

OUR IMPACT IN
2023



A YEAR TO BUILD ON

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Read on to find out how we've made a difference for people living with diabetes.

NEW CHAPTERS, SAME INCREDIBLE COMMUNITY

We are delighted to introduce Diabetes UK's 2023 annual report and accounts, and acknowledge the enormous progress made this year by the community that is Diabetes UK.

Just look how far we've come with diabetes technology. There was a time when we struggled to find nurses who could support the few young people using diabetes tech at our type 1 events. This year, hybrid closed loop devices were approved by the NHS for all eligible patients in England and Wales, following similar guidance in Scotland in 2022. This changes lives - releasing people from thinking about glucose levels every minute of the day - and we are so proud of the research and campaigning role we've played alongside others to get here.

Also this year, the NHS rolled out their type 2 diabetes remission service across the whole of England, giving hundreds of thousands more people the chance to discover the possibility of type 2 remission. And although remission is still not available in Wales, it forms part of Scotland's tiered approach to weight management and Northern Ireland is running a pilot in one trust. So we are moving towards a UK-wide service. We wonder if those in the room at Diabetes UK in 2008 could imagine how far we would come when, thanks to our donors, they funded the original DiRECT trial, which started it all.

The type 2 remission story goes to show the potential reward of 'moonshot' research - ambitious, bold science that can struggle to

attract funding. Thanks to the Steve Morgan Foundation, we've now been able to back over 50 researchers to work on their most daring ideas for cures for type 1. The Type 1 Grand Challenge is officially up and running.

While we celebrate these wins, we remain fully aware and focused on the fact that life is hard at the moment. And that the rising rates of type 2 diabetes and the burden of the cost of living crisis are not equally shared. That's why perhaps our most significant moment of progress this year was the publication of the Tackling Inequalities Commission Report.

We would like to thank everyone involved in the commission for their tireless work to set out, for the very first time, the practical steps needed to ensure no community is left behind in awareness, prevention, diagnosis and treatment of diabetes. It has spurred us on to address inequalities in everything we do and informed our first ever annual inequalities action plan for 2024.



Another big focus for the coming year will be our work to tackle the different stigmas that surround all forms of diabetes. A research project put together to really understand the issue was a humbling experience. We learnt that even some of the language we use here at Diabetes UK is adding to people's shame. Our realisation of how deep-rooted negative attitudes are, and the harm they cause, has led us to make tackling stigma one of our new organisational priorities.

Despite all the challenges that diabetes brings, it is a source of constant inspiration that the 'diabetes family' still finds the energy to help others. So many people volunteer their valuable time and expertise for our work in communities. They help us develop our guides and resources. And they interact on our Online Support Forum. Many others give money to enable our critical work.

This spirit of community and dedication shines through in the London Bridges Wellness Walks. It's such a feel-good event. Families, friends and colleagues from all walks of life

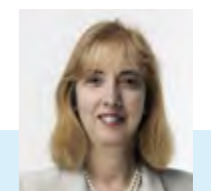
come together to raise money and support each other to complete the 10 miles. It is an incredible advert for Diabetes UK - people smiling, chatting and laughing, in their blue t-shirts and blue hair!

To finish, we want to say a huge thank you to previous Chief Executive Chris Askew for his excellent leadership. So much was achieved under his guidance, and he left the charity with a clear sense of direction, with a 'can do' attitude, and deep relationships with partners, ambitious in our desire to find solutions for the challenges ahead.



Colette Marshall
Chief Executive

Colette Marshall



Dr Carol Homden CBE
Chair

Carol Homden

WE'RE FIGHTING FOR A WORLD WHERE DIABETES CAN DO NO HARM

We're bringing people together to support those living with diabetes, prevent type 2 diabetes, and make research breakthroughs.

How we're getting there

- ➔ We're listening to and working with people living with diabetes, healthcare professionals, researchers and many others to drive change.
- ➔ We're developing, delivering and championing the most effective ways for people to manage their diabetes, or their risk of type 2, so they can live more confident lives.
- ➔ We're building a strong community of support that finds and shares the knowledge needed to fight diabetes.

A GENERATION TO END THE HARM



Our strategy is focused on curing and preventing diabetes, as well as helping people to live well and longer with the condition. We want to end the harm of diabetes within a generation.

WHAT WE'RE AIMING TO ACHIEVE

- More people with type 1, type 2 and all other forms of diabetes will benefit from new treatments that cure or prevent the condition.
- More people will be in remission from type 2 diabetes.
- More people will get the quality of care they need to manage their diabetes well.
- Fewer people will get type 2 and gestational diabetes.
- More people will live better and more confident lives with diabetes, free from discrimination.



To get us there faster, we're making sure we're...

- 1** Fighting diabetes with you.
- 2** Tackling inequality.
- 3** Harnessing technology.
- 4** Learning and improving together.

OUR IMPACT AT A GLANCE

Together, we changed lives in 2023.



**AN ADDITIONAL
£5.1 MILLION**

secured for diabetes research through working in partnership.

89% OF PEOPLE

using Learning Zone have said that it has helped improve their confidence in managing their diabetes.

**OVER
170,000**

Learning Zone registered users, an increase of 20% compared to 2022 are now using this resource to help manage their diabetes.

**OVER
£12 MILLION**

committed in 2023 by the Type 1 Grand Challenge partnership towards five projects to help develop beta cell therapies for people with type 1 diabetes.

86%

of our research fellows told us that receiving funding from Diabetes UK helped them establish their independence in research or get through a career transition point.

**OVER
12,000**

healthcare professionals completed one of our CPD modules in 2023, better equipping them as they engage with patients.

368

research articles in academic publications acknowledged our funding.

795,000

people reached through our World Diabetes Day campaign, Stop Diabetes Forever, raising £81k.

£9.8 MILLION

spent on research this year, including 41 new grants to help fund life-changing treatments to prevent, cure and make diabetes easier to live with.

**OVER
156,000**

contacts requesting help and information through our Customer Care Centre. We also had over 440,000 forum visitors.

**OVER
5,800 PEOPLE**

were recruited into clinical trials and studies funded by us.

**OVER
243,000 PEOPLE**

completed our Know Your Risk tool to find their risk of developing type 2 diabetes.

BOLD RESEARCH

BIG IMPACT



Our aim:

More people with type 1, type 2 and all other forms of diabetes will benefit from new treatments that cure or prevent the condition.

This year we learnt:

We can accelerate our usual processes to get millions invested in the best research at record speed, without cutting corners, in the Type 1 Diabetes Grand Challenge.



Type 1 Diabetes Grand Challenge gets going

This year, more than 50 scientists began working on their biggest and boldest ideas towards life-changing treatments and cures for people with type 1 diabetes. They are the first researchers to receive funding through the £50 million Type 1 Diabetes Grand Challenge, which we launched in 2022 in partnership with the Steve Morgan Foundation and JDRF.

Nine innovative projects are now underway. All are investigating ways to prevent the destruction of insulin-making beta cells, which causes type 1 diabetes, or to replace or regrow these cells. In 2024, we'll begin to fund studies on the third Grand Challenge aim, to develop next-generation insulins that improve treatment while we push for a cure.

Capturing the buzz around the Grand Challenge and its potential to launch a new era of advances for people with type 1 diabetes, one scientist said: "This funding has undoubtedly transformed my research. The excitement and hope [the Grand Challenge] has generated is palpable".

Alyssa lives with type 1 diabetes and has experience of the life-changing power of diabetes tech.

Artificial pancreas becomes part of standard care for type 1 diabetes

Hundreds of thousands of people in England and Wales with type 1 diabetes have been told they'll be able to get hybrid closed loop technology – known as the 'artificial pancreas' – on the NHS before 2030. The announcement by NICE in December was the culmination of decades of research and campaigning by us and others.

The journey began in the 1970s, when we funded researchers to test early versions of the tech. Decades later, our research remained at the forefront of progress, showing the enormous impact of the artificial pancreas on people's blood sugar levels and daily lives.

But research evidence doesn't automatically translate into better care, so we supported the NHS to see for themselves how good the devices are in pilot schemes.

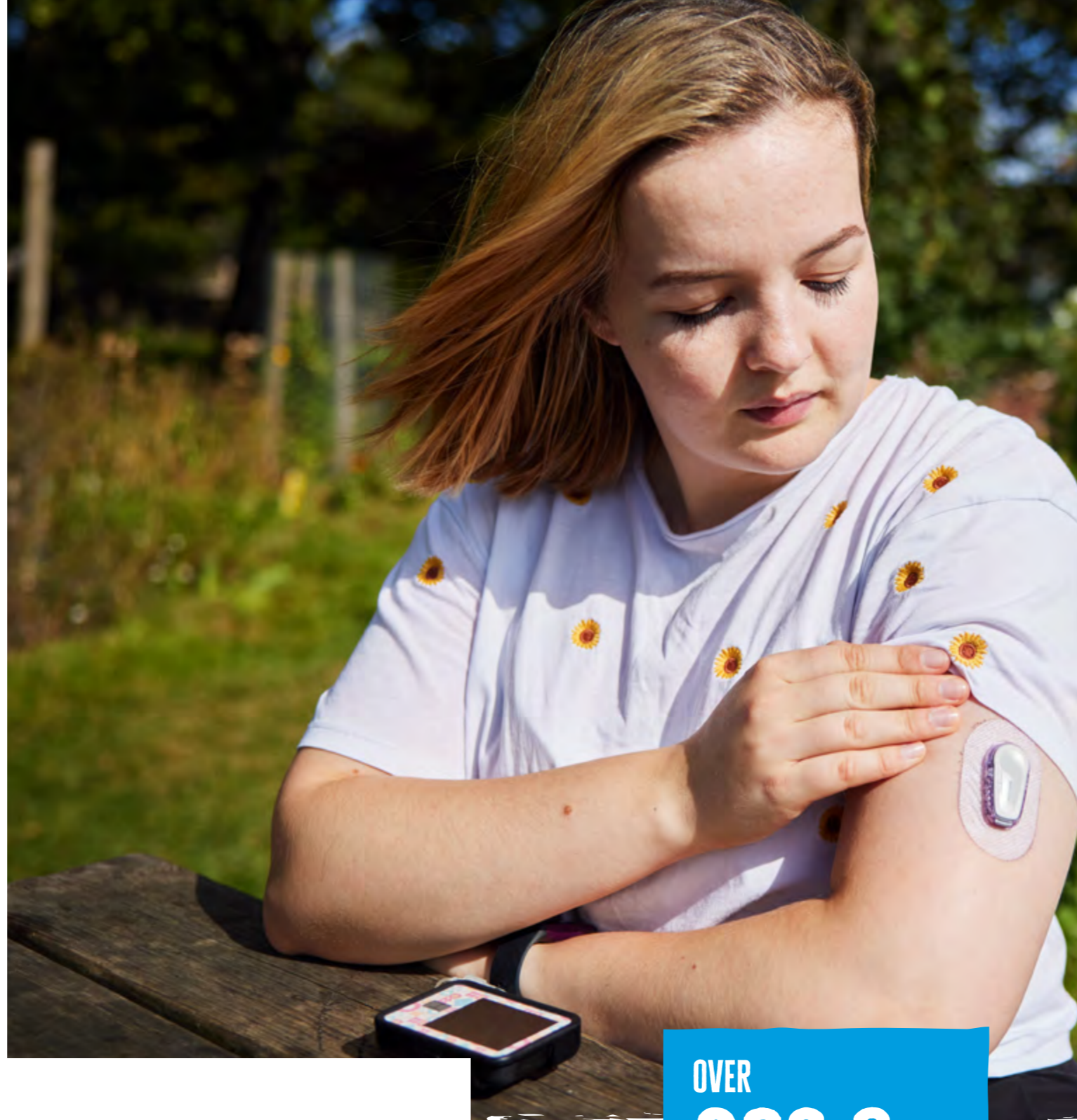
Things have moved slower than we'd like, but we'll never stop campaigning for life-changing technology to be available to anyone with type 1 or type 2 diabetes that could benefit.

Personalised understanding of type 2 diabetes

Talking at our Professional Conference in April, Diabetes UK researchers announced that we're one step closer to a more personalised approach to preventing and treating type 2 diabetes. They've pinpointed genetic signatures that are key to why some people with higher bodyweight develop type 2 diabetes while others don't.

It's to do with fat storage. Some people have genes that mean they store fat around the liver and this makes them more likely to develop type 2 diabetes. Others have genes that protect them, by causing fat to be stored elsewhere.

With further work, these insights could contribute to more accurate prediction, more effective prevention, and targeted treatments – helping more people to live healthier lives.



OVER
£20.8
MILLION
committed to research
in 2023.



When I was at university, I was really struggling to control my blood sugars, and feeling really low about it. But the hybrid closed loop has helped me massively. It has acted as my safeguard, helping me to live independently and continue doing the things I love. I feel proud of how I manage my diabetes now and I'm forever grateful for the technology.

Alyssa lives with type 1 diabetes and has experience of the life-changing power of diabetes tech.

MAJOR MILESTONES IN

TYPE 2 DIABETES REMISSION

Type 2 diabetes remission services now a reality across the UK

Inspired by the striking results of our DiRECT study, NHS England announced in April it will make the 'soups and shakes' type 2 diabetes remission programme available for everyone in England who is eligible.

This means there are now remission programmes or pilots in all of the UK. In Scotland this is tied into the weight management pathway. In Northern Ireland and Wales we've been pleased to see the roll out of pilots, and will continue to work with the NHS to try to establish national schemes.

The announcement in England is a huge milestone in a journey that began in 2017, when DiRECT showed that type 2 diabetes remission through diet-induced weight loss was possible for some people. We've worked closely with NHS England on this ever since, informing their piloted Path to Remission service in England and now helping to shape the national programme.

Still a relatively new development, there's a great deal to do to spread the word and increase understanding of type 2 diabetes



remission among the community. This year we've run local events for people who are newly diagnosed, demystifying the low-calorie diet programme by showing what's really involved. We're helping healthcare workers too, with a programme of professional development and training. In the Black Country, our information sessions led to referrals to the type 2 diabetes remission service increasing by more than five times, from 14 in April to 72 in June.

Our aim:

More people will be in remission from type 2 diabetes.

This year we learnt:

The new remission section of our Online Support Forum helped us to find out about the topics that matter most to people with type 2 diabetes. We need to provide support to people maintaining type 2 diabetes remission, and fund more research looking into different and combined dietary approaches.



Diabetes UK's support was absolutely critical in helping me maintain my results. I have a wonderful supportive family at home but having the professional support of Diabetes UK is just invaluable. And has definitely helped to keep me focused and on track with my remission.

Peter was part of an NHS remission pilot in Northern Ireland.

Meanwhile, our DiRECT study continues to lead the way. The latest results came out this year, showing that some people were able to remain in type 2 diabetes remission after five years. And those who'd received the soups

and shakes diet but weren't in remission, still found it benefitted their diabetes management and health.

A space to talk

Thousands of people interested in type 2 diabetes remission have joined us in the new dedicated section of our Online Support Forum. Launched in June, it clocked up nearly 4,800 views in the first six months.

The forum has given us valuable insights into the topics people are most interested in and the issues that cause confusion. Some of the most popular threads are on alternative approaches to remission, such as low-carb diets. This highlights the importance of research we funded last year, to test delivery of a wider range of options for weight loss remission programmes to make them accessible.

As remission becomes a reality for more and more people, we'll make sure to provide the support they need. We'll continue to look for funding support for research to address knowledge gaps, like how to ensure more people can sustain remission in the long term. And we'll use research and campaigning to tackle diabetes stigma, which we know is preventing some people from exploring the possibility of type 2 diabetes remission.

