

**Juvenile Diabetes
Research Foundation
Limited**

**Annual Report and Financial
Statements**

30 June 2015

Company Limited by Guarantee
Registration Number
02071638 (England and Wales)

Charity Registration Number
295716 (England) and
SC040123 (Scotland)

Contents

Reports

Chairman and Chief Executive's report	1
Directors' report	3
Reference and administrative details	17
Independent auditor's report	20

Financial Statements

Consolidated statement of financial activities	22
Balance sheets	23
Principal accounting policies	24
Notes to the financial statements	27

JDRF in FY15: Looking back on a 'breakthrough' year

A message from the Chairman and Chief Executive

Dear JDRF supporters,

As we look back on the last year, it is with a tremendous sense of progress in our research to cure, treat and prevent type 1 diabetes. We have also made strides in research and treatment advocacy and in providing support and information for children and adults with type 1, and their families.

We funded more UK type 1 diabetes research than ever before, helping our UK and international researchers to move innovative and life changing treatments for type 1 into clinical trials, and achieve breakthroughs which are changing the landscape of research to find the cure.

We announced a partnership with Diabetes UK to fund a £4 million study researching a 'vaccine' for type 1 diabetes. In total over £1.6 million was invested last year by other organisations on type 1 research in ways that were initiated, developed, supported or catalysed by our research advocacy.

We agreed a partnership with the Medical Research Council to fund a programme of Clinical Research Fellowships in type 1 diabetes.

We supported a parliamentary investigation of diabetes education in the UK, leading to strong recommendations for changes to provision of this vital support for people with diabetes.

With your help, we engaged with every UK MP in the run up to the general election, telling them about type 1 diabetes, the search for the cure and some of the issues that affect you.

We increased our support and information provision for children and adults living with type 1 diabetes and their families, including launching the Type 1 Diabetes Pregnancy Toolkit.

We raised awareness of type 1 diabetes, achieving a greater media profile for the condition than ever before and working hard to make sure that journalists understand the condition and report accurately.

We worked with our President, Her Royal Highness the Duchess of Cornwall, to raise the profile of type 1 diabetes. This year was the third year of the Presidency and we are extremely grateful to Her Royal Highness for her continued support of JDRF.

None of this would have been possible without you. This year was another record year for fundraising and that is due to our generous and committed supporters who remain dedicated to the JDRF mission to improve lives until we find the cure for type 1.

JDRF in FY15: Looking back on a 'breakthrough' year

A message from the Chairman and Chief Executive (continued)

We know that, in these financially challenging years, raising funds takes ever more effort and generosity from you and your family, friends and colleagues and we would like to say thank you to everyone who ran, rowed, climbed, walked, volunteered, baked, wore onesies, donated their birthday or 'diaversary', or simply donated.

Because we want to make the most impact possible with the funds that you donate, at the beginning of this year we launched a new and ambitious three year strategy to run from July 2014 to June 2017. By the end of this three year period we want to not only be giving more money than ever before to fund the JDRF global research programme, but to have increased and improved our activity in every aspect of our work and mission, delivering more results that improve lives and cure type 1 diabetes. More detail about this strategy is available in the following directors' report.

The JDRF staff team and Board are totally committed to achieving these challenging objectives by June 2017, and making FY16 another fantastic year of progress towards these goals. We know that you are with us every step of the way, so thank you for joining us in finding the cure.

Ian Edwards
Chairman

Karen Addington
Chief Executive

The directors present their report together with the audited financial statements of Juvenile Diabetes Research Foundation ("the charitable company") for the year ended 30 June 2015.

This report has been prepared in accordance with Part 8 of the Charities Act 2011 and serves as the report of the directors for the purposes of the Companies Act 2006.

The financial statements have been prepared in accordance with the accounting policies set out on pages 24 to 26 therein and comply with the charitable company's Memorandum and Articles of Association, applicable laws and the requirements of the Statement of Recommended Practice on "Accounting and Reporting by Charities" (SORP 2005).

About JDRF: a global mission to cure type 1 diabetes

JDRF in the UK is proud to be a part of a global network of independent and coordinated organisations working towards the same vision: a world without type 1 diabetes.

