

Company Number: 03068044
Charity Number: 1048167
Scottish Charity Number: SC039804

Coeliac UK
(Limited by Guarantee)

Financial statements
For the year ended 31 December 2017

Saffery Champness
CHARTERED ACCOUNTANTS

Coeliac UK
(Limited by Guarantee)

Contents

	Page
Legal and administrative information	1 - 2
Report of the board of governors	3 - 17
Independent auditors' report	18 - 21
Statement of financial activities	22
Balance sheet	23 - 24
Consolidated statement of cash flows	25
Notes to the financial statements	26 - 42

**Coeliac UK
(Limited by Guarantee)**

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 Governors, two co-opted Governors and one Governor nominated by the Health Advisory Council. One third of the elected Governors resign at each Annual General Meeting and can stand for re-election for one further term.

Board of Governors

Claire Andrews
John Bremner (co-opted 26 January 2017,
elected 24 June 2017)
Maureen Burnside (co-opted 25 July 2017)
James Chappell – Vice Chair
Mike Elliott – Chair
Dr Mike Forrest (resigned 24 June 2017)
Dr Dai Lloyd
Margaret Morgan
Kenneth O’Dea (co-opted 26 January 2017,
elected 24 June 2017)
Stuart Pavelin (resigned 24 June 2017)
Professor Alan Perkins (appointed 31 Oct 2017)
Professor David Sanders
Robert Trice (elected 24 June 2017)

Company secretary

Julia Malthouse

Chief executive

Sarah Sleet

**Reference and administrative
details 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

**Coeliac UK
(Limited by Guarantee)**

Legal and administrative information (continued)

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

CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4TA

Lloyds Bank
34 Oxford Road
High Wycombe
Buckinghamshire
HP11 2ED

Solicitors

Blaser Mills
Park House
31 London Road
High Wycombe
Buckinghamshire
HP11 1BZ

Report of the board of governors for the year ended 31 December 2017

The Board of Governors 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 2017.

1. Introduction

In 2017 the charity maintained its focus on our successful diagnosis campaign, *Is it coeliac disease?*, with further support from commercial partners, and launched a new campaign to improve gluten free eating out.

The year saw a further major challenge to the provision of gluten free prescriptions in England with the launch of a national consultation on their future by NHS England in March.

A new look and feel for the charity was implemented from the beginning of the year alongside improvements to core services such as our food information service.

And our preparations for our £5m Research Fund Appeal are off to a flying start.

In this report we aim to provide a clear account of how our work addresses the needs of people with coeliac disease and dermatitis herpetiformis (DH) in the year ending 31 December 2017. We explain how we have gone about that work and how we have funded it. In writing this report we have adhered to the Charity Commission's guidance published as the FRS102 Standard.

2. Objectives and activities for 2017

Our Business Plan for 2017 – 18 sets out our ambitious plans under six key objectives:

- accelerated rate of diagnosis and uniformly high quality care and management
- authoritative support and advice, and valued services
- campaigning for clearer labelling and more choice in the packaged food market
- campaigning for clearer signposting and more availability of gluten free options in the catering/eating out sector
- continuing to fund high quality research with a view to improving clinical outcomes and developing long term solutions to living with coeliac disease
- and continuing to develop the efficiency and effectiveness of the charity's performance.

3. What we achieved in 2017

Each of our key activities are reported under our strategic aims as are our plans for 2018 in that area.

In a year in which the charity introduced a new warmer, modern look and feel across our services and communications, a commissioned survey of the general public demonstrated a step change in the awareness of coeliac disease as well as the gluten free diet in recent years. In 2015 public awareness of coeliac disease stood at 65% while in 2017 it had risen to 80%. We believe our work continues to be the driving force behind that change.

3.1 Accelerated rate of diagnosis and uniformly high quality care

- Access to prescriptions for gluten free food continued to be a major challenge for the charity throughout the year. As more and more Clinical Commissioning Groups (CCGs) moved to restrict access, in March the government announced a national consultation on the future of gluten free prescribing in England. The charity submitted an extensive evidence-based response and encouraged patients, clinicians and other key stakeholders to respond. In total nearly 8,000 responses were received by the Department of Health and Social Care, one of the biggest responses they had ever seen. Despite the consultation closing in June, the government's response was not published until February 2018. Against the odds, ministers chose not to remove all access but rather to restrict the categories of foods available on prescription to gluten free breads and flour mixes. The charity sees this as a positive and measured response. We believe that this was only possible because of the substantial evidence built up by the charity over many years and the phenomenal efforts of the coeliac community in making clear the impact of no access.
- Meanwhile in Scotland, the Gluten Free Food Service is embedding well with over 90% of prescriptions being administered through the Service. However, data on the important annual review component has shown it was not being implemented in a comprehensive way. This is being actively addressed by the charity's lead in Scotland.
- In Wales, support for access to gluten free prescriptions remains strong in the devolved health service. However, we are keen to support the development of more sustainable and equitable alternatives for the delivery of prescriptions. To this end, we have been supporting the creation of a top up card pilot in Hywel Dda Health Board due to launch early in 2018. The pilot will run across nine practices with 100 patients. A research project will run alongside the pilot with initial results and evaluation expected in the summer of 2018.