PRIORITISING PREVENTION



When I found out I had prediabetes I was working at Diabetes UK, on the charity's website page about the Healthier You National Diabetes Prevention Programme. I was put on the 10-month programme. After I'd finished the course I found out I was out of the prediabetic range.

Mala took control of her health after she was diagnosed with prediabetes – a condition that means that you are at high risk of developing type 2 diabetes.

Our aim:

Fewer people will get type 2 and gestational diabetes.

This year we learnt:

Paid social media advertising is highly effective at bringing South Asian and Black people to the Know Your Risk tool. We'll prioritise this route in future promotions, and test it with other audiences.

Political commitment on junk food marketing

“Diabetes in the UK at its highest level ever, with charity saying more than 5 million Britons live with condition.” – Sky News.

In April, the UK woke to headlines of our analysis of the latest health data. The widespread coverage painted a stark picture of diabetes prevalence, which made politicians sit up and take notice.

MP briefings followed, and in meetings with the shadow health team in Westminster we pressed the need for urgent action to put type 2 diabetes prevention at the heart of their plans.

One month later, the Labour Party committed to a ban on junk food advertising to children if it gets into power. It’s a start, but we know there’s more to do.

We’ll hold them to that promise and strive to push the wider issues, like health inequalities, up the agenda as the election approaches.

OVER
243,000
PEOPLE

completed our Know Your Risk tool to find their risk of developing type 2 diabetes.

Campaign encourages thousands to reduce their risk of type 2 diabetes

Knowing our personal risk of type 2 diabetes is important for our wellbeing and choices, but lots of people are unaware of the factors that can increase risk, like ethnicity and age. In 2023, we focused on encouraging more South Asian and Black people to use our Know Your Risk online tool.

Nearly 16,000 people from our target audiences completed Know Your Risk after seeing or hearing our spring awareness campaign with NHS England. Nearly a third of those – 4,601 people – found out they’re at moderate to high risk and were advised to have an HbA1c test with their GP. This will have led some to take action to stop type 2 diabetes in its tracks.

In May, we worked with Tesco during Prevention Week to encourage shoppers to complete Know Your Risk or attend a Tesco pharmacy for an assessment. Here, we really wanted to engage with men under 40, because our research has shown they have less understanding of diabetes risk.

Nearly 18,000 people took action as a result of the Tesco campaign but, despite this success, we didn’t reach as many men as we’d hoped. We’ll take this insight and continue to try new tactics to engage and motivate men under 40.



A boost to type 2 prevention and gestational diabetes research

We launched the first ever UK strategy for diabetes research with the National Institute for Health and Care Research. It’s the culmination of three years’ work with researchers, health professionals and people with diabetes.

It identifies six neglected areas of diabetes care and calls for greater research investment in those areas to improve lives for people with or at risk of diabetes. Two of the areas are type 2 diabetes prevention and gestational diabetes,

which in recent years have attracted just 9% and 4% of UK diabetes research investment, respectively.

The strategy calls for research to develop and test interventions for people of all ages and all ethnicities to find out what works best for specific groups and why. We’ve invited researchers to apply for funding relating to some of the strategy’s priority areas, with a focus on gestational diabetes planned for 2024.

CHANGE FOR THE BETTER



In diabetes care, we need to be thinking about how people can live well with diabetes. With the growth of psychology in diabetes care, there are now courses like the Diabetes UK Emotional Wellbeing CPD module that any diabetes healthcare professional can access.

Rose is a psychologist who thinks our CPD module is a good starting point for other healthcare professionals who deliver diabetes care.



Our aim:

More people will get the quality of care they need to manage their diabetes well.

This year we learnt:

In our work with NHS systems, spending time to truly understand each problem from all angles is vital to finding an effective solution – we can't just make assumptions.



8,000

new registrations for our diabetes training for health professionals.

Change at the heart of health systems

At Diabetes UK, we work at every level to raise the quality of diabetes care. From supporting healthcare workers who see patients every day, to campaigning to the people who make decisions about how the NHS is run.

At regional level, we prioritise places where people with diabetes have worse outcomes. Then we work on the ground, hand-in-hand with local NHS teams to develop a deep understanding of how diabetes care is delivered. Together, we identify the root causes of failings and find sustainable solutions.

For instance, in South Tyneside and Sunderland, people on the diabetes ward were missing insulin doses, which can be harmful. Staff told us it was a struggle to deliver food and medications at mealtimes as well as deal with lots of interruptions. We developed new processes with them, to help make it easier for staff and reduce the number of times patients missed their insulin.

In NHS systems in Thanet, Nottingham, Bath and the North of England, we've discovered other areas of care that are falling short, like foot care and the transition from childhood to adult services. Next, we'll work together to find solutions and test their effects. Our aim is to create long-term improvements in care for the thousands of people with diabetes who access each service.

Supporting healthcare workers to deliver the best care

Healthcare workers like physiotherapists, health visitors and community nurses encounter diabetes every day. Yet most receive little or no training about the condition so, despite their best efforts, they're not always able to provide the best care.

In 2021, to educate this wider workforce, we created the Diabetes UK Continuous Professional Development (CPD) platform – a series of 90-minute online modules on key diabetes topics.

This year, we discovered that our CPD audience is wider than we realised so we opened access to carers, support workers and social prescribers. The numbers using the platform grew to over 13,000.

Around 300 users completed the Understanding Diabetes module every month, and two new modules – Type 2 Remission and Diabetes Technology – brought learners right up to date with the latest treatment and care.

More modules are planned, as well as a pilot of bitesize learning for workers who struggle to find the time for longer sessions but want to deliver good care to people with diabetes.

A win in Wales

In October, after several years of campaigning, the first Welsh National Strategic Clinical Network for Diabetes was launched. This brings people living with diabetes in Wales a step closer to the care they need.

The Network is a panel of people from the diabetes community – doctors, nurses, patients, and people from expert organisations, including Diabetes UK. Our collective job is to advise and push for better diabetes care in Wales.

Getting here hasn't been easy, but we used learning from a similar process in Northern Ireland to get the best result. Now we can look forward and play our part in improving things for people with diabetes across Wales.





SUPPORT TO

SUIT EVERYONE



When I received my diagnosis, Diabetes UK's website was my first port of call and definitely proved a valuable resource for me in my self-education. There was so much useful information available, it was really easy to navigate, and it's written in language that anyone can understand. I think that's so important when you're trying to find out information, especially about a condition like diabetes.

Catherine used our website to educate herself about diabetes and weight management.

Our aim:

More people will live better and more confident lives with diabetes, free from discrimination.

This year we learnt:

In Wales, the Live Well Hubs worked better when run with partners, like Swim Wales, Welsh Schools Football Association and Young Farmers. This helped us reach over 3,000 people in 2023.

Learning and adapting to support anyone with diabetes

Learning Zone is our free online portal of resources to help people understand and manage their diabetes. We knew it hadn't been catering so well to South Asian and Black people with diabetes, and in 2023 we started to address that.

First we went on fact-finding missions with organisations and people with diabetes from Indian, Pakistani, Bangladeshi, African and Caribbean communities. Together, we prioritised issues and developed video scripts in different languages. This process helped us to understand the day-to-day challenges for people with diabetes in different cultures – like that some family members may think you're being rude for turning down second helpings.

We heard a strong preference for using YouTube, so hosted the 65 new short films on the popular video platform instead of on Learning Zone. It worked, with over 16,500 views of the videos for South Asian audiences and 5,000 for the African and Caribbean films in just a few months after release.

This has had a positive knock-on effect for Learning Zone too, with more people from these communities signing up. In total, registrations increased by 30,000, to over 175,000.



Empowering communities

Living with diabetes can be complicated and confusing. And sometimes, you just need a bit of time with someone to talk to and ask questions. With NHS resources over-stretched, we know that most people with diabetes don't see their healthcare professionals often. So we're doing everything we can to provide human contact and expert support in places of greatest need.

This year, we continued to develop Live Well Hubs in Northern Ireland and Wales. These are one-stop shops for information, support and expert advice for people with diabetes. The sessions take place in community spaces and invite different experts to discuss topics like foot health, eye health, medicines and diet. Some, such as Neath, have Zoom sessions and social media groups as well as face-to-face events.

One attendee summed up the benefit of the Hubs brilliantly: "I feel much more confident now, not so scared of having diabetes."

In Cornwall, we've been testing how to reach people with or at risk of type 2 diabetes who might be quite isolated due to living rurally and in isolated roles like farming and fishing.

The Men Making Meals project was shaped by local communities and our volunteers in rural Cornwall. It aimed to increase the cooking confidence of men with or at risk of type 2. We provided healthy recipes, along with vouchers for cooking utensils and food. 30 people took part, returning after a month to talk about what they'd cooked and how it went. The scheme was such a success that we're scoping expansion to more audiences and a budget cookery book.



30,000

people joined our Learning Zone, bringing total registrations to 175,000.

TACKLING INEQUALITY

HEAD ON

A big change in how we do things

A few years ago, we had to face the fact that our mission to end diabetes harm would be impossible without tackling the unfairness surrounding it.

People with Black and South Asian backgrounds and those experiencing poverty are far more likely to develop type 2 diabetes and its complications, and less likely to be able to access treatments and help.

We realised we hadn't been doing enough about this and we committed to change.

As part of this, in 2023, we set up the Tackling Inequality Commission. This is a group of people living with and affected by diabetes, community organisations, researchers, people working in health inequalities, and people who make the decisions that affect them.

They listened to people's experiences of diabetes inequalities and explored what is needed to tackle them. In November, the commission published their conclusions, and set out how everyone – government, organisations and individuals – can play their part in solutions.

These are big challenges, and we have a big role to play. In response, we began to ramp up this work straight away and created our first detailed plan of action on inequalities for 2024.



Our aim:

Grow and act on our understanding of inequality in diabetes.

This year we learnt:

Many people still prefer leaflets and recipe cards. We tried taking iPads to point out online resources at community events in South Wales, but quickly moved away from this when it became clear that most people wanted paper-based information.

Working in communities

People living in more deprived areas are less likely to access information and advice about diabetes risk or management. This is partly because the system often fails to provide the signposts they need.

That's why it's so important for us to get out and about into the communities that we know aren't yet coming to us.

In 2023, we teamed up with the largest housing association in Wales, Trivallis, on six of their community days in more deprived parts of South Wales. We spoke to almost 250 tenants about all things diabetes and wrote an article for the Trivallis newsletter, which reaches nearly 14,000 homes.

It was an effective way to reach people in communities with a greater risk of type 2 diabetes, so we're looking to do something similar with other housing associations across Wales.

Understanding inequality

Life-changing diabetes technology is now available on the NHS for all children with type 1, but we know that not everyone is accessing it. Those from minority ethnic groups and those experiencing poverty are less likely to use these devices and the uptake is getting worse.

This year, a research project began to investigate all the reasons that these young people are missing out on type 1 technology. Funded by us, researchers working in Southport will gather the views and experiences of children and their families from diverse backgrounds, and healthcare professionals, to understand what's going on.

They'll turn these findings into action, creating resources that answer people's questions and concerns, and reporting to NHS decision-makers on what they need to do differently. We'll keep a close eye on the research too, so we can play our part in helping all children get the care they're entitled to.



an 'Essentials Guarantee'. We joined them and others in demanding a new law to make sure Universal Credit's basic rate is always at least enough for people to afford essentials.

The Scottish First Minister and Welsh Senedd pledged their support. Then, in the Autumn Statement, the UK government promised that benefits would rise in line with September's inflation rate. We made it clear that the chancellor's announcements didn't go nearly far enough to protect the nation's health at this difficult time.



For years, policymakers have discussed the need to tackle health inequities for Black African, Black Caribbean and South Asian communities. Looking forward, it is time for us to address this head-on, ensuring that words translate into actions and that unnecessary discrepancies in care and outcomes are not endlessly replicated.

Dr Joan St John is a London-based GP who featured in our Tackling Inequality Commission Report.

Campaigning for change

The cost of living crisis is making it harder for people to manage their diabetes or their risk of developing type 2 diabetes. That was the conclusion of our research in 2022, and in May this year we followed it with the detailed data and recommendations in a report called The Hidden Cost.

Our findings are worrying. The impacts we're seeing – people struggling with the travel cost of medical appointments, cooking less and eating cheaper, less healthy food – will worsen people's health and widen inequalities.

A big media moment for the release of the report fell through, but that didn't stop us. We raised our findings at the highest level. Taking our call to ease costs for people with and at risk of diabetes to the Secretary of State for Health, Department of Health and Social Care, and over 30 MPs from all parties.

Poverty charity, Joseph Rowntree Foundation, used data from The Hidden Cost to strengthen their campaigning for

**131
PEOPLE**

with diabetes shared their experiences to inform the Tackling Inequality Commission Report.

COMMUNITY AT ITS CORE

TOGETHER TYPE 1

Together Type 1 is a community for young people aged 11 to 25 living with type 1 diabetes, funded by The Steve Morgan Foundation and run by Diabetes UK.

It's a space where young people can connect with others living with type 1, create lifelong friendships, and gain the confidence they need to manage their diabetes and make their voice heard.

We asked Divya Joshi, one of the volunteer Young Leaders, to tell us about her experiences of the first year of Together Type 1.

“Community is at the core of Together Type 1. Since joining the programme as a Young Leader, I've connected with others who have type 1 diabetes, having not known any before.

From running regional events to speaking to politicians about the challenges of living with type 1 diabetes, Together Type 1 covers so much. The programme uses the unique skills

of all 84 Young Leaders, providing us with opportunities to drive change for all young people living with type 1 diabetes in the UK.

Online and in-person events provide Young Leaders, young people and their families support and a chance to share experiences through fun activities and informal discussions. More structured peer support is available through a mentoring scheme, which I've recently joined.

Young Leaders are at the forefront of decisions too. For example, we met virtually to make decisions about the new branding. And we came together at the anniversary event in Manchester to celebrate one year of the programme with the official launch of the new name and visual identity.

I've also sat on interview panels to select staff who play a key role in the programme, and my voice has been heard.

As well as connecting people with type 1 diabetes, Together Type 1 enables connections between Young Leaders and healthcare professionals – ranging from speaking at conferences to engagement with healthcare teams to discuss improving clinic experiences.



For World Diabetes Day, I had the opportunity to speak at the Senedd, the Welsh Parliament, alongside other Young Leaders to express our views on diabetes care.

I was also particularly keen to be involved with the Rewrite Peter's Story campaign in Wales. I was in Peter Baldwin's year in school when he passed away from undiagnosed type 1 diabetes. I shared my story at the launch of the campaign and am delighted every GP in Wales has been sent a diagnosis resource kit.

I'm excited about what's next for Together Type 1. In 2024, there are plans to recruit more Young Leaders and to reach even more people living with type 1 diabetes, so we can offer support and a sense of community to even more young people.”



Community is at the core of Together Type 1. As a Young Leader, I have been able to connect with others who have type 1 diabetes.

Divya, a Young Leader who has shared her experience for this article.

FIGHTING DIABETES WITH YOU

Partners who share our passion



Our partners are vital in helping us to improve the lives of people living with and at risk of diabetes. Thanks to their continued support and commitment, we had another year of remarkable progress towards our vision of a world where diabetes can do no harm.

Over 100 trusts and foundations

supported us in 2023, funding a range of ambitious projects to improve the lives of people living with and at risk of diabetes. They helped to fund our peer-to-peer support programmes for young people living with diabetes, our pioneering research into better treatments and finding a cure, and vital support services like our Learning Zone and helpline.

