS) Board and Members to increase international reach and improve approach/outcomes for coeliac sufferers worldwide.
- We will be hosting a Westminster roundtable event on diagnosis in spring 2022.

Report of the board of trustees

Financial review

Overview

The charity has three main sources of funding: membership fees, commercial trading and fundraising from donations, raffle, lottery and grant income.

These funds enable us to provide services and information to support those diagnosed or caring for someone with coeliac disease in living a gluten free life and also in providing guidance and advice to those seeking diagnosis. We are actively engaged in campaigning with the health and food sectors to educate and raise awareness to increase understanding of the condition and the treatment required. In the longer term, these income streams enable the charity to fund research to improve management of the condition, the development of treatments and ultimately a cure.

The charity's total income in 2021 was £3.58 million, slightly below £3.61 million income for 2020. Income from trading activities and charitable activities at £742K and £1.93 million was 5% and 1% respectively, higher than 2020 income. The drop in income from donations and legacy which was £908k, £59k lower than gifts received in 2020; Investment income also reduced by 93% from £26k in 2020 to just over £1.6k in 2021.

We balanced the income shortfall with reductions in unrestricted expenditure where we could without overly compromising the quality of our services. £3.39 million expenditure was for 2021 is just £10k more than the £3.38 million spend in 2020, resulting in a surplus of £194K for 2021. There was no gain or loss on our investment asset as all the charities funds, invested in Multi-Asset funds were withdrawn in 2020 and now held in cash.

As activities start returning to normal after the Pandemic, our focus in 2022 will be on building a sustainable income streams to ensure that we continue to meet the expectations of our stakeholder as we deliver our five year strategy.

Investing in research

Overall research expenditure during the year decreased from £270k to £149k, 4% of income. The decline was due to only two new sponsored dissertation award worth £2.5k being awarded in 2021, plus the last years of existing grants being recognised in the financials. Our £150k research call planned for 2021 was postponed and will now take place in 2022 following the rescheduled Research Summit.

Investment policy and Performance

The charity's investments are managed by Cazenove Capital, to provide a reasonable and growing income over the long term, commensurate with a moderate but not excessive degree of risk. The charity will not invest in high risk instruments, such as derivatives, hedge funds, covered warrants or spread betting.

The decision was made in 2020 to withdraw our reserves from the Multi-Asset fund due to the volatility of the stock market, this was to stabilise our cash position and protect our restricted reserves. Our reserves are currently been held in cash with Cazenove Capital and HSBC bank, while trustees review our investment policy and decide on the best way to invest.

Bank interest received from our cash deposits in the year was £1.7k.

Report of the board of trustees

Reserves policy

The Board recognises the need to hold charitable funds as free reserves in order to safeguard the continuity of provision of basic services, to fund periods of expenditure in excess of revenue and to fund unexpected expenditure.

The Board of Trustees used Charity Commission guidelines to update the reserves policy in April 2019.

The Board has agreed a policy that sufficient reserves will be held to ensure the charity can operate for up to 6 months when income has been significantly impacted by an external event, in order to assess the future options for the charity.

As and when reserves are above 6 months, and subject to financial performance, the Audit Committee should look to see whether these potential excess reserves can be utilised by the charity to, for example:

- Fund periods of expenditure in excess of revenue
- Fund unexpected expenditure
- Fund investment into service or income generating opportunities
- Meet match funding requirements to earn grant income

Excess reserves will be designated for a specific activity when an appropriate and timely use of the funds has been identified and agreed by the Board.

In the event there are no extra reserves, the Board may utilise the operational reserves to meet any of the above needs should they arise, subject to a cost benefit analysis. Alternative sources of funding will be assessed in the first instance, with the drawdown of reserves being the last resort, particularly if materially depleting the free reserves.

The free reserves at the end of 2021 were £1,522k at 7.9 months of 2022 budgeted annual general unrestricted expenditure. This is above the range set out in our policy. The shortfall in income in 2020 and 2021 due to the pandemic cause the charity to cancel or defer some planned expenditure; As activities start returning to normal, excess reserves will now be used to improve our operational capacity and strengthen our financial position thereby allowing us to meet the needs of our stakeholders.

Of our current restricted reserves of £419k, we have £277k held for our Research Fund. We raise funds for research in order to build a sufficient sum to launch a research call and our intention is to make a call in 2022 and award at least £150k of these funds to any project that meets our rigorous requirements including our research priorities and other ethical considerations.

Of our designated reserves, £12.5k is held for research Projects while £81k is funds for our local voluntary support groups allowing groups to actively provide support to members in their local area.