**Report of the board of governors for the year ended 31 December 2017
(continued)**

- Work on our campaign, *Is it coeliac disease?*, continued apace in 2017 building on the success of the previous two years. Social marketing activity, including a final short burst of targeted TV and online advertising early in the year, focused on driving people to our self assessment web pages to determine their risk of coeliac disease. Throughout 2017, the website saw around 234k unique visitors of whom 42k completed the self assessment tool. Since the campaign began 100k people have undertaken the self assessment, the majority of whom were advised to talk to their GPs as their results indicated risk factors.
- We are grateful to Thermo Fisher Scientific who provided a third educational grant of £107k to support further advertising on terrestrial and satellite TV channels and marketing to healthcare professionals in primary care. Ten million people saw the TV ad at least once.
- General public awareness of coeliac disease since the campaign launched in 2015 has increased by 15%, to 80% of the surveyed population (YouGov omnibus survey 2017). To emphasise the significance of this achievement, awareness was 38% in 2003, so this is an exponential jump in a very short period of time.
- Meanwhile in Scotland improving diagnosis levels will be given a boost with a £9k grant from Big Lottery Fund (Awards for All Scotland) given in September 2017. It will support our members throughout 2018 in taking our diagnosis message directly into local communities, events and workplaces, as well as media and PR work. The work to improve care pre and post diagnosis saw our active involvement in the development of an NHS Patient Pathway for coeliac disease in Scotland and a decision tool for GPs to aid diagnosis.

2018 Plans

We will continue to use the online self assessment tool to improve diagnosis rates and its promotion will be integrated into the charity's full marketing programme.

In Scotland we will continue to play an active role in the NHS Patient Pathway development, driving consistent delivery of annual reviews in pharmacy and boosting diagnosis levels with community work. In Wales we will continue to push the use of a GP audit tool which will help identify and manage patients with coeliac disease better.

Following the announcement of the national approach to gluten free prescribing in England, we will play an active role in the development of new regulations to put the policy in place. Even more importantly, we will need a concerted effort to push for change at a local CCG level where more restrictive policies are already in place.

3.2 Authoritative source of support and quality services

- With over 64,000 members at the end of 2017 we slightly increased our membership numbers welcoming back over 2k members who had left charity altogether.
- We worked to expand our food information service providing essential information on safe gluten free products with our online eFDD extended to cover the presence of all allergens and nutritional information. The new service was launched in January 2018 and covers over 100k products on sale in UK shops. What's more we added our own recipes to our *Home of gluten free recipes* developed to address the harder gluten free challenges such as baking your own bread. Now with 928 recipes, and over 841,000 page views during 2017, the service is more popular than ever - a typical day on the website in 2017 enjoyed 6 times as many visitors to the recipes section when compared against 2016.
- Living with coeliac disease can be particularly isolating for young children. With the help of a grant from Big Lottery Fund (Awards for All England), we developed a Young Champions pack to equip children to explain their condition and share their experiences with their friends and family. The pack proved extraordinarily popular requiring a reprint in the first year and we will be revamping for 2018.
- We improved our service for our Welsh speaking members with more material translated into Welsh and bi-lingual promotional material. We also held our first Welsh Gluten Free Food Show in Cardiff which proved an overwhelming success attracting over 1,400 visitors.

2018 Plans

We will further improve our *Home of gluten free recipes* to include filmed content helping members master the techniques of cooking without gluten.

And for those off to university, we are developing resource material to help students navigate their way through a particularly tricky period when they may be taking on responsibility for cooking their own food for the first time, often in shared accommodation with those who do not need a gluten free diet. The resource will be developed by our under thirties group – Guts.

We will host another Welsh Gluten Free Food show following the success of the 2017 event.

3.3 Access to a wider range of good quality gluten -free products

- Unfortunately we were unable to issue any new awards to retailers for the Gluten free Guarantee (GfG) but there are ongoing discussions with both convenience stores and major retailers.
- Discussions with retailers led to further work on refining the Guarantee for different types of retail operation particularly in small outlets. As a result a second tier was added to the GfG programme called "GfG on the go", with four items – fresh bread, breakfast cereal, pasta and food to go.
- Easy identification of gluten free food is important to members and the appearance of the Crossed Grain symbol on packaging is the gold standard for signposting. During the year we exceeded our target of adding 72 new Crossed Grain licensees achieving 77 new licenses in total.
- Behind the scenes work on measuring trends and drivers related to gluten free prices was undertaken which provides a robust evidence base for our lobbying work on prescriptions. We are able to demonstrate the ongoing cost disparity between gluten free products and gluten containing ones.

2018 Plans

We will continue our programme of signing up supermarkets to our Gluten free Guarantee programme increasing availability of everyday staples to people with coeliac disease wherever they shop.

3.4 Eating out, for pleasure or through need, is freed from restrictions

- 2017 saw the charity launch its *Gluten Freevolution* campaign with a series of animated videos featuring Cyril the duck, voiced by our patron Caroline Quentin, as he navigates his way through the perils of eating out without gluten. The videos exceeded our target with over 119k views. The campaign also promoted a new gluten free catering manual to the food industry which was endorsed by the Food Standards Agency. It was downloaded over 700 times. We were very grateful to Marks & Spencer for their £30k sponsorship of our campaign materials.
- We achieved accreditation for gluten free provision of three chain restaurants, including Miller and Carter Steakhouses (Mitchells & Butlers), while a further 16 single site venues took up accreditation. This brought the number of venues carrying the GF accreditation stamp up to 3,348.

**Report of the board of governors for the year ended 31 December 2017
(continued)**

- We continued to ensure the robustness of our accreditation scheme by undertaking 299 audits and we rolled out a risk based sampling scheme with 108 independent samples analysed to test gluten levels. Only 3% of audits recorded a fail and all passed in the retake required within two weeks. Our mystery diner scheme launched in 2016 sent back over 300 reports in 2017 with less than 5% of reports requiring follow up with the venue. The response from the venues to the feedback, good and bad, is very positive and a spur to improvement in their provision.

2018 Plans

We plan to continue with the social marketing of our *Gluten Freevolution*, material and continue to promote the gluten free accreditation.