Fitbit

for the third year in a row, were the headline marketing sponsor for our One Million Step Challenge. They also funded the production and distribution of our Patient Information Packs, a vital resource for people recently diagnosed with diabetes.



The Steve Morgan Foundation

continued to work in partnership with us and JDRF on the Type 1 Diabetes Grand Challenge. The partnership had incredible impact in 2023, with £15 million (£12 million from Diabetes UK and £3 million from JDRF) awarded to ground-breaking research projects, following the Steve Morgan Foundation's unprecedented £50 million pledge in 2022. And the Steve Morgan Foundation continued to fund Together Type 1, our life-changing programme which empowers young people living with type 1 diabetes across the UK.

Next

once again kindly chose us as beneficiaries of their Charity Christmas Cards, with a portion of funds raised supporting our life-changing work.

Places For People

kindly supported us this year, and their generous funding is enabling us to work strategically with diabetes health systems and improve diabetes care across the four nations.

Tesco and Diabetes UK

celebrated 10 successful years of partnership in 2023. Together, we've run multiple awareness campaigns to encourage people to take healthy steps to reduce their risk of diabetes. We've engaged with thousands of Tesco customers and colleagues through health initiatives and fundraising. And, we rolled out an innovative e-learning programme, 'Let's Talk', together with Cancer Research UK and British Heart Foundation. This delivered specialist training for Tesco pharmacists to support customers living with or at risk of cancer, cardiovascular disease and type 2 diabetes.

FIGHTING DIABETES WITH YOU

We're proud to have sector-leading partnerships with pharmaceutical companies that are improving the lives of people affected by diabetes.

Partners who share our passion

We received **£1.2 million** from pharmaceutical and medical technology companies in 2023, which included £270,000 supporting diabetes services and our work with healthcare professionals and £970,000 for event sponsorship and advertising.



Abbott and Eli Lilly

kindly funded our Tackling Inequality Commission. The findings from the commission are helping us take the steps we need to support people living with diabetes in areas of deprivation, ensuring that everyone can live in a world where diabetes does no harm. Abbott and Eli Lilly provided funding, but they had no involvement or influence over the commission.

Abbott

joined our mission to reduce the stigma that people living with diabetes face, by funding market research to better understand how widespread the issue is – and how it impacts people in their daily lives. They were also headline sponsors for our London Bridges Wellness Walk, which saw thousands of our supporters take on a 10-mile walk across some of London's most iconic bridges.

Dexcom

pledged support for the ambitious new phase of development for our Continuous Professional Development platform. The platform helps healthcare professionals build their knowledge of diabetes, providing them with the skills and resources to better support those in their care.



We developed new relationships with trusts, foundations, and corporate partners in 2023, and continued to make an impact with our long-term supporters. We'd like to thank all our partners for their generous support, and we look forward to achieving even more together in 2024.

FIGHTING DIABETES WITH YOU

Vital insights from
lived experience

We strive to provide the services that people with diabetes want and need. We use our influence to fight for the things that really matter to you.



It's very emotional to be part of the process of making sure researchers and policymakers are really hearing what people affected by diabetes are facing. It's about being part of a conversation, engagement, and making sure that researchers actually hear what's happening on the ground.

Parveen Khan is an Expert by Experience and a member of our Diabetes Research Steering Group.

To make sure we're getting it right, we involve people affected by diabetes in all our work. You're the experts by experience – living with the realities of diabetes day in and day out, so who better to help shape our work and the decisions we make?

So when we say involvement, we really mean it. We want you to be our co-producers. To work hand in hand with leadership, staff and volunteers across Diabetes UK. And to shape the design, delivery and review of every service and activity.

In 2022, we launched Diabetes Communities in Action (CiA). A vibrant community of individuals affected by or at risk of diabetes, their unique insights, knowledge, and experiences take centre stage to make positive change happen. It offers opportunities for anyone affected by diabetes to get involved in a way that works for you – picking and choosing opportunities based on your interests and in ways that fit into busy lives. Anyone whose life has been touched by diabetes or is at risk can join. Your personal experiences and willingness to contribute are what we value most.

Diabetes research can't happen without the help of people living with the condition. We involve people affected by diabetes in every

stage of our research funding process to make sure all our projects address issues that matter most to them. From reviewing applications for funding, to helping researchers understand the day-to-day realities of life with diabetes, and advising research teams on the design and delivery of their projects. Input from people affected by diabetes helps to make sure that every project we fund has the best chance of transforming lives.

A more formal way that your voices influence our work is via our Diabetes Lived Experience Advisory Committee (DLEA). It consists of up to 30 volunteers with experience of living with or caring for someone with diabetes. Members can volunteer for up to six years and meet regularly with our Executive Team to discuss our strategy and long-term projects.

We also have a panel for healthcare professionals, our Healthcare Professional Advisory (HPA) Committee. It's a group of up to 30 members from a range of healthcare professions, including psychologists, pharmacists, dietitians, podiatrists, practice nurses, consultants and GPs. They volunteer to bring insights from the frontline of diabetes treatment and care, to make sure our work meets the needs of people living with diabetes and the healthcare professionals who deliver their care.

In a year when asking for donations was difficult, our supporters have continued to amaze us with bigger, bolder and more creative ways to raise money and awareness.

Whether you added miles to your trainers, raised money online, or brought your community together, we want to say a huge thank you for your continued support. Without you, our work quite simply wouldn't be possible.



Iain Mearns



Iain ran the Great North Run in September 2023 for his daughter Flora, who was diagnosed with type 1 diabetes in June 2021. Then, just 40 days into his training, he learned that his 81-year-old father had also been diagnosed with type 2 diabetes. Despite the scorching sunshine and apocalyptic rain, Iain finished strong and fundraised over **£10,000** to help fund diabetes research and technological breakthroughs.



Chelmsford and District Diabetes UK Group

In 2023, Chelmsford and District Diabetes UK Local Group raised funds at the Dunmow Soap Box event, the Essex Young Farmers event, the Fun Trust Walk and the Danbury Health and Wellbeing event, as well as fundraising through their own annual Christmas raffle. Collectively, the group raised **£4,053** this year, taking their total to over £140,000. They celebrate their 50th anniversary in 2024 and we can't wait to see them smash their next big milestone!

THANK YOU

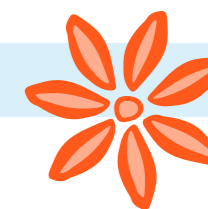


Richard Hassett

Richard fundraised in memory of his late wife and his mum who both sadly passed away due to complications of type 1 and type 2 diabetes. He raised an outstanding **£5,596.88!** He did this by taking on the challenging Run Mhor Trilogy race series (a hilly 10K, half marathon and full marathon) all of which took place in the Trossachs area of Scotland between April and August. Huge well done and thanks to Richard!



Ella and Ava



After being diagnosed with type 1 diabetes in August 2021, Ella wanted to raise money for Diabetes UK. Alongside her family, Ella organised a Crazy Hair Day at school to celebrate World Diabetes Day. All the children, parents and their families got involved in supporting Ella and in total, she has raised **£721** in aid of Diabetes UK – a great accomplishment!



Megan Wiltshire

On World Diabetes Day, paramedic Megan ran for 14 hours in the torrential rain to complete a phenomenal 100km (two and a half marathons), raising a huge **£4,200!** The supporter from Bristol was inspired by her brother Max after he was diagnosed with type 1 diabetes aged 18 four years earlier. She also wanted to commemorate 100 years since the discovery of insulin and did so through multiple media interviews, including one with ITV News West Country.



Lorraine Dash

After being diagnosed with type 2 diabetes in December 2022, Lorraine was determined to improve her physical fitness and diet to help manage her condition. She started the Swim22 challenge in March and after three months had lost two stone, putting her diabetes into remission. In her words, she was left feeling 'fantastic' and 'fabulous' and has kept swimming since the challenge. Lorraine raised **over £400** through the challenge, and we couldn't be prouder! Thank you, Lorraine.



Sam Thurlow



Sam took part in our Diabetes UK Streamstars streaming challenge in November and completed a 12-hour art fundraiser, after being diagnosed with type 1 out of the blue in February 2022, just before his 30th birthday. Although a gamer himself, Sam wanted to combine two things he cares about – art and raising awareness of diabetes. Completing his mega stream on November 19th, Sam raised an incredible **£525.65**. Thank you, Sam!



North Staffordshire Local Groups



The North Staffordshire Local Group have been fundraising for Diabetes UK for over 50 years and this year raised an amazing **£12,000** to help fund Diabetes UK's research projects. They've been holding tabletop sales, a Christmas Fayre and auctions, as well as selling items on Facebook. We are incredibly grateful for all their fundraising and continued efforts to raise awareness of diabetes.

THANK YOU



Councillor Waseem Zaffar

Councillor Waseem Zaffar was a big supporter of the Birmingham Wellness Walk from the moment he was told about the plans. Waseem lives with type 2 diabetes and is also a councillor representing one of the most deprived neighbourhoods in Birmingham. Not only did Waseem walk the route (the morning after landing in the UK after a long flight!), but he also encouraged other Birmingham City councillors to take part and he posted photos and videos from the walk on social media. We are incredibly grateful for his contribution to the success of this event.



Individuals

We'd like to thank the philanthropists and their families who give so generously each year. This includes members of our Banting Circle – chaired by Mike and Angie Rutherford – a group of philanthropists that have joined forces to help create a better life for people with and at risk of diabetes.

Kip and Alison Bertram
Mr Donald Burt
Mr David Dupont
Dr Annalisa Jenkins
Mr Bryan Jenkins
Trevor and Evie Pitman
Mike and Angie Rutherford
David and Christine Thorp



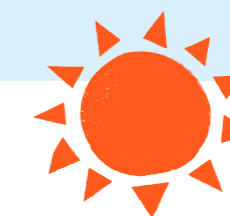
Corporate Partners

Abbott	Next PLC
Amarin UK	Novo Nordisk Ltd
Boehringer Ingelheim Limited	Places for People
Dexcom	Sanofi UK
Eli Lilly	Tesco
Fitbit	

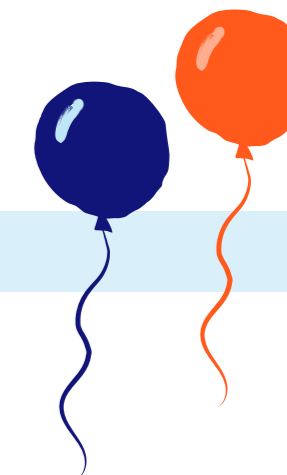


Trusts and Foundations

Cancer Research UK
Department of Health Mental Health Fund Northern Ireland
E B M Charitable Trust
Garfield Weston Foundation
Hugh Fraser Foundation
Moondance Foundation
ShareGift
Simon Gibson Charitable Trust



South Yorkshire Integrated Care Board
Steve Morgan Foundation
The Albert Gubay Charitable Foundation
The ALLIANCE and Mental Health Foundation
The Corton Hill Trust
The Foster Wood Foundation
The Lidbury Family Trust
The Martin Laing Foundation
The National Lottery Community Fund Northern Ireland
The Trustees of the Wendy Tween Charitable Trust, administered by Buckles Solicitors LLP



THANK YOU

Regional and National Partner Organisations

ACC Liverpool Group
Africa Oyé
Age UK Thanet
Ballymena Inter-Ethnic Forum
Bedford, Luton, Milton Keynes ICB
Belfast Exposed
Black Country ICB
Blossom

Bradford District and Craven Health and Care Partnership
Caerphilly Carers
Children and Young People's Diabetes Network Wales
Cornwall partners: Cornwall ICB, Brannel Surgery, Bosvena and 3 Harbours PCN, Clays practice, Oak Tree practice and Spencer Wimbledon
Diabetes Strategic Clinical Network for Diabetes (Wales)

Fishermen's Mission, Devon and Cornwall
Ford Halewood
Kidney Research UK
Kidney Wales
Leyton Orient Trust
Muslim Doctors Cymru
Natural England (South West)
National Lottery Community Fund
National Museums Liverpool

NHS England – East of England
NHS England – Midlands
Reed Wellbeing
Scottish Diabetes Group
Social Enterprise Kent
Spotlight
Thanet Lions Club
Trivallis



OUR PLANS FOR

2024

Over the coming years, we have big ambitions to change the narrative around diabetes, tackle inequality and enable breakthroughs at scale.

In 2024, we're focusing on key areas that people with or at risk of diabetes have told us are most important to them, and where there is potential for us to make big changes. We're calling these are our Target Programmes.

Two of our Target Programmes will weave through everything we do:

1

Destigmatising diabetes

In 2023, we carried out extensive research on diabetes stigma. It revealed that stigma impacts people with diabetes every single day of their lives and it's a complex and layered problem. Myths and misconceptions about diabetes are widespread and people experience stigma differently. So, to tackle it, we need a wide-ranging and wide-reaching programme of action.

Stigma is driven by a lack of understanding, and one of the most powerful ways to challenge negative attitudes is through personal stories. We'll support people to share their stories and speak up against stigma. We'll also challenge the public perception of diabetes by talking more about the complicated risk factors that lead to type 2, many of which are outside a person's control, and start to call out diabetes stigma where we see it.

Our findings showed that people are missing important healthcare appointments because of the stigma they feel about their diabetes. In 2024, we will raise awareness of the impact of stigma with healthcare professionals, and show what they can do differently to make sure their patients feel supported.

2

Tackling inequality

In 2023, in consultation with experts and experts by experience, we set up and delivered the Tackling Inequality Commission to view the factors that contribute to health inequalities. It recommended that we should work with stakeholders like healthcare professionals, policymakers and community organisations to achieve real and immediate change.

We have an action plan for 2024 and beyond to take forward the commission's recommendations. In 2024, our work to combat diabetes inequalities will move to the next level by being more inclusive in the way we work, as well as through specific projects.

We'll improve the representation among our volunteer and lived experience groups to ensure that we're hearing from all parts of the diverse diabetes community. We'll do this partly by offering a greater range of ways to be involved in our work, making ourselves accessible to everyone.

We will focus our tackling inequality work on people from Black African and Black Caribbean backgrounds. We'll also consider how to engage with and support those from these backgrounds who also experience deprivation where we know health outcomes are the poorest. We will collaborate with trusted community organisations so we can work with and through them to provide information and support to those we don't currently reach. And we will lobby and influence so that fewer people from these communities miss out on the vital routine care which reduces complications and improves outcomes.

OUR PLANS FOR

2024

Our remaining Target Programmes aim to achieve breakthroughs at scale:

By 2026, we want to be supporting at least half of the

250,000 PEOPLE

diagnosed with type 2 diabetes each year.

Better support for those who are newly diagnosed with type 2 diabetes

Good support at diagnosis is crucial for helping people to live well with type 2 diabetes and explore their remission options. But often – and increasingly – it's not there.

We want to make sure that people diagnosed with type 2 diabetes are given the best start possible. In 2024, we're going to support the NHS to improve and build on what we do too.

We'll focus particularly on making sure our support reaches those newly diagnosed from South Asian, Black African and Black Caribbean communities and those experiencing poverty. And we'll launch remission information and support, so that more people can explore their options and get support from each other.

By 2026, we want to be supporting at least half of the 250,000 people diagnosed with type 2 diabetes each year.

Prevention for those at high risk of type 2

In 2024, we're going to improve our information and support for people at high risk of type 2 diabetes, concentrating on certain groups.

We're going to start with women who've had gestational diabetes in pregnancy, who are at very high risk of developing type 2 over the next five years. We'll raise awareness among these women and show the things they can do to reduce their risk.

Our next target group will be the estimated one third of UK adults with prediabetes. These people have borderline blood sugars and a very high risk of developing type 2 if nothing is done.