Responsibilities of the Board of Trustees

The Board of Trustees (who are also directors of Coeliac UK for the purposes of company law) is responsible for preparing the Report of Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Board of Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable

Report of the board of trustees

company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. 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) FRS102
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

The Board of Trustees is responsible for keeping adequate accounting records which are sufficient to show and explain the charitable company's transactions and which 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 and the Charitable Company's constitution. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as the Board of Trustees are aware:

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

The Board of Trustees is responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

This report has been prepared in accordance with the Special Provisions of Part 15 of the Companies Act 2006 relating to Small Companies.

This report was approved and authorised for issue by the Board of Trustees on 31 March 2022 and signed on their behalf by



Maureen Burnside
Chair

Registered Company Number: 03068044

Coeliac UK

Annual Report and Financial Statements for the year ended 31 December 2021

Independent auditors' report to the members and trustees of Coeliac UK

Opinion

We have audited the financial statements of Coeliac UK (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise a statement of financial activities, balance sheet and statement of cash flows and notes to the financial statements, including 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).

In our opinion the financial statements:

- give a true and fair view of the charitable company's state of the affairs of the group and the parent charitable company as at 31 December 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The 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.

Independent auditors' report to the members and trustees of Coeliac UK

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Board of Trustees which includes the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Board of Trustees which includes the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Board of Trustees.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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.
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Report of the Board of Trustees and the Strategic Report.

Responsibilities of Trustees

As explained more fully in the Statement of Responsibilities of the Board of Trustees set out on page 15, the Trustees (who are also the directors of the parent 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 the 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 parent 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 parent charitable company or to cease operations, or have no realistic alternative but to do so.

Independent auditors' report to the members and trustees of Coeliac UK

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and under the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under those Acts.

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

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

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the group and parent charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent charitable company by discussions with trustees and updating our understanding of the sector in which the group and parent charitable company operate.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and guidance issued by the Charity Commission for England and Wales and the Office of the Scottish Charity Regulator.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the parent charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

Independent auditors' report to the members and trustees of Coeliac UK

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, 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 and trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Karen Bartlett (Senior Statutory Auditor)
For and on behalf of Saffery Champness LLP

Saffery Champness LLP
Chartered Accountants
St John's Court
Easton Street
High Wycombe
Buckinghamshire
HP11 1JX

Statutory Auditors

Date: 4 April 2022

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Coeliac UK

Annual Report and Financial Statements for the year ended 31 December 2021

Consolidated statement of financial activities (including consolidated income and expenditure account)

	Notes	Unrestricted funds £	Restricted funds £	2021 Total £	2020 Total £
Income					
Donations and legacies	2	856,222	52,123	908,346	967,077
Income from charitable activities	2	1,700,475	232,490	1,932,965	1,910,585
Income from trading activities	2	739,495	2,429	741,923	703,346
Investment income	2	146	1,542	1,688	25,644
Total income		3,296,338	288,584	3,584,922	3,606,652
Expenditure					
Expenditure on raising funds					
Donations and legacies		300,165	1,966	302,132	287,794
Trading activities		593,951	2,429	596,379	581,151
Expenditure on charitable activities	3	2,370,781	121,786	2,492,567	2,512,472
Total expenditure		3,264,897	126,181	3,391,078	3,381,417
Net (losses)/gains on investments	11	-	-	-	(171,844)
Net income/(expenditure) for the year	7	31,441	162,403	193,844	53,391
Balances brought forward		1,630,277	256,777	1,887,054	1,833,663
Total funds carried forward		1,661,718	419,180	2,080,898	1,887,054

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

All income and expenditure derive from continuing activities.

The notes on pages 25 to 47 form part of these financial statements.

Coeliac UK

Annual Report and Financial Statements for the year ended 31 December 2021

Consolidated balance sheet

	Notes	Group		Charity	
		2021 £	2020 £	2021 £	2020 £
Fixed assets					
Tangible assets	10	46,347	114,802	46,347	114,802
Investments	11	-	-	2	2
		46,347	114,802	46,349	114,804
Current assets					
Investments & deposits	11	954,953	953,754	954,953	953,754
Debtors	12	455,781	694,150	586,292	996,508
Cash at bank and in hand		1,817,837	1,751,001	1,605,393	1,401,881
		3,228,570	3,398,905	3,146,637	3,352,143
Current liabilities					
Creditors: amounts falling due within one year	13	(1,154,022)	(1,586,655)	(1,072,088)	(1,539,893)
Net current assets		2,074,549	1,812,249	2,074,549	1,812,250
Total assets less current liabilities		2,120,896	1,927,051	2,120,898	1,927,054
Provisions for liabilities and charges	14	(40,000)	(40,000)	(40,000)	(40,000)
Net assets		2,080,896	1,887,051	2,080,898	1,887,054
The funds of the charity					
Unrestricted funds					
Designated	15	93,566	138,332	93,567	138,332
General		1,568,152	1,491,940	1,568,153	1,491,942
		1,661,718	1,630,278	1,661,720	1,630,274
Restricted funds	16	419,180	256,779	419,180	256,780
Total charity funds	17	2,080,896	1,887,051	2,080,898	1,887,054

The Trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Coeliac UK

Annual Report and Financial Statements for the year ended 31 December 2021

Consolidated balance sheet

As permitted by s408 Companies Act 2006, the company has not presented its own Statement of Financial Activity and related notes. The Company's profit for the year was £7,960 (2020: £24,536).