3.5 Providing long term solutions by helping to support research into understanding the nature of the disease, gluten -free cereals and a possible cure

- 2017 saw work begin on identifying research priorities in a collaborative priority setting exercise with the James Lind Alliance involving patients and clinicians. The process included asking our members and healthcare networks what are their unanswered research questions. Over 2.5k questions were received. The questions were refined and prioritised throughout the year to give a top 10 which will be used to inform the development of a new research strategy.
- A new Research Strategy Board was established in the year in anticipation of the launch of our £5m Research Fund Appeal. Through an open competition we appointed Professor Alan Perkins as the Chair and added six others to the Board with a wide range of expertise from patent law, to pharma industry experience to basic research.
- We awarded one further small grant of £28k in 2017 to support the patent application of a previous grant holder, Liz Soilleux, who is working on a new diagnostic technique which avoids the need to eat gluten to be effective. If the technique proves successful the charity will earn future revenues from the commercialisation of the technique.

All in all we spent just over 5% of our total income in 2017 on research which reaches our objective to spend a minimum of 5% of income in any one year.

2018 Plans

To kick the Fund off we were extremely fortunate to be awarded £500k by Innovate UK to address three areas: improved diagnostic techniques, improved gluten free food technology and self care support technologies. The charity will be committing £250k of its own funds to match the award, and together with the required 30% contribution by companies involved in applications to the fund, it will bring the total value available for the research to over £1m – a flying start for our newly launched Research Fund.

We will complete our research prioritisation exercise and develop a new research strategy. In addition, we will appoint our Research Awards Panel which will complete our new research governance structure and finalise our Association of Medical Research Charities membership. We will then be able to commence our first round of research grants as part of the new Research Fund.

3.6 Delivering value for money for the Membership by demonstrably improving our efficiency and effectiveness

- The introduction of the General Data Protection Regulation in May 2018 will require extensive reworking of the charity's policies and procedures throughout its operation. A cross organisational team was established to address the issues and the charity is in a good position to meet its legal obligations by the 2018 deadline.
- 2017 also saw significant work undertaken to improve and further modernise our IT infrastructure so as to ensure security of our data and day-to-day working protection from external virus threats and attacks. We have also improved our capability to recover quickly from various potential system failures by bolstering our back-ups and fallover processes. Additional security and uptime assurance techniques have also been applied to our websites so as to ensure that our members continue to receive a non-stop 24/7 service from us.

Plans for 2018

We will be further improving the website with a new user experience being applied, more personalised user journeys to make finding relevant information easier, and a new look to the members personalised account area to make the online experience more relevant, whilst having full capability to manage preferences easier than ever before.

4. How we are managed – structure, governance and management

4.1 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.

Report of the board of governors for the year ended 31 December 2017
(continued)

The charity's objectives are set out in its Memorandum of Association:

- (i) to help, and to promote the benefit and welfare of, persons with Gluten Enteropathy, Dermatitis Herpetiformis or any medical condition akin thereto ("the Coeliac Condition"); and
- (ii) to advance public education in and understanding of the nature of the Coeliac Condition and its treatments particularly (without prejudice to that generality) among sufferers from the Coeliac Condition and the families, friends and carers of such persons;
- (iii) to promote research into the nature, causes, alleviation, treatment and cure of the Coeliac Condition and to make publicly available the useful results thereof.

4.2 Public benefit

The Governors 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 Governors have complied with the requirements set out in that guidance to report on the significant activities and achievements of the charity in 2016. 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.

4.3 The Board of Governors

The Board of Governors 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 senior directors with banking, pharmaceutical and food industry experience, lawyers and experienced senior healthcare professionals. All Governors are volunteers committing many days, evenings and weekends of the year working for the charity.

4.4 The Board's Committees

The Board delegates some of its responsibilities to committees to provide a particular focus on some issues. The Audit Committee ensures the robustness of the Board's overall financial and risk monitoring, while the Human Resources (HR) Committee oversees the charity's HR policies ensuring they are legally compliant and fit for purpose.

Report of the board of governors for the year ended 31 December 2017
(continued)

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 2017.

Health Advisory Council and Health Associates

The Health Advisory Council 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.

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.

Research Strategy Board

A new Research Strategy Board (RSB) was established in year chaired by Professor Alan Perkins who was recruited through an open competition. Alan is Professor of Medical Physics at the University of Nottingham and Honorary Consultant Clinical Scientist, Nottingham University Hospitals NHS Trust as well as having been diagnosed himself with coeliac disease in 2010. The remit of the RSB is to provide the charity with expert insight and fulfil governance requirements for the review and development of its research strategy which will underpin the charity's £5m Research Fund within its 2020 Strategy. The Board reports to the Board of Governors.

Research Fund Fundraising Sub Committee

We also established a Fundraising Committee in 2017 to provide the charity with expert insight and fulfil the governance requirements for the detailed scrutiny and oversight of the Research Fund Fundraising Strategy and delivery. This Subcommittee reports to the Board of Governors.

The Board and its committees continue to use a combination of face to face meetings and teleconferences during the year to ensure the cost effectiveness and efficiency of their operations.

4.5 Recruiting and supporting Governors

After an extensive recruitment process during 2016 Bob Trice was elected to the Board in June 2017 and Maureen Burnside was co-opted in July 2017 respectively. Bob is an experienced senior marketing and business manager currently working with food and nutrition companies as a mentor, consultant and hands on non executive director. Previously he was employed by a range of multinational food companies, more recently specialising in nutrition - healthcare, natural foods and free from.

Maureen has over 30 years of experience as a solicitor, specialising in corporate and commercial law. She has knowledge of the food sector through

Report of the board of governors for the year ended 31 December 2017
(continued)

seven years' working in the FMCG (Fast Moving Consumer Goods) sector, latterly as Senior Legal Counsel with Muller, and before that she was a partner for nearly 20 years in one of Scotland's top law firms. She is now providing consultancy legal services to FMCG companies whilst helping manage the family farm in Scotland. Maureen was diagnosed with coeliac disease in 2014 after her mother was diagnosed over 20 years ago.