We will also continue to campaign on the negative impacts of our food environment, poverty, and the inaccessibility of healthy food for many people.

Ground-breaking progress for type 1

Our partnership with the Steve Morgan Foundation will continue at pace. In 2024, we will expand and evolve our support for young people with type 1 diabetes through our Together Type 1 programme. And we'll continue to invest in the boldest and best research ideas for new treatments and a cure with the Type 1 Diabetes Grand Challenge.

Essential diabetes care for everyone

People with diabetes are still not receiving the nine essential care processes they're entitled to. It's been a major problem since the coronavirus pandemic. In 2024, we'll work to improve access to all nine across the UK.

We will lobby government to prioritise diabetes, support healthcare professionals to change local systems for better diabetes care themselves, and look for solutions to ensure access is equitable.



GET INVOLVED

Without you, we couldn't achieve our vision of a world where diabetes can do no harm. Here are some of the ways you can be part of our fight.

Donations

Your donations help us fund everything from campaigns and support spaces, to our helpline. Thank you.

diabetes.org.uk/donate

Fundraise 'Your Way'

From the silly to the strenuous, your one true passion to facing your fears, raise vital funds Your Way in your community, at work or at school. Download the fundraising pack today.

diabetes.org.uk/get_involved/raising_funds

Become a member

Membership gives you expert, up-to-date information on diabetes, put together by our team of nurses, dietitians and editors to support you every step of the way.

diabetes.org.uk/how_we_help/membership

Challenge yourself

Whether it's walking, running or cycling, we have a range of fundraising events to get involved with – both in person and virtual.

diabetes.org.uk/get_involved/fundraising_events

Volunteer your time

Run events, raise awareness in local communities or provide advice at one of our local groups. Our volunteers are the backbone of our organisation.

diabetes.org.uk/get_involved/volunteer

Leave us a gift in your Will

Over a third of our income comes from people who leave us a gift in their Will. These generous legacies make so much of our vital work possible.

giftsinwills@diabetes.org.uk
diabetes.org.uk/giftsinwills

Join our campaigners

You could be fighting to secure government changes at a national level one day and pushing for local care improvements the next.

diabetes.org.uk/get_involved/campaigning

Philanthropists, charitable trusts and foundations

You can be part of our story, like many other individuals, trusts and foundations who have helped to fund our pioneering research and support services like our Learning Zone and helpline. Find out how you can help by contacting philanthropy@diabetes.org.uk

Corporate partners

We're proud to work with businesses from a variety of sectors and sizes. Our partners are vital in helping us be there for people living with and at risk of diabetes. If you'd like to team up, get in touch with us at partnershipenquiries@diabetes.org.uk

GET SUPPORT

Talk to us

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

Our team can provide advice on practical issues like driving or problems at work, or talk through any social, emotional or psychological difficulties you might be facing. Call us if you need expert advice and trusted information about living well with diabetes, reducing your risk of diabetes, and even potentially putting your type 2 diabetes into remission. Or if you simply just want to chat to someone who understands and will listen without judgement, we're here.

Call **0345 123 2399**
Monday to Friday, 9am to 6pm
Email **helpline@diabetes.org.uk**

Go online

Our website is packed with useful information and tips to help you learn more about diabetes. More advice and help are available from our interactive Learning Zone tool, online support forum and Facebook and X communities. They're ready and waiting to answer your questions and point you in the right direction.

Head to:
diabetes.org.uk
learningzone.diabetes.org.uk
forum.diabetes.org.uk

 **/diabetesuk**
 **@DiabetesUK**

Join a local group

If you love to meet and talk to people in your area, check out your local support group. We run more than 180 of them up and down the UK, with many of them meeting online too. Our groups are filled with people who've been there, done that and got the Diabetes UK t-shirt. Along with providing support and understanding, they also raise awareness, campaign, fundraise and organise social events.

Find your nearest group:
Visit **diabetes.org.uk/groups**
Call **0345 123 2399**
Email **info@diabetes.org.uk**



HOW WE'RE RUN

Our governance and financial statements



Financial review

Overall

In 2023 we made a deficit of £6.4 million – £0.65 million deficit in 2022. We planned for a deficit budget in 2023 to invest our reserves in improving our systems to help manage our data and thereby service individuals impacted by diabetes. The year end deficit was higher than budget due to our legacy income of £16 million (compared to £20.5 million in 2022) coming in lower than forecast – impacting our overall results. During the year, the economic environment was extremely challenging, and we therefore reviewed our risks and financial track and will implement changes in 2024 to manage these risks.

Despite these challenges, we have continued to strengthen in-person activities in 2023 with 289 people attending our summer camps and family weekends this year. After a hybrid Professional Conference in 2022 we ran a successful in-person event in Liverpool with 2,235 people attending.

We had a small increase in income, despite a reduction in legacy income, with £0.8 million from UK Research & Innovation and an increase in income from the Steve Morgan Foundation as delivery increased, following their commitment in 2022 of £55 million to fund research, and peer support programmes for young people living with diabetes over five years. Overall this means that our income increased to £42.7 million in 2023, compared to £42.1 million in 2022.

We continue to be deeply grateful for the gifts we receive as legacies, and from all of our supporters.

Income

Income of £42.7 million grew compared to the prior year by £0.6 million, driven primarily by income from the UK Research & Innovation and the Steve Morgan Foundation, restricted funding which funds our breakthrough research work and work with young people with type 1 diabetes. Income from donations and legacies fell £4.1 million from £34.6 million to £30.5 million driven by legacy income reducing from the high of £20.5 million in 2022. Income from donations of £14.5 million grew £0.4 million due to an increase in community & events income.

The health and fundraising partnership with Tesco, the British Heart Foundation and Cancer Research UK, consistent with 2022, raised £1.4 million in donations for Diabetes UK.

Our trading activities generated £3.7 million of income, £0.2 million more than in 2022, due to an increase in corporate sponsorship of our professional conference with it back as an in-person event in Liverpool. Income from lotteries of £1.6 million saw a £0.1 million decrease in 2023, partly due to lower numbers of players on our charity lottery.

Income for charitable activities of £7.8 million saw a £4.2 million increase on 2022, up from £3.6 million in 2022. The key driver to this movement was an increase in income from the Steve Morgan Foundation and UK Research & Innovation – see above.

Expenditure

We spent £49.4 million in 2023, £7.5 million up on 2022's spend of £42 million. Some of the growth in spend reflects the start of the Steve Morgan Foundation funded work, which sits across the cure or prevent and living well outcomes.

In 2023 spend on our work to cure or prevent diabetes grew by £3.0 million to £10.0 million, primarily due to new research projects being approved related to this objective funded by the Steve Morgan Foundation. A total of £9.8 million was spent on research grants, compared to £6.8 million in 2022.

We increased our spending on work to ensure that people with diabetes are able to live well to £9.3 million in 2023, up from £8.5 million in the prior year. Again work funded by the Steve Morgan Foundation drove the majority of this increase with more being spent on the Together Type 1 peer support programme for young people with type 1 in 2023 as more work is getting underway.

We spent £13.4 million on our work to promote better care in 2023, £2.7 million more than in 2022. This reflected a £1.2 million increase in research grant spend related to this objective and in part the change from a hybrid approach to the Diabetes UK Professional Conference in 2022 to an in-person event in 2023. We continue to strive for better care for people living with diabetes by working with the NHS, national governments and healthcare professionals.

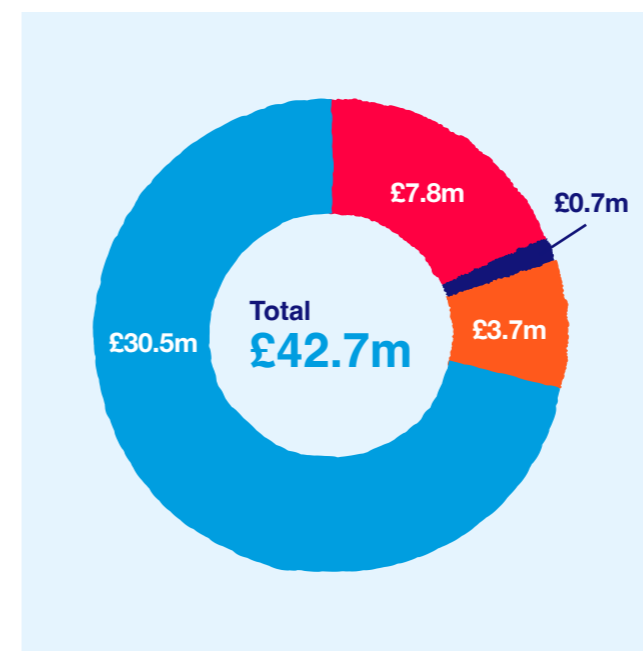
We spent £2.6 million on our efforts to prevent type 2 diabetes in 2023 which is broadly in line with spend in 2022. We are continuing our key activities in this area to ensure that people know their risk of developing the condition and are supported to take action. Our spend on activities related to remission of type 2 diabetes increased slightly by £0.4 million in 2023 compared to 2022, to a total of £2.5 million.

Our strategic outcomes are supported by our drivers – fighting diabetes with you, addressing and fighting inequality, harnessing technology and learning and improving together. We have apportioned these costs across the outcomes above as they directly support their work.

Our expenditure on raising funds grew by £0.5 million compared to 2022, standing at £11.6 million in 2023 compared to £11.1 million in the prior year. We're continuing to ensure that our investment here is used effectively and in a way that reflects the changing fundraising landscape.

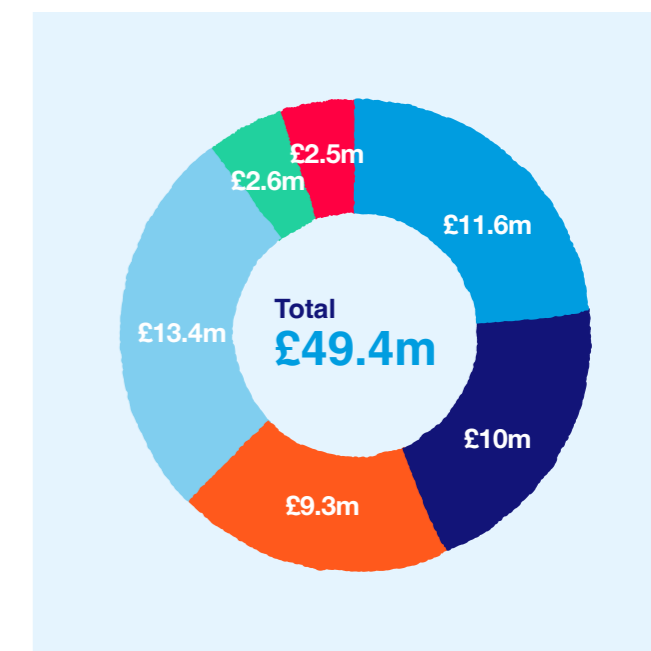
INCOME AND EXPENDITURE

Income



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

Expenditure



- Better Care
- Living Well
- Cure or prevent
- Prevention
- Remission
- Expenditure on raising funds

Our approach to reserves management

We hold reserves for several practical reasons, these include:

- Ensuring we are able to continue to fund our vital work should our income fall below target. Our reserves should give us time to adjust expenditure without causing undue disruption to the research programmes and lives of people our work supports.
- To provide working capital to meet upfront expenditure during the year before income is received.
- To provide resource for investment, for example, developing services and ensuring we maximise outreach by developing our virtual offerings and ability to engage people at scale.

As at 31 December 2023, our reserves totalled £13.4 million of which £10.9 million are considered general reserves and available to fund regular activities. The difference between these figures (£2.5 million) reflects tangible

fixed assets of £2 million and restricted cash of £0.5 million donated to us to fund specific activities.

In common with many charities who fund long-term research work, for our reserves policy, we use a measure of liquid reserves which includes liquid investments and unrestricted cash only. The policy is designed to ensure we meet our research commitments (£12.2 million as shown in note 25) as they fall due, as well as deal with risk and investment opportunities. In 2024, we reviewed our reserves policy and updated our minimum tolerable level of liquid reserves to a range of £11 million - £14 million, which is equivalent to four months projected forward cashflows. Our current level of liquid reserves of £19.1 million is forecasted to reduce next year as we continue to fund charitable work in a challenging fundraising environment.

Our reserve measures are calculated as follows:

	Total reserves	General reserves	Liquid reserves
Tangible fixed assets	2,024	0	0
Fixed asset investments	17,163	17,163	17,163
Stock	167	167	0
Debtors	6,243	6,243	0
Unrestricted cash	1,931	1,931	1,931
Restricted cash	522	0	0
Creditors	(14,392)	(14,392)	0
Provisions	(238)	(238)	0
Total	13,420	10,874	19,094

Our approach to investments

We manage our reserves as a combination of cash and investments. Cash reserves can be accessed quickly if we need them, while investments guard reserves against being eroded by inflation over time. Reserves that we don't expect to draw down for several years are held in securities as part of an investment portfolio. We review the amount of reserves held in our portfolio annually as part of our budget process. Our Finance Committee reviews the underlying principles of our investments at least annually. The investment portfolio is managed on our behalf by Evelyn Partners who are asked to choose a portfolio to give us the best financial return within an acceptable level of risk. They provide us with regular updates, and we assess their performance throughout the year.

During the year we made a small gain on investments of £0.3 million (2022: £0.8 million loss). Our long-term target return is Consumer Price Index (CPI) plus 3% (measured on a total return basis net of all fees) and we regularly assess performance to check whether we are on track to achieve this goal.

We only hold cash with creditworthy financial institutions and deposits are sufficiently diversified to manage risk. We aim to place no more than £5 million in an individual institution, and we do not commit funds for more than 12 months. Placement in any new institutions must be approved by the Finance Committee.

Pensions

We provide employees with the opportunity to participate in a defined contribution pension scheme. In the past, we also provided a defined benefit scheme. The scheme is subject to a formal triennial funding valuation, with the most recent completed on 31 December 2022. This showed a strong position with a funding surplus of £0.4 million.

The next valuation on 31 December 2025 will be available in late 2026. For financial reporting purposes, the actuary carries out a separate annual valuation in accordance with FRS 102: Employee Benefits, in which different funding assumptions are applied. The FRS 102 valuation on 31 December 2023 showed a surplus of £0.2 million (2022: £0.2 million surplus) and is further explained in note 30 to the financial statements. The Directors of the charity work closely with the Trustee Board of our pension scheme and their fiduciary advisers to review valuation reports, review sponsor risks and build the impacts of these into our financial modelling. This enables us to understand any risks to our finances and manage them such that we remain able to achieve our charitable objectives.

Going concern

The Board of Trustees has reviewed our activities, financial position and risk management policies together with factors likely to affect future development, including the impact of economic uncertainty and cost of living pressures on voluntary income. The trustees therefore have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future, being at least 12 months from the date of approval of these financial statements and are not aware of any other material uncertainties which may adversely affect the organisation. Accordingly, the financial statements continue to be prepared on the going concern basis.

Audit

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

Risk and uncertainties

We are committed to effective risk management and continue to adopt the established Three Lines of Defence Model. We recently reviewed our overall approach with our internal auditors and strengthened practice over 2023, which included continuing to implement mandatory training for all managers and development of a risk appetite framework.

Risk management forms an integral part of our planning processes and project methodology, including how we organise our events. We encourage our employees and volunteers to notice and report risks as soon as possible.

The Executive Team discuss new risks and changes to existing risks on a regular basis, alongside quarterly in-depth reviews of our corporate risk register. Our Audit and Risk Committee, and the Board of Trustees, have overall responsibility for ensuring we have appropriate systems and processes in place to manage risks, while reviewing the most significant risks regularly.