Approved by the Board of Trustees and authorised for issue on 31 March 2022 these financial statements are signed on their behalf by:



Maureen Burnside – Chair

Company number: 03068044

The notes on pages 25 to 47 form part of these financial statements.

Coeliac UK

Annual Report and Financial Statements for the year ended 31 December 2021

Consolidated statement of cash flows

	Notes	2021 £	2020 £
Cash flows from operating activities:			
Net cash provided by operating activities	22	75,929	516,085
Cash flows from investing activities:			
Dividends and interest from investments		1,688	25,644
Purchase of tangible fixed assets		(9,582)	(23,536)
Purchase of investments		-	-
Sale of investments		-	887,084
Net cash used in investing activities		(7,894)	889,192
Increase in cash and cash equivalents in the year		68,035	1,405,277
Cash and cash equivalents at the beginning of the year	22	2,704,755	1,299,478
Total cash and cash equivalents at the end of the year	22	2,772,790	2,704,755

Notes to the financial statements

1 Accounting policies

1.1 Basis of preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK (FRS102) and (Charities SORP (FRS 102) and the Companies Act 2006.

Coeliac UK 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 note.

There are no material uncertainties about the charity's ability to continue as a going concern. The charity's planned activities, together with its financial position; management of risk and approaches to investments, cashflow and reserves are described in the Report of the Board of Trustees. As a consequence, the Trustees believe that the charity is well placed to manage its risks successfully despite the current uncertain economic outlook. The Trustees have a reasonable expectation that the charity and the group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

1.2 Local groups and accounting policy

The local groups record their income and expenditure on a receipt basis. At the end of the financial year, each group submits a return of its income and expenditure which is included in the Statement of Financial Activities and the Balance Sheet.

1.3 Income

Income from web advertising, sponsorship and licensing, and accreditation is deferred on a proportionate basis over the life of the contract. All other income is recognised when the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Donations and legacies includes donations and gifts, legacies, and all other income that is in substance a gift made on a voluntary basis. It also includes grants of a general nature provided by government and charitable foundations which are not conditional on delivery of certain levels or volumes of a service. The donation may be made towards the general aims of Coeliac UK (unrestricted), or towards a specific service or aim (restricted). Donations are recognised on receipt of the donation, or if earlier, at the point where there is a written obligation for a donor to pay a specified donation. Legacies are recognised at the point entitlement is established, receipt is considered probable and the estate value can be estimated reliably.

1.4 Cost allocation

Shared costs have been allocated on the following basis:

Description	Method of apportionment
Depreciation	Head count
Information technology	Head count
Support staff costs	Head count
Office costs	Head count

Notes to the financial statements

1.5 Grants

Grants payable are payments made to third parties in furtherance of the charitable objectives.

Grants which are free from specific conditions are recognised in full as soon as there is a legal or constructive obligation committing the charity.

Multiyear grants are conditional on an annual review of progress which will determine if future funding is provided. Due to this condition only one year's funding commitment is recognised.

1.6 Restricted funds

Restricted funds are to be used for specific purposes as specified by the donor. Expenditure which meets these criteria is charged to the fund.

1.7 Depreciation of fixed assets

Provision is made for depreciation on all tangible assets at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life, as follows:

Furniture and fittings	20% p.a. straight line
Computer equipment	33.3% p.a. straight line

1.8 Investments

Investments held as fixed assets are revalued at mid-market value at the balance sheet date.

1.9 Leasing

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

1.10 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of obligation can be measured reliably. Costs are analysed between expenditure on charitable activities and costs of raising funds of the charity.

Any direct costs are allocated between restricted and unrestricted funds as incurred.

1.11 Designated funds

Designated funds are unrestricted funds earmarked by the board of Trustees for particular purpose.

1.12 Pension

The charitable company operates a group personal money purchase pension scheme. The pension cost charged in the financial statements represents contributions payable by the charity during the financial year.