Professor Alan Perkins was also appointed to the Board on recruitment as Chair of the Research Strategy Board. This will ensure that the Board will have sufficient oversight of the development and implementation of the most financially significant programme in its history.

Prior to any recruitment round the Board of Governors will undertake a skills audit to identify current and future skills gaps. Roles are advertised widely both in the charity's communications to Members and on free trustee recruitment websites open to all. The selection process comprises shortlisting go on the basis of cvs and supporting statements, followed by an interview panel for shortlisted candidates. Following appointment, new Governors are provided with induction packs and sessions spent with key staff. We are undertaking a new recruitment round in early 2018.

4.6 Company Secretary

The charity's Company Secretary is Julia Malthouse.

4.7 Management and staff

The Board of Governors delegates the day to day management of the charity to the Chief Executive who leads a team of 40 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.

4.8 Our volunteer community

Our volunteers are a fundamental strength of the charity. Across our volunteering opportunities we have demonstrated our commitment to good governance and support, strengthening our local group policies. In 2017 we applied to Investing in Volunteers which is the UK quality standard for good practice in volunteer management and after extensive assessment we were awarded the Standard at the beginning of 2018.

In 2017 we recorded 1,406 volunteers compared to 1,218 in 2016. We nearly doubled our campaigning volunteers from 387 to 601 and slightly increase our Member2Member volunteers from 190 to 206. We also created a new volunteering role with our Young Champions approach with generous support from the Big Lottery Fund - 22 young members enthusiastically took part

Report of the board of governors for the year ended 31 December 2017
(continued)

during the year. And we continue to receive amazing support from hundreds of volunteers who run our local groups throughout the UK.

We opened a new local group in Somerset but sadly closed groups in the Highlands, Scarborough and Ryedale, Dungannon and Guernsey.

Finally we are grateful to the ongoing help offered by four volunteers working in the High Wycombe office and the eight volunteers working on specific projects in Scotland.

4.9 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 are striving to achieve the highest standards in all our fundraising 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.

In the past year, we used 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.

In 2017, we received one significant complaint concerning contact by telephone to upgrade direct debit contributions. We were able to deliver a mutually agreed resolution and we reviewed and improved our processes as a result. We welcome feedback from donors, members and others who are approached for funds as this is always taken seriously and serves to develop and improve our activities.

During 2017 everyone we contacted for fundraising purposes had the opportunity to remove themselves from future communications and we are committed to adhering to these choices, recognising the need to protect vulnerable people and carefully monitoring the content and frequency of our approaches to individuals. During 2017 we worked extensively on our internal administrative systems to reflect the highest standards, particularly associated with the General Data Protection Regulation, working towards the need for individuals to have given their specific consent to receive information around particular activities.

4.10 Managing risk

A risk register is used by the Board and staff to monitor the major risks to which the charity is exposed. Actions are identified on the register to mitigate risks and the register is routinely monitored at each Audit Committee meeting.

All major project work undertaken by staff have risks and mitigation measures identified at the beginning and these are monitored throughout the project lifetime.

Key risks identified in 2017 included the changing environment around data protection. We monitor key developments through the Charity Commission, the Information Commissioner's office as well as fundraising professional bodies. We created a cross organisation team looking at the full impact of the changing legislation on data protection as well as regulatory expectations on fundraising to look at policy and practice implications for the charity. Policies and plans were agreed by the Board and are being implemented in time for the legislation's introduction.

5. Financial review

5.1 Overview

The charity's total income 2017 was £3.9m, above income for 2016 at £3.8m. The income performance was helped significantly with legacy income of £476k and by the £107k grant from Thermo Fisher Scientific to further support the charity's *Is it coeliac disease?* campaign and £30k in sponsorship from Marks & Spencer to support our *Gluten Freeevolution* campaign. However, a number of other income streams did come under pressure during the year. Donation income was down from £665k to £575k and raffle income from £317k to £288k. Finally commercial income fell from £788k to £754k. In year we undertook mitigating action to reduce expenditure to offset the reduction in budgeted income. More detail may be found in the Statement of Financial Activities and subsequent notes.

5.2 Investment results

Due to prudent management of the charity's finances cash reserves have grown over a number of years. As a result of movements in financial markets the charity had an unrealised gain of £30k in 2017 and a £7k realised gain compared to an unrealised gain of £90,000 in 2016. During the year we opted to liquidate £400k of our holdings to mitigate against increasing stock market fluctuations in 2017 as political uncertainties impacted the market. Where operating cash flow allows, funds have periodically been placed on appropriate term deposits.

5.3 Investing in research

Research expenditure during the year decreased from £332k to £204k or 5% of income. As set out above the charity has a strategy in place to build a new Research Fund and we anticipate substantial expenditure on research to begin in 2018.

5.4 Investment and reserves policy

The charity's investments are managed by M&G within its Charifund and Charibond portfolios, 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 charity, as an organisation committed to good health, has also taken the view that it would be unethical to invest in the tobacco industry as this would impact on the charity's reputation amongst its stakeholders.

We will undertake a review of our investment structure in 2018.

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. Our policy is that the equivalent of between 5 and 10 months of operating costs (excluding restricted and designated expenditure) should be held as free reserves.

The level of free reserves will be reviewed regularly throughout the year by the Board while the senior management team will review annually the basis for the reserves calculation. Excess reserves may be spent to further the objectives of the charity. The Board may allow free reserves to fall below the agreed level for a period of time for a specific purpose but will take steps to return to the agreed level as soon as possible.