Our key risks in 2023, and our mitigations for those risks are:

Pressures on our financial position due to wider economic factors.

The past two years have presented challenges both to our cost base, through the highest inflation in the last forty years and a related cost-of-living crisis, putting pressure on donors who we depend on to fund our work. We expect to continue to experience challenges due to the ongoing effects of these factors and are proactively addressing both costs and income generation.

A key element of our strategy focuses on how we can engage and mobilise people to increase our income. A growth plan to drive this work will be implemented in 2024, which will include developing new innovative ways to generate income. We continue to invest in fundraising, with additional caution around

expected return, and undertake reviews of our plans to grow engagement and income, ensuring we are focusing on activities that will accelerate our progress at this critical time.

Not making the best strategic choices and losing sight of our strategic vision.

If we do not implement the right changes at the right time, our ability to improve the lives of those affected by diabetes will be limited. As we understand more about how best to achieve an outcome-led strategy, regular review and adaptation to external context remains critical.

In 2023 we looked beyond the current period of our strategy to set clear direction, as we face new emerging issues. We continue to focus on the goals of our strategy and be responsive to the external changes, and have established new Target Programmes to respond to these to evolve our organisation, to achieve our ambitions and ensure they are fit for the future.

Not engaging sufficiently with those affected by diabetes, including those in disadvantaged groups.

To be viewed as a reliable advocate, and meet the needs of people with diabetes, we must engage with their experiences, insights and aspirations. A key part of planning and developing our work is ensuring we engage, work with, and build communities for people with diabetes. A key focus for 2023 was our Tackling Inequality Commission through which we heard more about the lived experience of people with diabetes in more disadvantaged groups, and what they need. We have developed an action plan to respond to this and ensure we continue to improve how we engage and the diversity of those we engage with.

We also continue to use technology to our advantage, to strengthen, broaden and deepen our links to people with diabetes, reflecting their views and challenges in our work.

In its first year our new peer support programme for young people with type 1 diabetes – Type 1 Together – has provided opportunities to learn more about how to engage with this key group, empowering them and co-creating a programme to meet their needs.

Not working effectively with agencies.

We cannot create a world where diabetes can do no harm alone. It is vital that we build on our relationships with key organisations, such as the NHS and government bodies within all nations. We should drive forward the needs of people with and at risk of diabetes in a way that recognises the inequalities, financial and capacity pressures they face daily, particularly as we move into a time of uncertainty.

Building partnerships and working with others to increase our efficacy and impact is a key aspect of our strategy. In 2024, we will continue to be active partners in movements that address inequality and social determinants of health, to help make greater impacts for those living with and affected by diabetes. In what will be an election year, we will engage with politicians to influence a future government and drive forward our goals and improve outcomes for people with and at risk of diabetes.

Cyber security.

Our technology and systems need to be secure in an environment of escalating threat from cyber criminals and other bad actors. The impact of these threats may adversely affect our ability to operate and could harm our reputation. We follow industry guidelines to ensure our approach is robust and conduct regular external audits and testing to identify weaknesses and ensure these are addressed.

Assurance reviews of controls and processes of a selection of our broader risks take place each year. We continue to implement our agreed three-year plan of internal audits with our internal auditors BDO LLP. This third-party view alongside our own internal reporting provides assurance to trustees that we have identified and are managing the risks we face.

Our approach to modern slavery and our supply chain

We have a zero-tolerance approach to modern slavery and are committed to acting ethically in all operations. We continuously improve our processes to combat slavery and human trafficking in our business and supply chain and hold our suppliers and partners to high standards in doing the same. We carry out due diligence on potential suppliers and in 2023 welcomed a dedicated procurement colleague who will provide advice on current best practice. We also have due diligence procedures around potential and current partners. Our full statement is available on our website.

How we're organised and governed

The Diabetic Association was set up in 1934 by the novelist HG Wells and Dr RD Lawrence, both of whom lived with diabetes. We changed our name 20 years later to The British Diabetic Association and whilst this remains our legal name, we have operated as Diabetes UK since 2000.

Diabetes UK is a company limited by guarantee and registered with the Charity Commission in England and Wales and the Office of the Scottish Regulator in Scotland (OSCR), which is the independent regulator and registrar for Scotland's charities. This means our trustees are also company directors so subject to both company and charity law.

We work across all four nations, adapting our services as appropriate to relevant regional and local circumstances as well as need.

Our Board of Trustees

Our Board of Trustees – referred to as the Board from now on – has collective responsibility for everything we do and is responsible for:

- Our overall strategic direction, including evaluating progress against our strategic plans
- Ensuring our financial stability
- Acting in the best interests of our organisation
- Ensuring that we comply with our governing documents, and any other relevant legislation.

The maximum number of trustees permitted under our Articles of Association is 14, and during 2023 they numbered between 12 and 14. Trustees are usually appointed for up to three years and may be re-appointed for two further terms of up to three years but cannot serve for more than a continuous period of nine years.

The Board benefits from the wide range of skills and expertise across different disciplines that its trustees bring, as well as personal experience of living with diabetes and experience as a healthcare professional.

Trustee recruitment

A sub-committee of the Board – our Governance and Nominations Committee (GNC) – is responsible for overseeing the recruitment and appointment process of trustees. We recruit trustees through open advertising or more targeted recruitment searches when appropriate to ensure that we

have right balance of skills and experience that we need. An induction programme is put in place upon appointment, and all trustees meet the Chair of the Board on a one-to-one basis.

The expertise and contributions of the five Trustees we appointed during 2023 have been hugely beneficial to the work of the Board and helped us increase diversity within the context of meeting recommended practice in the Charity Governance Code. We also thank Dr Carol Homden for her second year leading the Board as Chair.

During the last quarter of 2023, due to the imminent planned retirement of one Trustee who Chaired our Audit and Risk Committee, alongside being our Vice Chair of the Board, we identified the need for some further recruitment and began advertising with the aim of appointing one new Trustee in the first quarter of 2024.

Charity Governance Code

The Board first adopted the Charity Governance Code in 2019. After initially identifying increasing diversity as a key priority, work continued in this space.

Particularly in recruitment, where we saw an increase in diversity on our Board of Trustees.

In November 2023, several Trustees were involved in and attended the Tackling Inequality Commission Report launch.

Board meetings

Our Board usually meets in person up to six times a year, holding one meeting as an annual away day where trustees and the Executive Team (the Chief Executive and senior staff colleagues) can explore key strategic issues in more depth.

Sub committees of the Board

The Board delegates some areas of its work to sub-committees, which usually meet between three and four times a year. The sub committees of the Board are:

Audit and Risk

Oversees the financial audit and reporting process, reviews the effectiveness of the independent audit, and leads on reviewing risk and monitors compliance with external requirements and internal policies.

Finance

Oversees and reviews all financial aspects and advises the Board accordingly, and evaluates the annual budget before board approval.

Governance and Nominations

Ensures that we have sound governance arrangements so we can achieve our charitable aims and the highest possible standards of governance and leads on trustee recruitment.

In 2023, we instigated a sixth sub-committee; the Brand and Income Generation Committee. This committee is responsible for assisting the Board in carrying out strategic oversight of brand, voluntary and commercial income matters, as well as supporting the Director of Engagement & Fundraising (and the Executive Team) in maximising the Charity's income generation.

Remuneration

Considers the total rewards policies, including remuneration and benefits, of the whole organisation as well as considering broader staff satisfaction and people metrics, and recommends organisation-wide pay increases for Board approval.

Research

Assesses and approves applications for funding for basic, clinical and health services research within the guidelines set by the Board and in accordance with the Association of Medical Research Charities' recommendations.

Membership of our sub-committees is made of trustees, with most serving on at least one. Exceptions are our Governance and Nominations Committee – there are two non-trustee members including the committee chair as well as trustee members, and our Research Committee, which is made up of non-trustee members who have specialist expert knowledge across all our varied areas of research.

Key stakeholders – our advisory groups

We are very grateful to the following permanently established advisory groups, who help us enormously, and whose meeting minutes are circulated to the Board:

Diabetes Lived Experience Advisory Committee (DLEA)

DLEA informs our work so that we focus on what really matters to people living with diabetes. There can be up to 25 members, drawn from all four nations, including people with direct experience of type 1 and type 2 diabetes as well as carers and parents of children with diabetes. In 2023, we recruited 14 new members from across the UK with a variety of experiences and backgrounds. We experimented with new ways of working, such as increasing involvement opportunities between meetings, working more closely with our Healthcare Professional Advisory Committee, and making feeding back easier to share the positive impact of our work.

Healthcare Professional Advisory (HPA) Committee

The HPA committee helps us provide effective support and advice to the wider community of healthcare professionals working in a range of disciplines and settings. There are up to 30 members who form a multidisciplinary team including GPs, diabetes specialist nurses, practice nurses, consultants, pharmacists, dietitians, a podiatrist, a psychologist and a dentist.

National Advisory Councils in Scotland, Wales and Northern Ireland

Our national directors have the support of advisory council members with experience and expertise on specific issues. Council members include healthcare professionals

and those living with or affected by diabetes. The National Director for Scotland is looking to re-establish the Scottish Advisory Council in 2024.

The Science and Research Advisory Group

The Science and Research Advisory Group is made up of people living with diabetes, diabetes researchers and healthcare professionals. Members of the group are responsible for working with Diabetes UK to formulate the research strategy periodically. They review the broad field of diabetes research and make recommendations to the Diabetes UK Board of Trustees on the areas in which the charity should focus its research effort.

How we organise our work

The Board delegates responsibility for operational management to our Chief Executive, who leads the Executive team. We have seven directorates, each led by an Executive team member.

Policy, Campaigns and Improvement
Care and Clinical Intelligence
People and Organisational Development
Corporate Services
Engagement and Fundraising
Operations
Research

Subsidiaries and related parties

We have a wholly owned trading subsidiary – Diabetes UK Services Limited. Its principal activities relate to corporate sponsorship, running the lottery, sales of various seasonal goods including Christmas cards, and income from promotional activities. The results for the subsidiary are consolidated in the accounts and presented in note 26.

As expected, the Company performed better in 2023 with higher profits driven by holding our Diabetes UK Professional Conference in person where more opportunities exist for generating income from corporate sponsors and exhibitors; a hybrid approach to the conference was taken in 2022. The taxable profit of 0.4 million (2022: £0.2 million) will be donated to Diabetes UK under Gift Aid.

How our work delivers public benefit

We have a duty to report on the public benefit that we deliver under section four of the Charities Act 2011. Taking the Charity Commission’s guidance into consideration, the Board is satisfied that our public benefit requirements have been met.

We provide a range of direct services and practical support to people affected by diabetes or at risk of diabetes. We train and support healthcare professionals from a wide range of disciplines to improve diabetes services in their local areas. We continue to commit more of our own funds to research – building our knowledge of diabetes, developing improved treatments and, one day, finding a cure.

How we fundraise

We’re almost entirely reliant on donations to fund our work. Without the public’s generosity we wouldn’t be able to support people with or at risk of diabetes or make research breakthroughs.

We are registered with the Fundraising Regulator (FR) and are open about how we raise our funds. We continually strive to adhere to the Code of Fundraising Practice and are committed to the Fundraising Promise. We are also a member of the Chartered Institute of Fundraising (CIOF), the Direct Marketing Association (DMA) and licensed by the Gambling Commission. This report covers the requirements charities must follow as set out in the Charities Act 2016.

We seek to minimise the risk of breaches of fundraising compliance through training and inductions for new employees on the Fundraising Code of Practice and implementing compliance policies. We will proactively engage with the Fundraising Regulator and other bodies as needed to ensure that any concerns raised are addressed as a priority.

Our generous supporters raise money for us in many different ways, including fundraising in their local communities and through our local groups. We run several in-person events including our Wellness Walk Series as well as our popular ‘virtual challenges’ such as One Million Step Challenge and Swim 22.

We have partnerships with several organisations, including some commercial participator agreements for which written agreements are in place. We see partnership working as a crucial route to achieving our mission – for more information, see ‘Partners who share our passion’ section. We have safeguards in place with our partners to ensure that we do not compromise our independence in any way. We’re also supported by charitable Trusts and Foundations, as well as receiving generous philanthropic gifts from donors.

People can sign up to make a regular donation, play our lottery, or become a member through a variety of routes. We also ask people to give to us through our regular appeals, our raffles or by leaving a gift in their Will.

Some of our fundraising activity is conducted on our behalf by carefully selected fundraising agencies who ask people if they would like to take part in our weekly lottery, events or become members.

We work very closely with our agencies Unity 4 (CIOF Corporate Member) and DTV Optimise (registered with the FR, Corporate member of the CIOF and DMA) to ensure they represent our work and our organisation to the very highest standards. We monitor our agencies regularly, to ensure that everyone who works on our behalf adheres to our high standards.

Our website outlines our complaints process clearly. In 2023, we received 15 complaints about fundraising. We work to ensure we resolve, learn and take action to prevent issues happening again. We report the number of complaints we receive each year to the FR. We also publish an internal complaints report that is shared with our directors.

We train and support our staff and agencies to identify and protect people in vulnerable circumstances in accordance with our Vulnerable People Policy. All of our direct marketing communications contain clear instructions of how a supporter can easily opt out of receiving any further communication should they wish to. We are also signed up to the Fundraising Preference Service to enable people to let us know that they do not wish to receive fundraising communications from us. We received 12 requests from this service last year.

A controls framework is in place for effective internal governance of our fundraising. The Board receives regular reports on performance, compliance and plans. Our Audit and Risk Committee considers our fundraising compliance in more detail and the Finance Committee looks closely at our financial performance. In addition, we have reviewed in detail and reported on the controls we have in place relating to each area of accountability covered in the Charity Commission's guidance set out in CC20 Charity fundraising: a guide to trustee duties.

Our people

We care about our people and want them to feel valued and supported in their work for people living with and affected by diabetes. This year, we made some changes to help improve their well-being and career prospects, such as:

- Offering a better health cash plan with more discounts and unlimited mental health support
- Giving access to a free mortgage advice service
- Reviewing and streamlining our recruitment process to attract and retain talent
- Introducing paid dedicated time for our colleague network leads
- Supporting colleagues to participate in the Black Charity Leaders programme
- Introducing a new menopause policy and reviewing our support for neurodivergent colleagues
- Completing the consultation phase of the review of our values and behaviours project

We also asked our colleagues for their feedback. We were delighted to see that 84% of them responded to our colleague survey and gave us an Outstanding rating for recommending the charity as a good place to work. We still have some areas to work on, such as enhancing the connection across the charity and exploring career progression opportunities. Next year, we will implement and re-launch updated values and behaviours that reflect how we work together and deliver our strategy in a changing world. We will also strengthen our people systems to better capture and use insights about our colleagues.

Equity, diversity and inclusion

We are committed to creating an inclusive culture where every colleague can thrive and be at their best. To support this, we launched a new tool called the inclusion passport, which helps colleagues to discuss with their managers how they work best and what adjustments or support they may need. We also developed and piloted the Equity, Diversity and Inclusion Assessment, which helps colleagues to plan projects and activities with inclusion in mind. We applied this approach to reviewing our HR policies and we will launch it across the charity next year.

We worked closely with our active colleague networks to make sure that their lived experience drives our EDI work, and we created spaces for conversations about equity, diversity and inclusion through our 'Let's talk about' series. We also developed an EDI action plan for our volunteering work and shared our EDI strategy with our volunteers.

We updated the diversity data questions on our HR system and asked colleagues to update their record, to give us more accurate data on the diversity of our colleagues and report on gender and ethnicity pay gaps next year.