1.13 Basis of consolidation

The group accounts consolidate the accounts of Coeliac UK and its subsidiary undertaking on a line by line basis. The accounts are made up to 31 December 2021. No separate statement of financial activities or income and expenditure has been presented for the charity alone as permitted by section 408 of the Companies Act 2006.

Notes to the financial statements

1.14 Financial instruments

The charity only has financial assets and 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.

1.15 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 amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Notes to the financial statements

2 Income

	Unrestricted £	Restricted £	2021 Total £
Income from donations and legacies			
Donations and gifts	656,019	52,123	708,142
Legacies	200,203	-	200,203
	<u>856,222</u>	<u>52,123</u>	<u>908,346</u>
Income from charitable activities			
Membership	1,226,732	1,454	1,228,186
Raising Awareness	469,140	229,992	699,132
Research	-	802	802
Groups	4,603	242	4,845
	<u>1,700,475</u>	<u>232,490</u>	<u>1,932,965</u>
Income from trading activities			
Raffle and lottery	436,308	1,024	437,332
Other commercial activities	303,187	1,405	304,592
	<u>739,495</u>	<u>2,429</u>	<u>741,923</u>
Investment income			
Investments – dividends	-	-	-
Bank interest	146	1,542	1,688
	<u>146</u>	<u>1,542</u>	<u>1,688</u>

Included within the restricted income recognised in the year is £14,162 (2020: £143,064) of Government furlough grant income allocated based on headcount for the employees the grant was claimed for.

Notes to the financial statements

2 Income

	Unrestricted £	Restricted £	2020 Total £
Income from donations and legacies			
Donations and gifts	695,478	36,732	732,210
Legacies	<u>214,867</u>	<u>20,000</u>	<u>234,867</u>
	<u>910,345</u>	<u>56,732</u>	<u>967,077</u>
Income from charitable activities			
Membership	1,232,630	31,650	1,264,280
Raising Awareness	480,855	109,400	590,255
Research	-	11,775	11,775
Groups	<u>39,866</u>	<u>4,409</u>	<u>44,275</u>
	<u>1,753,351</u>	<u>157,234</u>	<u>1,910,585</u>
Income from trading activities			
Raffle and lottery	327,443	18,636	346,079
Other commercial activities	<u>337,706</u>	<u>19,562</u>	<u>357,268</u>
	<u>665,149</u>	<u>38,198</u>	<u>703,347</u>
Investment income			
Investments – dividends	18,952	2,143	21,096
Bank interest	<u>1,955</u>	<u>2,594</u>	<u>4,548</u>
	<u>20,907</u>	<u>4,737</u>	<u>25,644</u>

Included within the restricted income recognised in the year is £143,064 of Government furlough grant income allocated based on headcount for the employees the grant was claimed for.

Notes to the financial statements
3 Expenditure

	Unrestricted £	Restricted £	2021 Total £
Charitable activities			
Membership	1,120,163	1,454	1,121,617
Raising Awareness	984,816	116,405	1,101,221
Research	145,513	3,686	149,198
Groups	120,289	242	120,531
	<u>2,370,781</u>	<u>121,786</u>	<u>2,492,567</u>

Breakdown of costs of charitable activities

	Direct costs £	Grants made (note 6) £	Support costs (note 4,5) £	2021 Total £
Membership	836,857	-	284,760	1,121,617
Raising Awareness	727,977	-	373,243	1,101,221
Research	64,686	46,250	38,262	149,198
Groups	72,131	-	48,401	120,531
	<u>1,701,651</u>	<u>46,250</u>	<u>744,666</u>	<u>2,492,567</u>

Research cost breakdown

	Direct costs £	Grants made £	2021 Total £
Direct Research costs	64,686	46,250	110,936
Support costs	6,683	31,579	38,262
	<u>71,369</u>	<u>77,829</u>	<u>149,198</u>

All support costs are allocated on a headcount basis.

Notes to the financial statements

3 Expenditure

	Unrestricted £	Restricted £	2020 Total £
Charitable activities			
Membership	1,127,785	31,699	1,159,484
Raising Awareness	825,676	103,220	928,896
Research	254,774	15,775	270,549
Groups	144,134	9,409	153,543
	<u>2,352,369</u>	<u>160,103</u>	<u>2,512,472</u>

Breakdown of costs of charitable activities

	Direct costs £	Grants made (note 6) £	Support costs (note 4+5) £	2020 Total £
Membership	861,707	-	297,777	1,159,484
Raising Awareness	590,622	-	338,275	928,897
Research	81,865	137,824	50,859	270,548
Groups	106,808	-	46,735	153,543
	<u>1,641,002</u>	<u>137,824</u>	<u>733,646</u>	<u>2,512,472</u>

Research cost breakdown

	Direct costs £	Grants made £	2020 Total £
Direct Research costs	81,685	137,824	219,509
Support costs	6,824	44,035	50,859
	<u>88,509</u>	<u>181,859</u>	<u>270,368</u>

All support costs are allocated on a headcount basis.