The proportion of free reserves at the end of 2017 was just over 5.28 months of annual general expenditure which is within our policy. It is expected that free reserves will dip slightly below the lower end of the policy range in 2018 as a result of our plan to commit reserves of £250k to our Research Fund. We will aim to move back into range as soon as possible. Total reserves increased by £159k during the year to £1.8m, with £50k as restricted and £373k designated reserves respectively. Restricted funds are mainly associated with research activities and are expected to be spent as research grants are completed. Designated reserves associated with research are put in place by the Governors to ensure funds are available for multi year research grants awarded by the charity. Further designation is also routinely made to cover the income raised and spent locally by the charity's Local Voluntary Support Groups.

6. Responsibilities of the Board of Governors

The Board of Governors (who are also directors of Coeliac UK for the purposes of company law) is responsible for preparing the Report of Governors and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice Financial Reporting Standard 102).

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

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the charities SORP
- 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 operation.

The Board of Governors are 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.

In so far as the Board of Governors are aware:

- there is no relevant audit information of which the charitable company auditor is unaware; and
- the Board of Governors 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.

**Report of the board of governors for the year ended 31 December 2017
(continued)**

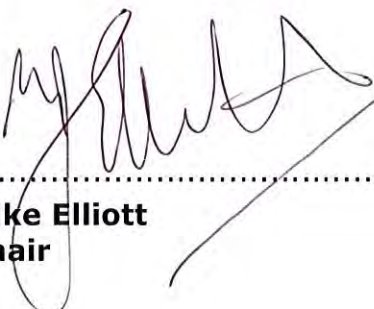
The Board of Governors is responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other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

Auditor

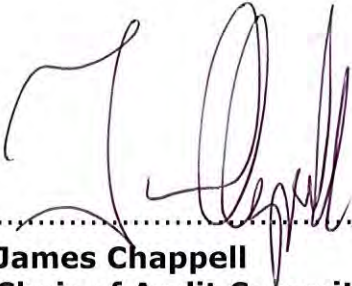
Saffery Champness LLP have expressed their willingness to remain in office as auditors of the charity.

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 Governors on 29 March 2018 and signed on their behalf by



.....
Mike Elliott
Chair



.....
James Chappell
Chair of Audit Committee

**Coeliac UK
(Limited by Guarantee)**

**Independent auditors' report to the members and governors of Coeliac UK
(Limited by Guarantee) (continued)**

Opinion

We have audited the financial statements of Coeliac UK for the year ended 31 December 2017 which comprise a consolidated statement of financial activities, consolidated balance sheet, consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the affairs of the group and the parent charitable company as at 31 December 2017 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.

This report is made solely to the charitable company's members and the trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditors 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and the parent 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.

**Independent auditors' report to the members and governors of Coeliac UK
(Limited by Guarantee) (continued)**

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

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 its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

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

- the group or parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
 - the parent charitable company financial statements are not in agreement with the accounting records and returns; or
-

**Coeliac UK
(Limited by Guarantee)**

**Independent auditors' report to the members and governors of Coeliac UK
(Limited by Guarantee) (continued)**

- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on pages 16 and 17, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of 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 group's and 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 group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with that Act.

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.

**Coeliac UK
(Limited by Guarantee)**

**Independent auditors' report to the members and governors of Coeliac UK
(Limited by Guarantee) (continued)**

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



.....
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: 9-4-18

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

Coeliac UK
(Limited by Guarantee)

Consolidated statement of financial activities (including consolidated income and expenditure account)
For the year ended 31 December 2017

	Notes	Unrestricted funds £	Restricted funds £	2017 Total £	2016 Total £
Income					
Donations and legacies	2	1,021,846	30,452	1,052,298	885,777
Income from charitable activities	2	1,977,104	106,635	2,083,739	2,106,787
Income from trading activities	2	754,207	-	754,207	787,719
Investment income	2	47,718	492	48,210	62,350
Total income		3,800,875	137,579	3,938,454	3,842,633
Expenditure					
Expenditure on raising funds		762,770	5,575	768,345	640,674
Expenditure on charitable activities	3	2,934,075	114,720	3,048,795	3,551,742
Total expenditure		3,696,845	120,295	3,817,140	4,192,416
Net gains/(losses) on investments	11	36,871	380	37,251	89,714
Net income/(expenditure) for the year	7	140,901	17,664	158,565	(260,069)
Balances brought forward		1,624,975	32,097	1,657,072	1,917,141
Total funds carried forward		1,765,876	49,761	1,815,637	1,657,072

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 26 to 42 form part of these financial statements.

Coeliac UK
(Limited by Guarantee)

Consolidated balance sheet
As at 31 December 2017

	Notes	Group		Charity	
		2017	2016	2017	2016
		£	£	£	£
Fixed assets					
Tangible assets	10	87,185	95,210	87,185	95,210
Investments	11	1,089,715	1,452,465	1,089,717	1,452,467
		<u>1,176,900</u>	<u>1,547,675</u>	<u>1,176,902</u>	<u>1,547,677</u>
Current assets					
Investments & deposits		80,160	80,156	80,160	80,156
Debtors	12	455,370	576,519	782,951	805,917
Cash at bank and in hand		1,131,477	689,491	706,788	368,914
		<u>1,667,007</u>	<u>1,346,166</u>	<u>1,569,899</u>	<u>1,254,987</u>
Current liabilities					
Creditors: amounts falling due within one year	13	(993,270)	(1,201,769)	(898,370)	(1,112,796)
Net current assets		<u>673,737</u>	<u>144,397</u>	<u>671,529</u>	<u>142,191</u>
Total assets less current liabilities		<u>1,850,637</u>	<u>1,692,072</u>	<u>1,848,431</u>	<u>1,689,868</u>
Provisions for liabilities and charges	14	(35,000)	(35,000)	(35,000)	(35,000)
Net assets		<u>1,815,637</u>	<u>1,657,072</u>	<u>1,813,431</u>	<u>1,654,868</u>
The funds of the charity					
Unrestricted funds					
Designated	15	372,872	303,835	372,872	303,835
General		1,393,004	1,321,140	1,390,798	1,318,936
		<u>1,765,876</u>	<u>1,624,975</u>	<u>1,763,670</u>	<u>1,622,771</u>
Restricted funds	16	49,761	32,097	49,761	32,097
Total charity funds	17	<u>1,815,637</u>	<u>1,657,072</u>	<u>1,813,431</u>	<u>1,654,868</u>

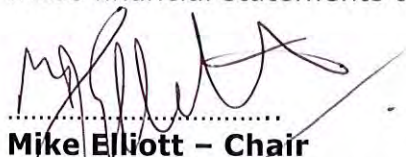
The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

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 £158,565 (2016: loss of £260,069).