Learning and development

We offer a range of learning and development opportunities for our people, both in-house and external. We fund these opportunities based on how they relate to their role and the needs they have identified. In 2023, we adapted our training delivery to suit our hybrid ways of working, offering both online and in-person sessions to develop personal effectiveness and management skills. This reflects how our charity works after the pandemic.

We also took part in the cross-charities mentoring programme, coordinating this initiative across eleven charities. We continued to offer a range of 'programmes' to support risk assessment, induction, and new managers. To support our value of being 'driven to know more', we offered monthly 'knowing diabetes' sessions, often delivered by external diabetes experts. In 2023, we ran our first trainers' conference for all our people who design and deliver training within the charity. This helps us to ensure consistent and high-quality training. In 2023, we reviewed the data on training attendance to make sure that everyone has access to opportunities. We investigated any areas where attendance was low to understand why and take action.

Communication and engagement

We have regular meetings with trade union representatives through our Joint Consultative Committee. We also meet regularly with our Colleague Forum. The Colleague Forum is made up of staff representatives from each of our directorates. These meetings are opportunities to talk with colleague representatives on charity-wide matters and proposed changes, and to learn more about topics that are important to them. In 2023 we ran a full colleague survey to get feedback on colleagues' experience of working at Diabetes UK. Colleagues have regular 1:1 meetings with their managers, and we

encourage managers to run regular team, department and directorate meetings. These help individuals and teams understand how they contribute to our work and the progress their directorate is making against agreed plans. Across the charity, staff are kept up to date in a variety of ways. The intranet is a hub of organisational news and information, and a summary of key articles is distributed to all staff in a bi-weekly e-newsletter. Our directors and assistant directors run quarterly townhall events to report on progress against our strategy. Throughout the year, we also keep colleagues updated about our strategy, projects and key pieces of work through shorter online conversations, presentations and vlogs.

Pay and benefits

We want to recruit and keep the best people for our charity, so we pay them fairly and offer them good benefits. We compare our pay and benefits with other similar organisations to make sure we are competitive. We use a clear and simple method, based on an outside tool, to decide how much each job is worth. We also reward our staff for their achievements and give them various benefits. Our trustees are in charge of our pay policy and decide how much our Chief Executive and other Executive team members earn. Our Remuneration Committee – made up of the Chair, Vice-Chair, and Treasurer of the Board – agree on any pay rises for the whole organisation, as well as for our Executive team.

Our approach to grant making

Our research strategy and objectives are by the Science and Research Advisory Group, underpinned by priorities developed in partnership with the Diabetes Research Steering Groups. We invite applications for funding of research projects, early career small grants, fellowships and studentships through open advertisement to the research community via email, on relevant websites,

social media and through partners. Applicants based at not-for profit UK-based academic or NHS institutions may submit proposals. Decisions about funding of specific projects are delegated to the Research Committee, or specially convened panels made up of experts from the the Research Committee and co-opted experts.

Applications are reviewed by a minimum of three external peer reviewers against criteria such as relevance to diabetes, scientific merit, feasibility and value for money. The reviewers' assessments are then submitted to the Research Committee, or the Fellowship and Studentship Panels. Shortlisted applicants for fellowships are invited for interview by an expert scientific and lay panel who make the funding decision. At least one member of the Research Committee sits on each fellowship panel. Funding decisions for early career small grants and shortlisted studentships are decided by an expert panel, including Research Committee members. We involve our Grants Advisory Panel of people living with or caring for someone with diabetes in our funding processes for project and strategic grants, early career small grants, and fellowships awards.

How we work to promote success

In order to be successful in our mission, we need to hear the voices of people with diabetes, our volunteers, healthcare professionals, partners and our staff in everything we do. Section 172 of the Companies Act requires our directors to act in a way they consider to be mostly likely to promote the success of the charity to achieve our outcomes. To do this we consider:

The long-term consequences of our decisions

We are grateful for the support of our advisory groups who enable us to consider the impact of the decisions we take over the medium and

long term. You can read about the main ones on page 66. In 2023 we consulted with these groups on topics including our training offer for healthcare professionals, resources to help people with diabetes get the most of out their appointments, peer support, the role of stigma in type 2 diabetes and our communications strategy.

Our strategy sets out the change we want to see for people with diabetes in five outcomes (page 8) – and we have developed detailed plans that show us the best way to achieve these, meaning that we understand what our short-term actions will achieve over the long term. We also pay close attention to the external context so that we can adapt and respond as needed through 'forward thinking' exercises.

The interests of our employees

Our colleagues are our greatest asset, and we value their input and feedback. We have a Colleague Forum that plays a vital role in shaping our policies and practices. The wellbeing of our colleagues continues to be a key focus and we offer a range of benefits that suit their needs. We regularly measure employee satisfaction through 'pulse checks' and foster a culture of collaboration and inclusion through our employee networks.

The need for good relationships with partners, suppliers, customers and others

Our partners and suppliers are key to much of the work we do, and we work hard to drive high standards and to build great relationships with them. We have clear policies on who we work with and procure from and effective contract and supplier management. You can read about some of our work with partners on page 36. We use feedback to improve our customer service and are committed to an ongoing programme of work aimed at ensuring excellent customer experience in all our interactions.

The impact of what we do on the communities we work in and the environment

We take care to consult the communities we work in. We recognise our responsibility to minimise our environmental impact and have implemented all practical recommendations from our Energy Savings Opportunity Scheme report. We also comply with the Streamlined Energy and Carbon Reporting (SECR) reporting regulations, constantly reviewing our impact on the environment as an organisation which you can read about on page 72.

The benefits of maintaining a reputation for high standards of conduct

Our reputation is very important to us and to the people we support. We want to be trusted to inform and advise those who need our support and have clear standards of expected conduct for staff and volunteers, underpinned by our values.

The need to act fairly

Fairness is key to achievement of these aspirations and our organisation policies reflect a consistently fair and transparent approach. We are also committed to equality in our workforce and are actively ensuring the fair treatment of colleagues which you can read about on page 69.

Streamlined Energy and Carbon Reporting

Executive summary

This report summarises Diabetes UK Limited's (Diabetes UK) energy usage, associated emissions, energy efficiency actions and energy performance under the government policy Streamlined Energy & Carbon Reporting (SECR). This is implemented by the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

Year-on-year changes

Scope 1 natural gas emissions have increased since 2022, by an uplift of 32.71% year on year.

- This is due to landlords not correctly disclosing natural gas usage to Diabetes UK in previous reporting years, so this uplift of usage is likely skewed.

Scope 2 electricity consumption has also increased slightly in 2023, by 6.98% year on year.

- This is likely a result of increased office working patterns in 2023, post-Covid-19 pandemic.

Scope 3 transport consumption and resulting emissions have also increased since 2022. These Scope 3 emissions totals have risen from 22.91 tCO2e to 37.03 tCO2e in 2023, a rise of 61.62%.

- One of the main reasons for this increase in transport emissions is the hard launch of the Together Type 1 programme in 2023. Diabetes UK have recruited multiple youth coordinators and workers to support the new programme, which is a locally delivered scheme supporting 11 to 25-year-olds living with type 1 diabetes working to develop various skills so they can become young leaders themselves.

- This has quite a heavy face-to-face element, and due to the timings and locations of the meetings and events, there has been an increased reliance on transport throughout the business..

Annual reporting figures

The following tables show the consumption and associated emissions for the years ending December 2023 and December 2022 for comparison.

Consumption and location-based emissions

Scope 1 consumption and emissions relate to direct combustion of natural gas.

Scope 2 consumption and emissions relate to indirect emissions relating to the consumption of purchased electricity in day-to-day business operations.

Scope 3 consumption and emissions cover emissions resulting from sources not directly owned by Diabetes UK i.e. grey fleet business travel undertaken in employee-owned vehicles only.

Totals

Diabetes UK FY2023 total energy consumption (kWh).

Utility and Scope	2023 Consumption (kWh)		2022 Consumption (kWh)	
	UK	Total	UK	Total
Gaseous and other fuels (Scope 1)	80,164	80,164	60,541	60,541
Grid-Supplied Electricity (Scope 2)	312,395	312,395	292,007	292,007
Transportation (Scope 3)	164,632	164,632	99,348	99,348
Total	557,190	557,190	451,896	451,896

Diabetes UK Limited FY2023 total location-based emissions (tCO2e).

Utility and Scope	2023 Consumption (tCO2e)		2022 Consumption (tCO2e)	
	UK	Total	UK	Total
Gaseous and other fuels (Scope 1)	14.66	14.66	11.05	11.05
Grid-Supplied Electricity (Scope 2)	64.69	64.69	56.47	56.47
Transportation (Scope 3)	37.03	37.03	22.91	22.91
Total	116.38	116.38	90.43	90.43

Diabetes UK FY2023 total location-based emissions (tCO2e).

Intensity metrics	Location-based 2023	Location-based 2022
Total FTE	426.49	407.00
All Scopes tCO2e per FTE	0.27	0.22
YOY Percentage change (tCO2e)	+22.81%	

Energy efficiency improvements

We are committed to year-on-year improvements in our operational energy efficiency. As such, a register of energy efficiency measures available to us has been compiled, with a view to implementing these measures in the next five years.

Measures ongoing and undertaken through 2023:

- Implemented hybrid meeting room solutions across our operations in 2023 facilitating a reduction in staff travel for meetings and promoting a more sustainable approach to collaboration.
- Invested in enhancing above-ceiling and in-wall infrastructure. Specifically in our Cardiff office, we aim to optimise office space utilisation and bolster overall efficiency.

Measures ongoing and undertaken through 2024:

- Aiming to further enhance sustainability practices, the procurement process will seek to include additional questions on supplier sustainability, underpinning Diabetes UK commitment to sustainability.
- Aim to include an upgrade to our finance system, integrating available sustainability modules designed to capture comprehensive energy usage analytics, thereby enabling informed decision-making and proactive energy management strategies.
- Continuing to comply with Phase 3 ESOS reporting in line with the 2024 deadline and undertaking recommendations where practical to do so.

Compliance responsibility

This report has been prepared by the ESG division of Inspired PLC for Diabetes UK Limited by means of interpreting the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 as they apply to information supplied by Diabetes UK Limited and its energy suppliers.

Diabetes UK Limited's registered CEO and CFO are responsible for complying with the Regulations. They must be satisfied that, to the best of their knowledge, all relevant information concerning Diabetes UK Limited's organisation structure, properties, activities and energy supplies has been provided to Inspired PLC.

This includes details of any complex ownership structures (for example, private equity funds, franchises for private finance initiatives) and electricity/gas usage that is covered by the EU Emissions Trading Scheme (ETS) or Climate Change Agreements (CCA) scheme, energy generated on-site (including Combined Heat and Power (CHP)) or supplied to/from a third party (i.e. not a licenced energy supplier or a landlord/tenant).

Reporting methodology

This report (including the Scope 1, 2 and 3 consumption and CO2e emissions data) has been developed and calculated using the GHG Protocol –A Corporate Accounting and Reporting Standard (World Resources Institute and World Business Council for Sustainable Development, 2004); Greenhouse Gas Protocol –Scope 2 Guidance (World Resources Institute, 2015); ISO 14064-1 and ISO 14064-2 (ISO, 2018; ISO, 2019); Environmental Reporting Guidelines: Including Streamlined Energy and Carbon Reporting Guidance (HM Government, 2019).

Government Emissions Factor Database 2023 version 1.1 has been used, utilising the published kWh gross calorific value (CV) and kgCO2e emissions factors relevant for the reporting period 01/01/2023 –31/12/2023.

Estimations were undertaken to cover missing billing periods for properties directly invoiced to Diabetes UK Limited. These were calculated on a kWh/day pro-rata basis at the meter level

For properties where Diabetes UK is indirectly responsible for utilities (i.e. via a landlord or service charge) or no data is available for the meter, an average kWh/ft2 consumption was calculated at meter level and was applied to the properties with similar operations with no available data.

These full-year estimations were applied to one electricity supplies. All estimations equated to 9.46% of reported consumption. Diabetes UK Limited is working with landlords to ensure data quality and completeness are improved in future reporting for 2024.

An intensity metric has been calculated using total tCO2e figures and the selected performance indicator agreed with Diabetes UK Limited for the relevant report period:

	FY2023	FY2022
Full-time equivalents (FTE)	426.49	407

Statement of trustees' responsibilities

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

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

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

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

The Board of Trustees is responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose (with reasonable accuracy) at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 55 Contents 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as each of the trustees is aware:

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

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

Approved by the Board of Trustees of Diabetes UK on 23 May 2024 including in their capacity as company directors, the strategic report contained therein, and signed on its behalf by:



Dr Carol Homden CBE
Chair

Trustees, officers and professional advisors

Ambassadors

Professor Sir George Alberti

Anne Felton

John Grumitt

Dr Michael Hall

Sir Michael Hirst

Professor Simon Howell

Judith Rich OBE

Board of Trustees and the membership of sub committees

Dr Carol Homden CBE, Chair

Governance and Nominations
Remuneration – Chair

Janice Watson, Vice-Chair

Retired 31 December 2023
Audit & Risk – Chair
Remuneration

Alexandra Lewis, Treasurer

Audit & Risk – Joined 13 May 2023 on
becoming Treasurer
Remuneration – Joined 13 May 2023 on
becoming Treasurer
Finance – Appointed Chair 13 May 2023

Dr Sarah Ali

Professor Linda Bauld OBE

Martin Dewhurst

Appointed 30 March 2023
Finance Committee

Ngozi Emeagi

Appointed 25 May 2023
Audit & Risk Committee

Emma Foulds

Appointed 30 March 2023
Brand & Income Generation Committee – Chair

Michael Gibbs

Finance Committee

Professor Wasim Hanif

Governance and Nominations

Matt Higham

Appointed 30 March 2023
Brand & Income Generation Committee

Sian Jarvis

Appointed 25 May 2023
Audit & Risk Committee

Melanie Stephenson-Gray

Dr Asiya Yunus

Governance & Nominations Committee

Our warmest thanks are recorded to Janice Watson who retired at the end of the year for their contribution to and support of our work at Board level and in many other areas of our work.

The Board thanks all the members of the Research Committee for the expert advice they provide and the following non-trustee member of the Governance and Nominations Committee:

Anne Heal – Chair

We also thank the trustees of the British Diabetic Association Pension and Life Assurance Scheme:

Simon Hartley – Chair

Colette Marshall

Simon O'Neill

Peter Shorrick

Senior management (the Executive team)

Chief Executive

Chris Askew OBE
Until 21 September 2023

Colette Marshall
Appointed 22 September 2023

Director of Engagement and Fundraising

James Beeby

Director of Care and Clinical Intelligence

Simon O'Neill

Director of People and Organisational Development

Ir ne Fufeyin

Director of Operations

Colette Marshall
Until 22 September 2023

David Chaney

Appointed 16 October 2023

Director of Corporate Services

Graham Galvin*

Director of Policy, Campaigns and Improvement

Bridget Turner
Until 14 September 2023

Dr Charlotte Augst

Appointed 18 September 2023

Director of Research

Dr Elizabeth Robertson

* Company Secretary

Bankers and professional advisors

Bankers

Barclays Bank Plc
One Churchill Place
London E14 5HP

Auditor

Crowe UK LLP
55 Ludgate Hill
London
EC4M 7JW

Investment managers

Evelyn Partners
45 Gresham Street
London EC2V 7BG

Legal advisors

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

Wilson Solicitors LLP
4 Lincoln's Inn Fields
London WC2A 3AA

Withers LLP
20 Old Bailey
London EC4M

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

Diabetes UK

Registered office address

Diabetes UK
Wells Lawrence House
126 Back Church Lane
London E1 1FH

0345 123 2399
info@diabetes.org.uk

National and regional offices

Diabetes UK Midlands and East

Suite 2C
St David's Court
Union Street,
Wolverhampton
WV1 3JE
01922 614 500

Diabetes UK South East Coast and London

Wells Lawrence House
126 Back Church Lane
London
E1 1FH
0345 123 2399

Diabetes UK South West and South Central

Victoria House
Victoria Street
Taunton
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01823 448 260

Diabetes UK Scotland

The Venlaw
349 Bath Street
Glasgow
G2 4AA
0141 332 2700

Diabetes UK Northern Ireland

Suite 1, 1st Floor
Lisburn Square House
Lisburn
BT28 1TW
028 9066 6646

Diabetes UK Cymru

Wing A, Global Reach
Dunleavy Drive
Cardiff
CF11 0SN
029 2066 8276

Diabetes UK North

Suite C, 2nd Floor
Dallam Court
Dallam Lane
Warrington
WA2 7LT
01925 653 281

Independent Auditor's Report to the Trustees of The British Diabetic Association (Diabetes UK)

Opinion

We have audited the financial statements of the British Diabetic Association ('the charitable company') and its subsidiary ('the group') for the year ended 31 December 2023 which comprise the consolidated statement of financial activities, the consolidated and charitable company balance sheets, the consolidated cash flow statements 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 state of the group's and the charitable company's affairs as at 31 December 2023 and of the group's 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 and the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 or the group'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 contained within the annual report. 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.