Coeliac UK

Annual Report and Financial Statements for the year ended 31 December 2021

Notes to the financial statements

4 Total support cost breakdown by activity

	Staff costs £	Other costs £	Total 2021 £
Cost of raising funds (note 5)			
Donations and legacies	30,399	50,782	81,181
Trading activities	17,079	29,913	46,992
Charitable activities (note 3)	270,646	474,020	744,666
	318,124	554,715	872,839
	Staff costs £	Other costs £	Total 2020 £
Cost of raising funds (note 5)			
Donations and legacies	48,680	52,823	101,503
Trading activities	20,244	36,724	56,968
Charitable activities (note 3)	260,703	472,943	733,646
	329,627	562,490	892,117

Coeliac UK

Annual Report and Financial Statements for the year ended 31 December 2021

Notes to the financial statements

5 Support cost apportionment

	Support staff £	Depreciation £	Governance £	HR costs £	IT costs £	Office costs £	2021 £
Expenditure on raising funds							
Donations and legacies	30,399	6,420	2,009	3,815	14,713	23,825	81,181
Trading activities	17,079	3,782	1,183	2,247	8,666	14,034	46,992
Charitable activities							
Membership	103,495	22,917	7,170	13,617	52,516	85,044	284,760
Raising Awareness	135,654	30,038	9,398	17,849	68,834	111,470	373,243
Research	13,906	3,079	963	1,830	7,056	11,427	38,262
Groups	17,591	3,895	1,219	2,315	8,926	14,455	48,401
Total	318,124	70,132	21,943	41,673	160,712	260,256	872,839
	Support staff £	Depreciation £	Governance £	HR costs £	IT costs £	Office costs £	2020 £
Expenditure on raising funds							
Donations and legacies	48,680	7,797	1,260	6,110	15,398	22,259	101,504
Trading activities	20,244	5,421	876	4,248	10,705	15,475	56,969
Charitable activities							
Membership	105,816	28,334	4,579	22,203	55,956	80,889	297,777
Raising Awareness	120,207	32,187	5,202	25,223	63,566	91,890	338,275
Research	18,073	4,839	782	3,792	9,557	13,816	50,859
Groups	16,607	4,447	719	3,485	8,782	12,695	46,735
Total	329,627	83,025	13,418	65,061	163,964	237,024	892,119

Coeliac UK

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Notes to the financial statements

6 Grants payable

	Grants to institutions	
	2021	2020
	£	£
INNOVATE		
Using software to improve the long term management of people affected by coeliac disease (Dr Chris Kennelly, Cievert Ltd)	-	16,208
INNOVATE		
Protein ingredients from UK crops as source of gluten like functionality (Dr Lydia Campbell, Nandi Proteins Ltd)	-	30,116
INNOVATE		
Development of an AI solution for diagnosis and assessment of severity of pathology in small intestinal biopsies in suspected or known coeliac disease (Dr Elizabeth Soilleux, Lyzeum Ltd)	43,750	87,500
Dissertations Awarded	2,500	4,000
	<u>46,250</u>	<u>137,824</u>

In accordance with the accounting policy outlined in note 1.5, only the first year of funding commitment is recognised on the accounts for multiyear grants which are conditional on an annual review of progress which determines if future funding is provided.

7 Net incoming/(outgoing) resources for the year

This is stated after charging:

	2021	2020
	£	£
Depreciation	78,037	93,936
Operating lease rentals	62,598	77,367
Trustees liability insurance	1,100	1,100
Audit services	10,500	10,315
Non-audit services provided by the auditor		
General advice	150	125
Tax compliance	350	550
	<u>150,535</u>	<u>183,293</u>

Travel costs amounting to £346 (2020 – £178) were reimbursed to one (2020 – 2) members of the Board of Trustees.

Notes to the financial statements

8 Staff costs and numbers

	2021 £	2020 £
Salaries and wages	1,452,257	1,368,528
Social security costs	146,403	135,714
Pension costs	79,257	74,214
	<u>1,677,917</u>	<u>1,578,456</u>

The number of employees whose salary amounted to over £60,000 during:

	2021 Number	2020 Number
£80,000 - £89,999	<u>1</u>	<u>1</u>

The key management personnel of the group (and charity) comprise the Trustees, the chief executive and senior management team. The total employee benefits (Salary, Employers National insurance and Employers pension) of the key management personnel of the group were £481,892 (2020: £417,544). None of the Trustees have been paid any remuneration or received any benefits for performing their role as Trustee of the charity.