Coeliac UK
(Limited by Guarantee)

Consolidated balance sheet (continued)
As at 31 December 2017

Approved by the Board of Governors and authorised for issue on 29 March 2018
these financial statements are signed on their behalf by:



Mike Elliott – Chair

Company number: 03068044

The notes on pages 26 to 42 form part of these financial statements.

**Coeliac UK
(Limited by Guarantee)**

**Consolidated statement of cash flows
For the year ended 31 December 2017**

	Note	2017 £	2016 £
Cash flows from operating activities:			
Net cash provided by operating activities	22	26,500	(243,450)
Cash flows from investing activities:			
Dividends and interest from investments		48,210	62,350
Purchase of tangible fixed assets		(32,718)	(37,811)
Purchase of investments		400,000	-
Net cash used in investing activities		415,492	24,539
Decrease in cash and cash equivalents in the year		441,992	(218,911)
Cash and cash equivalents at the beginning of the year	22	769,647	988,558
Total cash and cash equivalents at the end of the year	22	1,211,639	769,647

Notes to the financial statements
For the year ended 31 December 2017

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 Governors. As a consequence, the governors believe that the charity is well placed to manage its risks successfully despite the current uncertain economic outlook. The governors 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.

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 (continued)
For the year ended 31 December 2017

1. Accounting policies (continued)

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 governors for particular purpose.

1. Accounting policies (continued)

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 2017. 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.

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.

Coeliac UK
(Limited by Guarantee)

Notes to the financial statements (continued)
For the year ended 31 December 2017

2. Income

	Unrestricted	Restricted	2017	2016
	£	£	Total	Total
			£	£
Income from donations and legacies				
Donations and gifts	544,886	30,452	575,338	664,725
Legacies	476,960	-	476,960	221,052
	<u>1,021,846</u>	<u>30,452</u>	<u>1,052,298</u>	<u>885,777</u>
Income from charitable activities				
Membership	1,403,066	-	1,403,066	1,449,790
Campaigning	471,917	106,635	578,552	552,001
Groups	102,121	-	102,121	104,996
	<u>1,977,104</u>	<u>106,635</u>	<u>2,083,739</u>	<u>2,106,787</u>
Income from trading activities				
Raffle	288,055	-	288,055	316,782
Other commercial activities	466,152	-	466,152	470,937
	<u>754,207</u>	<u>-</u>	<u>754,207</u>	<u>787,719</u>
Investment income				
M&G Investments – dividends	47,536	491	48,027	61,784
Bank interest	182	1	183	566
	<u>47,718</u>	<u>492</u>	<u>48,210</u>	<u>62,350</u>

Coeliac UK
(Limited by Guarantee)

Notes to the financial statements (continued)
For the year ended 31 December 2017

3. Resources expended

	Unrestricted	Restricted	2017	2016
	£	£	Total	Total
			£	£
Charitable activities				
Membership	1,328,359	6,020	1,334,379	1,434,649
Campaigning	1,153,741	108,700	1,262,441	1,457,796
Research	203,976	-	203,976	331,837
Groups	247,999	-	247,999	327,460
	<u>2,934,075</u>	<u>114,720</u>	<u>3,048,795</u>	<u>3,551,742</u>

Breakdown of costs of charitable activities

	Direct	Grants	Support	2017	2016
	costs	made	costs	Total	Total
	£	(note 6)	(note 4+5)	£	£
		£	£		
Membership	1,032,789	-	301,590	1,334,379	1,434,649
Campaigning	876,735	-	385,706	1,262,441	1,457,796
Research	113,289	50,435	40,252	203,976	331,837
Groups	187,039	-	60,960	247,999	327,460
	<u>2,209,852</u>	<u>50,435</u>	<u>788,508</u>	<u>3,048,795</u>	<u>3,551,742</u>

Research support cost breakdown

	Total	Direct	Grants
	Support Costs	costs	made
	£	£	£
Research costs		113,289	50,435
Support costs	40,252	27,852	12,400
	<u>40,252</u>	<u>141,141</u>	<u>62,835</u>

All support costs are allocated on a headcount basis.

4. Total support cost breakdown by activity

	Staff	Other	Total	Total
	costs	costs	2017	2016
	£	£	£	£
Cost of generating funds (note 5)	36,733	68,716	105,449	108,078
Charitable activities (note 3)	274,677	513,831	788,508	876,708
	<u>311,410</u>	<u>582,547</u>	<u>893,957</u>	<u>984,786</u>

Notes to the financial statements (continued)
For the year ended 31 December 2017

5. Support cost apportionment	Support staff		Depreciation	Governance	HR costs	IT costs	Office costs	2017	2016
	£	£							
Raising funds	36,733	4,294	1,969	11,356	18,970	32,127	105,449	108,078	
Charitable activities									
Memberships	105,059	12,280	5,633	32,478	54,254	91,886	301,590	347,189	
Campaigns	134,361	15,705	7,204	41,537	69,387	117,512	385,706	401,068	
Research	14,022	1,639	752	4,335	7,241	12,263	40,252	39,127	
Groups	21,235	2,482	1,139	6,565	10,966	18,573	60,960	89,324	
Total	311,410	36,400	16,697	96,271	160,818	272,361	893,957	984,786	