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 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.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 75, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 and The Charities and Trustee Investment (Scotland) Act 2005, together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulations, Health and safety legislation and Taxation legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of Legacies, Grant and Corporate Partnership income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, internal audit, and the Audit & Risk Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, analytical review and sample testing of income, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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 those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Naziar Hashemi
Senior Statutory Auditor
For and on behalf of Crowe UK LLP
Statutory Auditor, London

Date: 28 June 2024

Consolidated statement of financial activities
incorporating income and expenditure account and statement of total
recognised gains and losses for the year ended 31 December 2023

	Notes	2023			2022		
		Unrestricted £'000	Restricted £'000	Total £'000	Unrestricted £'000	Restricted £'000	Total £'000
Income from:							
Donations and legacies	3	27,751	2,764	30,515	32,115	2,542	34,657
Other trading activities	4	3,673	–	3,673	3,514	–	3,514
Investments	5	675	–	675	290	–	290
Charitable activities	6	1,958	5,879	7,837	1,674	1,980	3,654
Total income		34,057	8,643	42,700	37,593	4,522	42,115
Expenditure on:							
Raising funds	8	11,573	–	11,573	11,088	–	11,088
Charitable activities							
Cure or prevent	9	4,448	5,538	9,986	4,734	2,253	6,987
Living well	9	8,151	1,191	9,342	7,694	833	8,527
Better care	9	12,249	1,123	13,372	9,801	909	10,710
Prevention	9	2,511	103	2,614	2,189	366	2,555
Remission	9	2,483	36	2,519	2,052	31	2,083
Total expenditure	9	41,415	7,991	49,406	37,558	4,392	41,950
Net gain/(loss) on investments	17	299	–	299	(815)	–	(815)
Net (expenditure)/ income for the year		(7,059)	652	(6,407)	(780)	130	(650)
Transfers between funds	22	720	(720)	–	139	(139)	–
Other recognised gains							
Actuarial gains on defined benefit pension	30	–	–	–	177	–	177
Net movement in funds		(6,339)	(68)	(6,407)	(464)	(9)	(473)
Fund balances at the beginning of the financial year		19,237	590	19,827	19,701	599	20,300
Fund balances at the end of the financial year	22/23	12,898	522	13,420	19,237	590	19,827

There are no unrealised gains or losses which do not appear on the SOFA. All the above results are derived from continuing activities. The notes on pages 87 to 115 form part of these accounts.

Balance sheet
at 31 December 2023

	Notes	Group		Diabetes UK	
		2023 £'000	2022 £'000	2023 £'000	2022 £'000
Fixed assets					
Tangible and intangible assets	16	2,024	1,581	2,024	1,581
Investments in subsidiary undertakings	26	–	–	40	40
Other investments	17	17,163	19,409	17,163	19,409
		19,187	20,990	19,227	21,030
Current assets					
Stock		167	116	33	7
Debtors	18	6,243	3,338	6,624	3,875
Cash at bank and in hand		2,453	7,373	2,377	6,659
		8,863	10,827	9,034	10,541
Creditors: amounts falling due within one year	19	(14,392)	(11,770)	(14,603)	(11,524)
Net current liabilities		(5,529)	(943)	(5,569)	(983)
Net assets before provisions		13,658	20,047	13,658	20,047
Provision: for liabilities and charges	21	(238)	(220)	(238)	(220)
Provision: defined benefit pension scheme liability	30	–	–	–	–
Net assets		13,420	19,827	13,420	19,827
Funds					
Restricted funds	22/23	522	590	522	590
Unrestricted funds					
General funds		12,898	19,237	12,898	19,237
Pension reserve deficit	30	–	–	–	–
Unrestricted funds including pension liability		12,898	19,237	12,898	19,237
Total funds		13,420	19,827	13,420	19,827

The notes on pages 87 to 115 form part of these accounts.

The net movement in funds for the financial year dealt with in the financial statements of the parent Company was a loss of £6.7 million (2022: loss of £473k).

Approved by the Board of Trustees on 23 May 2024 and signed on their behalf by:

Registered company no: 339181



Dr Carol Homden
Chair



Alexandra Lewis
Treasurer

Consolidated statement of cash flows for the year ended 31 December 2023

	2023 £'000	2022 £'000
Cash flows from operating activities:		
Net cash used in operating activities (note 1 below)	(7,382)	2,503
Cash flows from investing activities:		
Dividends and interest from investments	675	290
Purchase of tangible fixed assets	(758)	(632)
Proceeds from the sale of investments	2,068	2,270
Purchase of investments	(2,486)	(2,680)
Movement on cash deposits	2,963	226
Net cash provided/(used) by investing activities	2,462	(526)
Change in cash and cash equivalents in the reporting period	(4,920)	1,977
Cash and cash equivalents at 1 January	7,373	5,396
Cash and cash equivalents at 31 December	2,453	7,373
	2023	2022
	£'000	£'000
Note 1 to the consolidated statement of cash flows		
Reconciliation of changes in resources to net cash (outflow)/inflow from operating activities		
Net expenditure for the year per the SOFA	(6,407)	(650)
Adjustments for:		
Depreciation charges	310	332
(Gain)/loss on investments	(299)	815
Loss on disposal of fixed assets	5	16
Dividends and interest from investments	(675)	(290)
Increase in stock	(51)	(35)
(Increase)/decrease in debtors	(2,905)	1,279
Increase in creditors	2,622	1,057
Increase/(decrease) in provisions	18	(21)
Net cash used in operating activities	(7,382)	2,503

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

Notes to the financial statements

1. Charity information

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

2. Accounting policies

Basis of preparation

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

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

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

Basis of consolidation

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

Going concern

We consider the going concern basis of accounting to be appropriate following careful consideration of our financial position and a commitment to close management of the ongoing financial and operational risks. The Trustees have reviewed our scenario planning and therefore have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects the current and future periods.

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

Notes to the financial statements

Income

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

Legacies

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

Donations

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

Membership subscriptions

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

Donated goods, services and facilities

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

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

Grants receivable

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

Expenditure

All expenditure is accounted for on an accruals basis and includes irrecoverable VAT where applicable. Redundancy and termination payments are accounted for when agreed.

Costs of raising funds

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

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

Charitable activities

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

Research grants

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

Support and governance costs reallocation

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

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

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

Retirement benefits

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

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

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

Taxation

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

Assets and Liabilities

Tangible and intangible fixed assets

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

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

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

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

Notes to the financial statements

Investments

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

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

Stocks

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

Operating leases

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

Pension liability

The defined benefit scheme assets are measured at fair value at the balance sheet date. Scheme liabilities are measured on an actuarial basis at the balance sheet date using the projected unit method and discounted at a rate equivalent to the current rate of return on AA rated corporate bond yields. When scheme assets are in excess of scheme liabilities and the assets are not recoverable, in accordance with FRS102 it is not recognised.

Funds

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

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

Financial instruments

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

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

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

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

3. Donations and legacies

	2023 £'000	2022 £'000
Incoming resources		
Legacies	15,974	20,510
Donations	14,541	14,147
	30,515	34,657

4. Other trading activities

	2023 £'000	2022 £'000
Incoming resources		
Lotteries	1,565	1,658
Advertising	147	104
Corporate sponsorship	1,295	1,118
Merchandising	540	569
Service charges	43	42
Other	83	23
	3,673	3,514

5. Income from investments

	2023 £'000	2022 £'000
Dividends from listed securities	160	158
Interest on cash at bank	515	132
	675	290

Notes to the financial statements

6. Income from charitable activities

	2023 £'000	2022 £'000
Conferences	347	84
Service delivery	6,563	2,658
Diabetes events	30	13
Professional membership	134	136
Publications	623	626
Rental	140	137
	7,837	3,654
Cure or prevent	4,501	996
Living well	1,235	924
Better care	1,789	1,433
Prevention	243	241
Remission	69	60
	7,837	3,654

7. Government grants

	2023 £'000	2022 £'000
Government grants used to fund diabetes projects and recognised in the accounts are:		
NHS Bedfordshire, Luton and Milton Keynes ICB	12	–
NHS South Yorkshire ICB	64	–
National Lottery Community Fund Northern Ireland	128	89
National Lottery Community Fund England	–	11
National Lottery Community Fund Scotland	–	14
Department of Work & Pensions	5	18
Department of Health Mental Health Fund (NI)	4	14
Nesta	3	2
Central & North West London NHS Foundation Trust Charitable Fund	–	25
Sport England	–	281
Scottish Government	12	–
UK Research and Innovation	820	232
	1,048	686

There are no unfulfilled conditions and other contingencies attaching to government grants.

8. Expenditure on raising funds

	2023 £'000	2022 £'000
Voluntary income		
Legacies	564	439
Donations	8,447	8,272
	9,011	8,711
Fundraising trading		
Lotteries	1,149	1,156
Advertising	88	112
Corporate sponsorship	440	317
Merchandising	681	632
Other	145	100
	2,503	2,317
Investment management costs	59	60
	11,573	11,088

9. Analysis of total expenditure

	Activities undertaken directly £'000	Activities undertaken by grant funding £'000	Support and governance costs £'000	2023 £'000	2022 £'000
Expenditure on raising funds	10,471	–	1,102	11,573	11,088
Expenditure on charitable activities					
Cure or prevent	3,564	5,816	606	9,986	6,987
Living well	7,859	50	1,433	9,342	8,527
Better care	8,198	3,576	1,598	13,372	10,710
Prevention	2,127	101	386	2,614	2,555
Remission	1,905	228	386	2,519	2,083
	34,124	9,771	5,511	49,406	41,950

Notes to the financial statements

10. Support costs allocations

	Governance £'000	Facilities £'000	Finance £'000	Human resources £'000	IT £'000	2023 Total £'000	2022 Total £'000
Expenditure on raising funds	39	275	160	254	374	1,102	1,201
Expenditure on charitable activities							
Cure or prevent	22	151	88	139	206	606	546
Living well	52	358	207	329	487	1,433	1,419
Better care	58	399	231	368	542	1,598	1,582
Prevention	14	96	56	89	131	386	382
Remission	14	96	56	89	131	386	327
	199	1,375	798	1,268	1,871	5,511	5,457

11. Governance costs

	2023 £'000	2022 £'000
Trustee costs	27	20
Governance and stakeholder support costs	97	112
External audit	75	71
	199	203

12. Grant funding

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

	2023 £'000	2022 £'000
King's College London	2,140	
Imperial College	1,189	
University of Oxford	972	
University of Exeter	706	
University of Edinburgh	585	
University of Birmingham	508	
University College London	411	
University of Lincoln	355	
The University of Manchester	244	
Queens University Belfast	244	
University of Dundee	212	
University of Glasgow	192	
Coventry University	192	
University of Bristol	184	
University of Liverpool	156	
University of Aberdeen	153	
Forward Action	126	
Academy of Medical Sciences	119	
Cardiff University	118	
Health Data Research UK	110	
University of Leeds	108	
	9,024	6,217
Research grants to other institutions	822	622
Write back of grant creditor to reflect underspends	–	(393)
Refund of research grants from institutions	(95)	(79)
Other grants	20	66
Total grants to institutions	9,771	6,433
Of which funded by the Steve Morgan Foundation	3,220	571
Grants reconciliation		
Creditor at the beginning of the year	8,083	7,752
Grants awarded in the year	5,437	2,996
Liabilities arising on existing grants	4,409	3,843
Write back of grant to reflect underspends	–	(393)
Payments in the year	(7,178)	(6,115)
Creditor at the end of the year	10,751	8,083

The creditor at the end of the year includes £3,179k of grants (2022: £571k) funded by the Steve Morgan Foundation.

Notes to the financial statements

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

	2023 £'000	2022 £'000
Depreciation (see note 16)	310	332
Auditors remuneration		
– external audit: group statutory audit	58	54
– tax services	9	3
Non-recoverable VAT	1,297	1,312
Operating leases		
– property	1,348	1,361

14. Transactions with trustees

Trustees have not been remunerated for their work as trustees during the year (2022: £NIL).

A total of 6 trustees (2022: 6) have been reimbursed directly for expenses or had such expenses met by payments made to third parties at a total cost of £5,173 (2022: £5,211). All amounts were for reimbursement of travel and subsistence costs in relation to board of trustee and advisory council duties.

15. Staff costs

	2023 £'000	2022 £'000
Salaries	18,698	15,565
Social security costs	1,915	1,657
Other pension costs	1,127	946
Redundancy and termination payments	–	16
	21,740	18,184

The prior year redundancy and termination payments include £10k of ex-gratia payments which were agreed as part of severance packages to two individuals. As at the year end no (2022: £nil) redundancy and termination payments were unpaid.

	2023 number	2022 number
Average headcount		
Fundraising	81	77
Charitable activity	326	278
Support	49	48
Governance	2	2
	458	405

Pension costs

Pension costs comprise £1,126,837 (2022: £945,872) in respect of defined contribution pension schemes and £NIL (2022: £NIL) in respect of the defined benefit pension scheme.

Number of employees whose remuneration fell within the following ranges:	2023 number	2022 number
£60,001 – £70,000	30	14
£70,001 – £80,000	8	5
£80,001 – £90,000	5	1
£90,001 – £100,000	–	1
£100,001 – £110,000	2	3
£110,001 – £120,000	4	–
£140,001 – £150,000	–	1

The key management personnel (of the charity) comprise the trustees (unremunerated for their role as trustees, see note 14), the Chief Executive Officer, and the Executive Team. The total employee benefits of the key management personnel (of the charity) were £1,124,225 (2022: £987,427).

Notes to the financial statements

16. Tangible and intangible fixed assets

	Leasehold improvements	Office equipment fittings & furniture	Computer equipment & software	Total
	£'000	£'000	£'000	£'000
Group and Diabetes UK				
Cost				
At 1 January 2023	1,197	328	2,179	3,704
Additions	41	–	717	758
Disposals	–	(3)	(106)	(109)
At 31 December 2023	1,238	325	2,790	4,353
Depreciation				
At 1 January 2023	(704)	(214)	(1,205)	(2,123)
Charge for the year	(141)	(33)	(136)	(310)
Disposals		3	101	104
At 31 December 2023	(845)	(244)	(1,240)	(2,329)
Net book value				
At 31 December 2023	393	81	1,550	2,024
At 31 December 2022	493	114	974	1,581

The computer equipment and software category includes £1,352k (2022: £850k) of intangible assets, and of these £1,153k (2022: £652k) were assets under construction at year end. All fixed assets are used for or to support charitable purposes. At the year end there were no contracted capital commitments (2022: £NIL).