Termination payments for payments in lieu of notice (PILON) totalling £13,318 (2020: £4,098) were paid in the year.

The average monthly number of employees during the year, calculated on the basis of average headcount was as follows:

	2021 Number	2020 Number
Advice and information	35	38
Administration and support	8	8
	<u>43</u>	<u>46</u>

9 Taxation

The charitable company's activities are exempt from corporation tax in its charitable activities under Sections 466 to 493 of the Corporation Tax Act 2010.

Coeliac UK

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Notes to the financial statements

10 Fixed assets – Group and charity

	Furniture & fittings £	Computer equipment £	Total £
Cost			
At 1 January 2021	152,592	706,050	858,642
Additions	<u>-</u>	<u>9,582</u>	<u>9,582</u>
At 31 December 2021	<u>152,592</u>	<u>715,632</u>	<u>868,224</u>
Depreciation			
At 1 January 2021	151,297	592,542	743,839
Charge for the year	<u>342</u>	<u>77,695</u>	<u>78,037</u>
At 31 December 2021	<u>151,639</u>	<u>670,237</u>	<u>821,876</u>
Net book values			
At 31 December 2021	<u>953</u>	<u>45,395</u>	<u>46,348</u>
At 31 December 2020	<u>1,295</u>	<u>113,508</u>	<u>114,803</u>

Coeliac UK

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Notes to the financial statements

11 Fixed assets investments – Group and Charity

	(Charity only) Investments in subsidiaries £	Unit trusts £	2021 Total £	2020 Total £
Market value at 1 January 2020	2	-	2	1,058,930
Additions	-	-	-	-
Disposals	-	-	-	(887,027)
Realised investment gains/(losses)	-	-	-	(171,901)
Market value at 31 December 2020	2	-	2	2
Historical cost at 31 December 2020	2	-	2	2

Holdings of more than 20%

The charitable company holds more than 20% of the share capital in the following company:

Company	Country of incorporation	Shares held Class	%
The Coeliac Trading Company Ltd	England & Wales	Ordinary	100

The principal activity of The Coeliac Trading Company Limited (Company number 02856981) is to raise funds on a commercial basis for Coeliac UK (Limited by Guarantee), a registered charity. The address of the registered office is Third Floor, Apollo Centre, Desborough Road, High Wycombe, Buckinghamshire, HP11 2QW.

Coeliac UK

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Notes to the financial statements

11 Fixed assets investments – Group and Charity

The aggregate amount of capital and reserves and the results of this undertaking for the year ended 31 December 2021 were:

	Capital £	Profits to reserves for the year £
The Coeliac Trading Company Limited	2	-

During 2021 The Coeliac Trading Company Limited donated its entire profits under gift aid of £7,960 (2020: £24,536) to Coeliac UK (Limited by Guarantee). The profits are net of income and expenditure totalling £288,933 (2020: £308,375) and £280,973 (2020: £283,839) respectively.

Current asset investments and deposits held relate exclusively to cash deposit accounts amounted to £954,953 (2020: £953,754) as shown on the balance sheet.

12 Debtors

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Trade debtors	152,983	305,375	70,761	237,887
Income tax and VAT recoverable	-	-	-	-
Amounts owed by group undertakings	-	-	212,733	369,846
Prepayments and accrued income	302,798	388,776	302,798	388,776
	455,781	694,151	586,292	996,509

Notes to the financial statements

13 Creditors: amounts falling due within one year

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Grants payable	348,247	485,613	348,247	485,613
Trade creditors	165,022	197,935	165,022	195,043
Other tax and social security	39,772	129,284	24,766	119,996
Accruals	89,470	178,608	77,149	176,689
Deferred income (see below)	511,510	595,215	456,905	562,553
	<u>1,154,022</u>	<u>1,586,655</u>	<u>1,072,088</u>	<u>1,539,893</u>

Deferred income – Charity

	2021	2020
	£	£
At 1 January 2021	562,553	441,942
Released in 2021	(489,711)	(427,126)
Membership, licencing, Lottery and sponsorship income received in advance	<u>384,123</u>	<u>547,737</u>
At 31 December 2021	<u>456,905</u>	<u>562,553</u>

14 Provision for liabilities and charges – Group and Charity

	£
At 1 January 2021	40,000
Charge for the year	<u>-</u>
At 31 December 2021	<u>40,000</u>

The provision relates to dilapidations costs that may become payable at the end of a current tenancy. The current tenancy has 7 years remaining.