Coeliac UK
(Limited by Guarantee)

Notes to the financial statements (continued)
For the year ended 31 December 2017

6. Grants payable

	Grants to institutions	
	2017	2016
	£	£
Oxford University, Soilleux	28,250	-
Nottingham University, Bains	2,685	32,226
Nottingham City Hospital, Crooks	-	14,989
The Walter and Eliza Hall Institute, Tye-Din	1,667	20,000
Leiden University Medical Centre, Koning	-	25,000
University Hospital Coventry and Warwickshire, Arasardnam	-	22,727
Oxford University, Crocker	-	10,000
Oxford University, Crocker and Peters	15,833	79,166
Dissertations Awarded	2,000	4,000
	50,435	208,108

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:

	2017	2016
	£	£
Depreciation	40,743	114,671
Operating lease rentals	68,101	67,921
Governors liability insurance	1,100	1,100
Audit services	10,720	11,500
Non-audit services provided by the auditor		
General advice	600	950
Tax compliance	1,025	1,000
Review of VAT procedures	-	5,650
	181,289	213,792

Travel costs amounting to £1,299 (2016 – £693) were reimbursed to 6 (2016 – 4) members of the Board of Governors.

**Coeliac UK
(Limited by Guarantee)**

**Notes to the financial statements (continued)
For the year ended 31 December 2017**

8. Staff costs and numbers

Staff costs were as follows:

	2017	2016
	£	£
Salaries and wages	1,330,792	1,272,327
Social security costs	130,051	123,094
Pension costs	63,330	62,951
	<u>1,524,173</u>	<u>1,458,372</u>

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

	2017	2016
	Number	Number
£60,000 - £70,000	1	1
£70,000 - £80,000	-	1
£80,000 - £90,000	1	-
	<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 of the key management personnel of the group were £422,063 (2016: £349,647). None of the trustees have been paid any remuneration or received any benefits for performing their role as trustee of the charity.

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

	2017	2016
	Number	Number
Advice and information	36	37
Administration and support	8	7
	<u>44</u>	<u>44</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
(Limited by Guarantee)**

**Notes to the financial statements (continued)
For the year ended 31 December 2017**

10. Fixed assets – Group and charity

	Furniture & fittings £	Computer equipment £	Assets under construction £	Total £
Cost				
At 1 January 2017	150,884	427,708	-	578,592
Additions	-	13,130	19,588	32,718
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2017	150,884	440,838	19,588	611,310
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 January 2017	115,003	368,379	-	483,382
Charge for the year	9,727	31,016	-	40,743
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2017	124,730	399,395	-	524,125
	<hr/>	<hr/>	<hr/>	<hr/>
Net book values				
At 31 December 2017	26,154	41,443	19,588	87,185
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2016	35,881	59,329	-	95,210
	<hr/>	<hr/>	<hr/>	<hr/>

**Coeliac UK
(Limited by Guarantee)**

**Notes to the financial statements (continued)
For the year ended 31 December 2017**

11. Fixed assets investments – Group and Charity

	(Charity only) Investments in subsidiaries £	Unit trusts £	2017 Total £	2016 Total £
Market value at 1 January 2017	2	1,452,464	1,452,466	1,362,753
Additions	-	-	-	-
Disposals	-	(400,000)	(400,000)	-
Realised investment gains/(losses)	-	6,970	6,970	-
Unrealised investment gains/(losses)	-	30,281	30,281	89,714
Market value at 31 December 2017	2	1,089,715	1,089,717	1,452,467
Historical cost at 31 December 2017	2	1,067,190	1,067,192	1,481,018
	Market value £	2017 cost £	Market value £	2016 cost £
M&G Charifund (income units)	588,882	579,555	943,461	993,381
M&G Charibond (income units)	500,833	487,635	509,004	487,635
	1,089,715	1,067,190	1,452,465	1,481,016

Holdings of more than 20%

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

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

**Coeliac UK
(Limited by Guarantee)**

**Notes to the financial statements (continued)
For the year ended 31 December 2017**

11. Fixed assets investments – Group and Charity (continued)

The aggregate amount of capital and reserves and the results of this undertaking for the year ended 31 December 2017 were:

	Capital for the year	Profits to reserves
	£	£
The Coeliac Trading Company Limited	2	2,205

During 2017 the Trading Company donated its entire profits under gift aid of £138,835 (2016: £267,024) to Coeliac UK (Limited by Guarantee). The profits are net of income and expenditure totalling £457,445 (2016: £459,181) and £318,610 (2016: £192,157) respectively.

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.

12. Debtors

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Trade debtors	158,005	240,989	119,063	196,763
Amounts owed by group undertakings	-	-	366,851	273,624
Prepayments and accrued income	297,365	335,530	297,037	335,530
	<u>455,370</u>	<u>576,519</u>	<u>782,951</u>	<u>805,917</u>

**Coeliac UK
(Limited by Guarantee)**

**Notes to the financial statements (continued)
For the year ended 31 December 2017**

13. Creditors: amounts falling due within one year

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Grants payable	144,179	300,266	144,179	300,266
Trade creditors	195,391	158,954	192,321	155,292
Other tax and social security	47,862	71,185	33,949	58,694
Accruals	110,944	126,780	106,382	125,533
Deferred income (see below)	494,894	544,584	421,539	473,011
	<u>993,270</u>	<u>1,201,769</u>	<u>898,370</u>	<u>1,112,796</u>

Deferred income – Charity

	2017	2016
	£	£
At 1 January 2017	473,011	438,887
Released during the year	(472,064)	(438,297)
Deferred income related to membership, licensing and sponsorship	<u>420,592</u>	<u>472,421</u>
At 31 December 2017	<u>421,539</u>	<u>473,011</u>

14. Provision for liabilities and charges – Group and Charity

	£
At 1 January 2017	35,000
Charge for the year	-
At 31 December 2017	<u>35,000</u>

The provision relates to dilapidations costs that may become payable at the end of a current tenancy. The trustees intend to extend the current tenancy and therefore the timing of cash outflows relating to this provision are uncertain.