17. Investments

	2023 £'000	2022 £'000
Group and Diabetes UK		
Market value at 1 January	19,409	20,040
Acquisitions at cost	2,486	2,680
Disposal proceeds	(2,068)	(2,270)
Gain/(loss) on investments	299	(815)
Net movement in short-term deposits	(2,963)	(226)
Market value at 31 December	17,163	19,409
Represented by:		
Listed securities	6,348	6,333
Property funds	470	844
Bonds	2,697	1,621
Cash	7,648	10,611
	17,163	19,409
Historical cost of investments at 31 December	16,357	18,935

All investments are carried at their fair value. Investments in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market price, using the bid price. There were no investments which comprised more than 5% of the total market value of non-cash investments at 31 December 2023.

Notes to the financial statements

18. Debtors: amount falling due within one year

	Group		Diabetes UK	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Trade debtors	262	67	209	4
Donation due from subsidiary undertaking	–	–	448	206
Other amounts due from subsidiary undertakings	–	–	–	421
Other debtors	409	244	409	242
Prepayments	1,079	570	1,079	560
Accrued income	4,493	2,457	4,479	2,442
	6,243	3,338	6,624	3,875

19. Creditors: amount falling due within one year

	Group		Diabetes UK	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Trade creditors	1,871	1,153	1,820	1,116
Amounts due to subsidiary undertakings	–	–	289	–
Taxation and social security	528	431	528	431
Other creditors	40	152	40	152
Accruals	631	1,118	627	1,102
Deferred income	571	833	548	640
Research grants creditor	10,751	8,083	10,751	8,083
	14,392	11,770	14,603	11,524

20. Deferred Income

	Group		Diabetes UK	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Balance as at 1 January	833	572	640	429
Income deferred in the current year	484	968	475	837
Release from prior year	(746)	(707)	(567)	(626)
Balance as at 31 December	571	833	548	640

Income received in advance to fund activities due to take place in 2024 has been deferred where this is consistent with the terms of the funding agreement.

21. Provisions for liabilities and charges

	Pensioner Costs £'000	Dilapidation Provision £'000	Total 2023 £'000	Total 2022 £'000
Balance brought forward at 1 January	12	208	220	241
New provision	–	–	–	–
Increase to provision	–	22	22	4
Payments made	(4)	–	(4)	(22)
Release of provision	–	–	–	(3)
Balance carried forward at 31 December	8	230	238	220

The pensioner cost provision is for future pensioner salaries that are estimated to be fully utilised by 2025. The dilapidation provision provides for the expected cost of returning our rented offices to the condition in which Diabetes UK occupied the properties. This expenditure is a condition of the lease agreements and provisions are expected to be utilised at the end of the lease agreements which range from 2024 to 2027.

Notes to the financial statements

22. Funds

Group – current year

	At 1 January 2023 £'000	Incoming funds £'000	Outgoing funds £'000	Gains £'000	Transfers £'000	At 31 December 2023 £'000
General funds	19,237	30,454	(38,555)	299	1,463	12,898
Diabetes UK Services Limited	–	3,603	(2,860)	–	(743)	–
Pension reserve (see note 30)	–	–	–	–	–	–
Total unrestricted funds	19,237	34,057	(41,415)	299	720	12,898
Restricted funds						
Research funds	477	6,543	(5,981)	–	(730)	309
Care and information funds	46	1,479	(1,402)	–	(17)	106
Geographical funds	65	506	(532)	–	–	39
Children funds	–	8	(7)	–	–	1
Prevention	2	107	(69)	–	27	67
Total restricted funds	590	8,643	(7,991)	–	(720)	522
Total of unrestricted and restricted funds	19,827	42,700	(49,406)	299	–	13,420

The research funds represent funds received and used to meet the direct costs of maintaining the research programme. The care and information funds are restricted to meeting the costs of providing care and information. The geographical funds are restricted to use in specified areas of the UK. The children funds are restricted funds to be used to meet additional cost of holidays, parent/child weekends and other youth activities.

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

Group – Prior year comparative

	At 1 January 2022 £'000	Incoming funds £'000	Outgoing funds £'000	Gains/ (losses) £'000	Transfers £'000	At 31 December 2022 £'000
General funds	19,878	34,121	(34,599)	(815)	652	19,237
Diabetes UK Services Limited	–	3,472	(2,959)	–	(513)	–
Pension reserve (see note 30)	(177)	–	–	177	–	–
Total unrestricted funds	19,701	37,593	(37,558)	(638)	139	19,237
Restricted funds						
Research funds	464	2,934	(2,857)	–	(64)	477
Care and information funds	51	957	(887)	–	(75)	46
Geographical funds	84	478	(497)	–	–	65
Children funds	–	30	(30)	–	–	–
Prevention	–	123	(121)	–	–	2
Total restricted funds	599	4,522	(4,392)	–	(139)	590
Total of unrestricted and restricted funds	20,300	42,115	(41,950)	(638)	–	19,827

Notes to the financial statements

23. Analysis of net assets between funds

Total funds are invested as follows:

Current year	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
Group			
Tangible and intangible fixed assets	2,024	–	2,024
Fixed asset investments	17,163	–	17,163
Net current liabilities	(6,051)	522	(5,529)
Provisions	(238)	–	(238)
Total net assets	12,898	522	13,420

	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
Diabetes UK			
Tangible and intangible fixed assets	2,024	–	2,024
Investments in subsidiary undertakings	40	–	40
Fixed asset investments	17,163	–	17,163
Net current liabilities	(6,091)	522	(5,569)
Provisions	(238)	–	(238)
Total net assets	12,898	522	13,420

Prior year comparative

Group

	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
Tangible and intangible fixed assets	1,581	–	1,581
Fixed asset investments	19,409	–	19,409
Net current liabilities	(1,533)	590	(943)
Provisions	(220)	–	(220)
Total net assets	19,237	590	19,827

Diabetes UK

	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000
Tangible and intangible fixed assets	1,581	–	1,581
Investments in subsidiary undertakings	40	–	40
Fixed asset investments	19,409	–	19,409
Net current liabilities	(1,591)	590	(1,001)
Provisions	(202)	–	(202)
Total net assets	19,237	590	19,827

Notes to the financial statements

24. Operating leases – commitments and contracted income

	Property	
	2023 £'000	2022 £'000
Total lease commitments due under non-cancellable operating leases:		
within one year	1,252	1,333
between two and three years	1,472	2,420
between four and five years	25	342
	2,749	4,095
	Property	
	2023 £'000	2022 £'000
Total lease income due under non-cancellable operating leases:		
within one year	158	93
between two and three years	184	316
between four and five years	–	26
	342	435

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

25. Commitments to spend – research grants

At 31 December 2023 Diabetes UK had entered into contracts in respect of expenditure on research amounting to £23,732,000 (2022: £15,207,000).

These contracts are subject to an annual review process at which future funding is determined. Diabetes UK recognises grant expenditure on an annual basis as explained in note 1.

	2023			2022		
	SMF Funded £'000	DUK and SMF Funded £'000	Total 2023 £'000	SMF Funded £'000	DUK Funded £'000	Total 2022 £'000
within one year	968	5,476	6,444	–	4,807	4,807
between two and three years	6,306	5,688	11,994	1,893	5,894	7,787
between four and five years	3,970	1,042	5,012	1,529	827	2,356
six years and beyond	273	9	282	208	49	257
	11,517	12,215	23,732	3,630	11,577	15,207

Notes to the financial statements

26. Subsidiary undertakings

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

Their company registration numbers are 3339062 and 891004 respectively. The financial statements of Diabetes UK Services are audited and filed at Companies House. BDA Research Limited did not carry out any business activity in the year.

(a) Investment in subsidiary	2023	2022
	£'000	£'000
Investment in subsidiary undertakings	40	40

Diabetes UK's investment in BDA Research Limited is £2, being the whole of the issued share capital of that company. BDA Research Limited has net assets and called up share capital of £2 as at 31 December 2023 (2022: £2). Diabetes UK's investment in Diabetes UK Services Limited is 40,003 ordinary shares of £1 each, being the whole of the issued share capital of that company. Diabetes UK Services Limited has net assets and called up share capital of £40,003 as at 31 December 2023 (2022: £40,003).

(b) Summary of results of consolidated entities

	Diabetes UK	Diabetes UK	Intercompany	Total
	2023	2023	2023	2023
	£'000	£'000	£'000	£'000
Income				
Donations and legacies	30,963	–	(448)	30,515
Other trading activities	368	3,600	(295)	3,673
Income from investments	672	3	–	675
Income from charitable activities	7,837	–	–	7,837
	39,840	3,603	(743)	42,700
Expenditure				
Expenditure on raising funds	(9,070)	(2,503)	–	(11,573)
Expenditure on charitable activities	(37,476)	(357)	–	(37,833)
Donation to Diabetes UK	–	(448)	448	–
Service charge	–	(295)	295	–
	(46,546)	(3,603)	743	(49,406)
Net loss on investments	299	–	–	299
Actuarial gains on defined benefit pension	–	–	–	–
Net movement in funds	(6,407)	–	–	(6,407)

(c) Financial position of consolidated entities

	Diabetes UK	Diabetes UK	Intercompany	Total
	2023	2023	2023	2023
	£'000	£'000	£'000	£'000
Tangible and intangible fixed assets	19,227	–	(40)	19,187
Current assets	9,034	566	(737)	8,863
Creditors due within one year	(14,603)	(526)	737	(14,392)
Provisions	(238)	–	–	(238)
Net assets	13,420	40	(40)	13,420

Notes to the financial statements

27. Result for the year under the historical cost accounting convention

	2023 £'000	2022 £'000
Net (expenditure)/income	(6,706)	165
(Loss)/gain on sale of investments calculated under the historical cost accounting convention	(119)	54
(Deficit)/surplus under the historical cost accounting convention	(6,825)	219

28. Members

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

29. Legacies

The value of legacies notified to the charity but which do not meet the recognition criteria (and so are not accounted for within the financial statements) is approximately £18.3 million (2022: approximately £19.1 million).

30. Pensions

Defined contribution scheme

The charity contributes towards a defined contribution scheme. The cost of this scheme is charged to the SOFA and amounted to £1,126,837. (2022: £945,872). The scheme did not give rise to any provision.

British Diabetic Association Pension and Life Assurance Scheme

The Charity sponsors the British Diabetic Association and Life Assurance Scheme, a funded defined benefit arrangement which closed to future accruals on 31 August 2004. This is a separate trustee administered fund holding the pension scheme assets to meet long term pension liabilities for some 81 current and former employees with entitlements to preserved benefits. Pensions in payment are currently secured by annuity purchase at retirement. The level of retirement benefit is principally based on salary earned in the last three years of employment before accrual ceased and the length of service in the scheme.

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

A full actuarial valuation was carried out as at 31 December 2022 by a qualified independent actuary in accordance with the scheme funding requirements of the Pensions Act 2004. The funding of the scheme is agreed between the charity and the trustees in line with those requirements. These in particular require the funding position to be calculated using prudent, as opposed to best estimate, actuarial assumptions. This valuation revealed a funding surplus of £424,000. The next full actuarial valuation will be at 31 December 2025.

The results of the most recent formal actuarial valuation as at 31 December 2022 have been updated to 31 December 2023 by a qualified actuary. The fair value of the scheme assets exceed the present value of the scheme liabilities, which are measured by discounting the best estimate of future cash flows, as at 31 December 2023 by £154,000. In accordance with FRS 102 the asset has not been recognised as it will not be realised.

Notes to the financial statements

30. Pensions (continued)

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

	2023 £'000	2022 £'000
Fair value of scheme assets	10,795	10,431
Present value of scheme liabilities	(10,641)	(10,270)
Surplus in scheme	154	161
Less asset not recognised	(154)	(161)
Surplus in scheme shown in the balance sheet	-	-

The surplus has reduced slightly since last year. A higher value has been placed on the defined benefit obligation, primarily due to a lower discount rate following falls in corporate bond yields. However, this has been largely offset following the return on assets achieved over the year.

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

	2023 £'000	2022 £'000
Scheme liabilities at 1 January	10,270	15,646
Interest cost	484	277
Actuarial gains	269	(5,204)
Benefits paid	(382)	(449)
Scheme liabilities at 31 December	10,641	10,270

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

	2023 £'000	2022 £'000
Fair value of scheme assets at 1 January	10,431	15,469
Interest income	492	274
Return/(loss) on scheme assets, excluding interest income	254	(4,863)
Benefits paid	(382)	(449)
Fair value of scheme assets at 31 December	10,795	10,431

The total return on the scheme assets over the period ended 31 December 2023 was a gain of £746,000 (2022: loss of £4,589,000).

Total expense recognised in SOFA

	2023 £'000	2022 £'000
Interest cost	484	277
Interest income	(492)	(274)
Interest on irrecoverable surplus	8	-
Total expense recognised in SOFA	-	3

Other comprehensive income

	2023 £'000	2022 £'000
Actuarial gain on defined benefit obligation	(269)	5,204
Actual return on assets less interest income	254	(4,863)
Limit on recognition of asset	15	(161)
Total gain recognised in other comprehensive income	-	180

Notes to the financial statements

30. Pensions (continued)

Assets	2023 £'000	2022 £'000
Equities	570	2,124
Diversified growth funds	868	1,484
Liability driven investment	2,547	1,878
With profits policy	2,279	2,133
Annuities	2,835	2,797
Credit funds	1,648	–
Cash	48	15
Total assets	10,795	10,431

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

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

Assumptions	2023 % annum	2022 % annum
Inflation (RPI)	3.30	3.40
Rate of discount	4.50	4.80
Allowance for pension in payment increases at the lower of RPI or 5%	3.20	3.30
Allowance for revaluation of deferred pensions at the lower of RPI or 5%	2.30	2.40
Allowance for commutation of pension for cash at retirement	60% of HMRC maximum	80% of HMRC maximum

The mortality assumptions adopted at 31 December 2023 are based on the 100% S3PMA and 100% S3PFA CMI Models 2022 [1.25%] (yob).

These imply the following life expectancies:

	2023	2022
Male retiring at aged 62 in 2023	24.1	24.5
Female retiring at aged 62 in 2023	26.8	26.5
Male retiring at aged 62 in 2043	25.5	25.9
Female retiring at aged 62 in 2043	28.2	28.0

31. Related party transactions

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

During the year the 2022 gift aid of £206k (2022: £597k) was remitted from the subsidiary to the charity, and at 31 December the subsidiary had a balance of £159k (2022: £627k) owing. This consists of the 2023 gift aid payment (448k) and the 2023 service charge (£295k) and the value of the general processing account (-£6k).

32. Financial instruments

	2023 £'000	2022 £'000
Financial assets measured at fair value through income and expenditure		
Non cash investments	9,515	8,798
Financial assets measured at amortised cost		
Cash	2,453	7,373
Cash investments	7,648	10,611
Trade debtors	262	67
Other debtors	409	244
Accrued income	4,493	2,457
	15,265	20,752
Financial liabilities measured at amortised cost		
Trade creditors	1,871	1,153
Other creditors	40	152
Accruals	631	1,118
Research grant creditors	10,751	8,083
	13,293	10,506

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

DiABETES UK

KNOW DIABETES. FIGHT DIABETES.

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