Notes to the financial statements

15 Designated funds – Group and Charity

Designated funds are funds earmarked by the board of Trustees for particular purposes. At the year end the unspent designated funds were:

	Balance at 1 January 2021 £	Incoming £	Outgoing £	Balance at 31 December 2021 £
Research (Innovate)	46,064	-	(43,750)	2,314
Research Fund	10,191	3	-	10,194
Local voluntary support groups	82,077	4,603	(5,622)	81,058
	<u>138,332</u>	<u>4,603</u>	<u>(49,369)</u>	<u>93,566</u>

	Balance at 1 January 2020 £	Incoming £	Outgoing £	Balance at 31 December 2020 £
Research	179,888	-	(133,824)	46,064
Research Fund	9,716	475	-	10,191
Local voluntary support groups	81,230	39,866	(39,019)	82,077
	<u>270,834</u>	<u>40,341</u>	<u>(172,843)</u>	<u>138,332</u>

Research

Income to be used for funding medical research into coeliac disease and dermatitis herpetiformis, designated by the Board from unrestricted funds.

Local voluntary support groups

The collective funds held and administered by Volunteer Groups, representing their working funds.

Coeliac UK

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Notes to the financial statements

16 Restricted funds – Group and Charity

	Balance at 1 January 2021	Incoming	Outgoing	Investment income & gains	Balance at 31 December 2021
	£	£	£	£	£
Research Fund	230,535	48,015	(2,883)	1,542	277,208
Daily newspaper advert for Awareness Week	1,477	-	-	-	1,477
Care System campaigns	17	-	-	-	17
Membership Helpline	-	140	-	-	140
Diagnosis TV Advert	2,926	-	-	-	2,926
Diagnosis Life Channel	-	-	-	-	2,000
NHS	2,000	-	-	-	-
Pharmacy Packs	1,067	-	-	-	1,067
Diagnosis campaign	6,180	222,725	(109,138)	-	119,768
Events for children with CD and families	5,000	-	-	-	5,000
Government Furlough grant	-	14,162	(14,162)	-	-
Digital Campaign	-	2,000	-	-	2,000
Gluten Ataxia	7,578	-	-	-	7,578
	<u>256,780</u>	<u>287,042</u>	<u>(126,183)</u>	<u>1,542</u>	<u>419,180</u>

	Balance at 1 January 2020	Incoming	Outgoing	Investment income & gains	Balance at 31 December 2020
	£	£	£	£	£
Research (Innovate)	-	-	-	-	-
Research Fund	188,344	47,723	(10,246)	4,714	230,535
Daily newspaper advert for Awareness Week	1,464	-	-	13	1,477
Care System campaigns	17	-	-	-	17
Membership Helpline	-	49	(49)	-	-
Diagnosis TV Advert	2,926	-	-	-	2,926
Diagnosis Life Channel	-	-	-	-	-
NHS	2,000	-	-	-	2,000
Pharmacy Packs	1,057	-	-	10	1,067
Diagnosis campaign	-	48,000	(41,820)	-	6,180
Events and Support in West Sussex	-	5,000	(5,000)	-	-
Events for children with CD and families	-	5,000	-	-	5,000
Government Furlough grant	-	143,064	(143,064)	-	-
Gluten Ataxia	4,250	3,328	-	-	7,578
	<u>200,058</u>	<u>252,164</u>	<u>(200,179)</u>	<u>4,737</u>	<u>256,780</u>

Notes to the financial statements

16 Restricted funds – Group and Charity

The principal purposes for the above restricted funds were as follows:

Research

Income received to be used solely for funding medical research into coeliac disease and dermatitis herpetiformis (DH).

Local support

The collective funds held and administered by Volunteer Groups.

Daily newspaper advert for Awareness Week

Donations towards an advertisement to be placed in a major national newspaper during Awareness Week to raise the profile of coeliac disease.

Care System campaign

Campaign to improve awareness in the care system.

Membership Helpline

Funding for ongoing costs of providing the Coeliac UK Helpline.

Diagnosis TV Advert

TV advertising campaign to improve diagnosis rates for coeliac disease.

Diagnosis Life Channel NHS

Advertising campaign for patients via Life Channel in GP surgeries to raise awareness of coeliac disease.

Pharmacy packs

Donations towards production of pharmacy information packs.

Digital Campaign

Donations toward developing our digital communication materials

Awards For All Budget Meal Planner

To produce a range of weekly meal planners, to assist people on low incomes to manage their gluten free diet on a budget whilst maintaining a health balanced diet. The meal planners will be downloadable as pdf files from our website, available in hard copy for people without internet access and included in our packs for newly-diagnosed patients, as well as promoted to our network of Healthcare Professionals.

Gluten Ataxia

Income to fund a project to achieve an earlier diagnosis for those with Gluten Ataxia.