**Coeliac UK
(Limited by Guarantee)**

**Notes to the financial statements (continued)
For the year ended 31 December 2017**

15. Designated funds – Group and Charity

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

	Balance at 1 January 2017 £	Incoming £	Outgoing £	Investment income & gains £	Balance at 31 December 2017 £
Research	170,829	115,000	(53,987)	4,196	236,038
Local voluntary support groups	133,006	102,121	(98,293)	-	136,834
	<u>303,835</u>	<u>217,121</u>	<u>(152,280)</u>	<u>4,196</u>	<u>372,872</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.

**Coeliac UK
(Limited by Guarantee)**

**Notes to the financial statements (continued)
For the year ended 31 December 2017**

16. Restricted funds – Group and Charity

	Balance at 1 January 2017 £	Incoming £	Outgoing £	Investment income & gains £	Balance at 31 December 2017 £
Research	-	13,495	-	331	13,826
Daily newspaper advert for Awareness Week	1,385	-	-	34	1,419
Food & Drink Directory Scotland	-	20	(20)	-	-
Wales	-	1,000	(1,000)	-	-
Awareness Week	-	65	(65)	-	-
Care System campaigns	483	-	-	12	495
Freed from Research	14,577	300	-	365	15,242
Priority Setting					
Partnership	5,798	(1,500)	-	106	4,404
Membership Helpline	-	6,000	(6,000)	-	-
Diagnosis TV Advert	2,279	95,240	(95,240)	-	2,278
Diagnosis Life Channel NHS	2,000	-	-	-	2,000
Diagnosis RCGP Marketing	-	11,395	(11,395)	-	-
Big Lottery Fund Grant	5,575	-	(5,575)	-	-
Pharmacy Packs	-	1,000	-	24	1,024
Big Lottery Fund – (Awards for All Scotland)	-	9,072	-	-	9,072
	<u>32,097</u>	<u>137,087</u>	<u>(120,295)</u>	<u>872</u>	<u>49,761</u>

Restricted income and expenditure recorded in the previous accounting period was £177,220 and £221,570 respectively resulting in a net reduction of £44,350 in the restricted funds held to £32,097 as at 31 December 2016.

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 herperiformis (DH).

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.

Food & Drink directory

Donations to costs of production.

Scotland

Income received to support people with coeliac disease in Scotland.

16. Restricted funds – Group and Charity **(continued)**

Wales

Income received to support people with coeliac disease in Wales.

Awareness week

Donations towards Awareness week costs.

Care System campaign

Campaign to improve awareness in the care system.

Freed from Research

Campaign to raise funds for research.

Priority Setting Partnership

For funding of Priority Setting Partnership in research priorities.

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

Diagnosis RCGP Marketing

Awareness raising for GPs on Coeliac disease

Big Lottery Fund Grant

Grant to fund Young Champions pack to support fundraising and awareness raising.

Pharmacy packs

Donations towards production of pharmacy information packs.

Big Lottery Fund (Awards for all Scotland)

Grant to fund awareness raising in the community in Scotland.

Coeliac UK
(Limited by Guarantee)

Notes to the financial statements (continued)
For the year ended 31 December 2017

17. Analysis of net assets between funds – Group

	Unrestricted funds	Designated funds	Restricted funds	Total
	£	£	£	£
Tangible assets	87,185	-	-	87,185
Investments	828,179	230,915	30,621	1,089,715
Net current assets less provisions for liabilities and charges	477,640	141,957	19,140	638,737
	<u>1,393,004</u>	<u>372,872</u>	<u>49,761</u>	<u>1,815,637</u>

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	
	2017	2016	2017	2016
	£	£	£	£
Within one year	80,986	86,999	4,462	4,525
Between two and five years	6,454	85,619	4,670	9,046
	<u>87,440</u>	<u>172,618</u>	<u>9,132</u>	<u>13,571</u>

19. Voluntary help

The charity had extra support from 1,406 (2016: 1,218) volunteers. The benefit of their contribution is not reflected in the financial statements.

20. Related party transactions

The charity received a management fee of £236,320 (2016: £139,438) from its subsidiary The Coeliac Trading Company Limited.

At 31 December 2017 a balance of £366,851 (2016: £273,624) was due from The Coeliac Trading Company Limited.

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

**Coeliac UK
(Limited by Guarantee)**

**Notes to the financial statements (continued)
For the year ended 31 December 2017**

21. Capital Commitments

At the end of the year, the Charity was committed to capital expenditure of £4,250 (2016: £nil) in relation to the redesign of the website.

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

	2017	2016
	£	£
Net income/(expenditure) for the reporting period (as per the SOFA)	158,565	(260,069)
Adjustments for:		
Depreciation charges	40,743	114,671
(Gains)/losses on investments	(37,251)	(89,714)
Dividends from investments	(48,027)	(61,784)
Bank interest	(183)	(566)
(Increase)/decrease in debtors	121,150	(13,687)
Increase/(decrease) in creditors	(208,497)	62,699
Increase in dilapidations provision	-	5,000
	<hr/>	<hr/>
Net cash provided by operating activities	26,500	(243,450)
	<hr/>	<hr/>
	2017	2016
	£	£
Analysis of cash and cash equivalents		
Cash in hand	925	636
Notice deposits (less than 3 months)	1,210,714	769,011
	<hr/>	<hr/>
Total cash and cash equivalents	1,211,639	769,647
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