Notes to the financial statements

16 Restricted funds – Group and Charity**Events and Support in West Sussex**

Funds to be used for an all ages party with gluten free buffet at any venue in West Sussex and for the benefit the West Sussex Coeliac UK local group.

Events for children with CD and families

Funds to be used by Coeliac UK for events to benefit coeliac children and their families.

Diagnosis Campaign

Funds have been granted to pay for the development of campaign materials to promote diagnosis of coeliac disease in children for a campaign in 2021 in support of ongoing activities regarding awareness and education on coeliac disease.

17 Analysis of net assets between funds – Group

	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total 2021 £
Tangible assets	46,348	-	-	46,348
Net current assets less provisions for liabilities and charges	1,521,804	93,567	419,180	2,034,550
	<u>1,568,152</u>	<u>93,567</u>	<u>419,180</u>	<u>2,080,898</u>

	Unrestricted funds 2020 £	Designated funds 2020 £	Restricted funds 2020 £	Total 2020 £
Tangible assets	114,803	-	-	114,803
Net current assets less provisions for liabilities and charges	1,377,139	138,332	256,780	1,772,251
	<u>1,491,942</u>	<u>138,332</u>	<u>256,780</u>	<u>1,887,054</u>

Notes to the financial statements

18 Lease commitments – Group

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Land and buildings		Office equipment	
	2021	2020	2021	2020
	£	£	£	£
Within one year	86,295	87,193	3,885	6,429
Between two and five years	93,486	179,781	6,123	13,396
	<u>179,781</u>	<u>266,974</u>	<u>10,008</u>	<u>19,825</u>

19 Voluntary help

The charity had extra support from 553 volunteers in 2021 (2020: 688). The benefit of their contribution is not reflected in the financial statements.

20 Related party transactions

The charity received a management fee of £231,118 (2020: £237,748) from its subsidiary The Coeliac Trading Company Limited.

At 31 December 2021 a balance of £212,733 (2020: £369,845) was due from The Coeliac Trading Company Limited.

There were no other related party transactions in the reporting period that require disclosure.

Notes to the financial statements

21 Pension commitments

The estimated pension deficit as at 30 September 2020 is £50,141 (30 September 2019: £50,637). This is in accordance with the most recent independent valuation performed on 21 July 2020. Under the new recovery plan, from 1 April 2022 the deficit contributions that are required from Coeliac UK are £772 a year, payable in monthly instalments of £64.32. These payments do not increase.

Expense payments are now treated separately and the amount is £863 a year, payable in monthly instalments of £71.90. These payments increase by 3% on each 1 April.

The deficit contributions agreed between the company and scheme at the yearend date are as follows:

Year	Amount (£s)
1	1,086
2	772
3	772
4	64

The present value of the future provision for Coeliac UK is calculated as follows:

	£
Provision at the start of the period	8,569
Discount factor interest expense	20
Deficit contribution paid	(2,015)
Remeasurement -Impact of change in assumptions	(32)
Remeasurement -Impact of change in assumptions	(3,889)
Provision at end of period 31 December 2021	2,653

The current deficit of £50,141 is being paid at an immaterial amount to the charity on an annual basis, this deficit would only fall due in its entirety should the charity decides to withdraw from the scheme, the Board of Trustees currently have no plans short or long term to withdraw from this scheme.

Notes to the financial statements

22 Reconciliation of net income/(expenditure) for the reporting period (as per the SOFA)

	2021 £	2020 £
Net income/(expenditure) for the reporting period (as per the SOFA)	193,843	53,391
Adjustments for:		
Depreciation charges	78,037	93,936
Losses/(gains)/losses on investments	-	171,844
Dividends from investments	-	(21,096)
Bank interest	(1,688)	(4,547)
(Increase)/decrease in debtors	238,370	10,541
Decrease/(increase) in creditors	(432,633)	207,016
Net cash provided by operating activities	75,929	516,085

	2021 £	2020 £
Analysis of cash and cash equivalents		
Cash in hand	1,123	455
Notice deposits (less than 3 months)	2,771,667	2,704,300
Total cash and cash equivalents	2,772,790	2,704,755

Analysis of changes in net debt

	Balance at 1 January 2021 £	Cash flows £	Balance at 31 December 2021 £
Cash	455	668	1,123
Cash equivalents	2,704,300	67,367	2,771,667
	2,704,755	68,035	2,772,790

Notes to the financial statements

23 Contingent Liability

Coeliac UK is a defendant in an ongoing legal case. Management has assessed the case based on independent legal advice and believe that is not probable that an outflow of resources will be made by the charity to settle the case. Taking into account the range of possible outcomes of the judicial process, trustees have approved the sum £30,000 in the 2022 budget, to cover a possible outflow.