To do this, the JDRF network works internationally to:

- fund a world class research programme focused on curing, treating and preventing type 1 diabetes.
- influence research funders and policy makers to accelerate the pace of research.
- ensure that research outcomes reach people with type 1 diabetes.

Our mission in the UK

To achieve our mission of eradicating type 1 diabetes and its effects for people in the UK we:

- fund research approved and administered by our international research programme, based in the USA.
- work with government, academia and industry to accelerate research in the UK and within healthcare policy to ensure that the outcomes of research are delivered to people with type 1 in the UK.
- give support and a voice to people with type 1 and their families.

JDRF is the type 1 diabetes charity, improving lives until we find the cure.

Pioneering Progress, Forging Partnerships, Transforming Type 1

Our three year strategy: FY15-17

Research Funding

Our three year ambition: By the end of FY17 our goal is to be spending at least £2 million on research supporting our international research programme.

Our FY15 results in numbers

The UK's type 1 research community continues to attract significant funding from JDRF's international research programme, reinforcing our country's reputation as a leader in the field of autoimmunity; and demonstrating the excellence of researchers working to deliver the artificial pancreas and to treat the complications of type 1 diabetes. The JDRF network's total funding of research in the UK for FY15 totalled £5.6 million, from a global portfolio commitment of £46.7 million. The UK received the second largest amount of funding awarded after the US, and was awarded one third of all the research funded outside the US across the rest of the world. JDRF UK spent £1.8 million supporting the global JDRF research programme in the UK last year. This was a 14 per cent increase on the previous year, and excellent initial progress towards our FY17 target of £2 million funding each year.

Highlights this year from our UK and global research programme

As well as UK highlights of our global research programme, we report here on the highlights of the work funded elsewhere in the world, to give a picture of the true impact of the JDRF global network and international research strategy.

Cure research

Worldwide media coverage was achieved by a type 1 diabetes stem cell research advance from the team led by Dr Doug Melton, at Harvard University. The scientists published data on a new method for making insulin producing beta cells from stem cells. The new process enables the team to produce insulin producing, glucose responsive beta cells in much larger quantities and more quickly than was previously possible. JDRF has provided significant funding to this research team over many years. The media fanfare, however, failed to pick up on the fact that another JDRF-funded team, led by Dr Timothy Keefer at the University of British Columbia, Canada also published a successful method for growing beta cells from stem cells.

Viacyte, the company that has received substantial JDRF support in developing an encapsulated islet product, announced that the first person with type 1 diabetes had been implanted with the device at the end of October 2014. This is part of our 'encapsulation' programme, working towards replacing insulin producing beta cells and ending dependence on insulin injections or infusions.

Highlights this year from our UK and global research programmes (continued)

Prevention research

A multidisciplinary team of scientists from MIT, Harvard, Yale and UCSF have looked at how genetic variations associated with different autoimmune conditions may relate to each other. The study highlighted many shared genetic features of autoimmune conditions and particularly strong associations between type 1 diabetes, coeliac disease and juvenile idiopathic arthritis. This lends added weight to the importance of studying the common mechanisms behind multiple autoimmune conditions.

In May, JDRF-funded researchers studying genes involved in type 1 diabetes at the University of Cambridge found evidence that our immune systems change with the seasons. One gene, *ARNTL*, was particularly interesting as previous studies have found that this gene suppresses inflammation, the body's response to infection. As the gene was found to be less active in winter and inflammation is a risk factor for autoimmune conditions like type 1, it may be that the 'threshold' at which type 1 could be triggered in those at risk could be more easily reached in winter.

Treatment research

In September 2014, Kalvista Pharmaceuticals, the small biotechnology company based in Southampton with which JDRF has had a partnership for several years, announced the first clinical trials for their new drug to treat diabetic retinopathy. This marks the first human tests of a completely new class of drug for treating the most feared complication of living with diabetes.

In February, a team of JDRF-funded researchers working at the Massachusetts Institute of Technology and the University of Utah, published results showing that their version of a smart insulin works to control glucose levels in mice with type 1 diabetes. This important step in testing their new molecule paves the way for human clinical trials.

Research advocacy

Our three year ambition: By the end of FY17 we will have:

- ***recruited and supported new researchers into JDRF funding mechanisms***
- ***supported researchers to secure EUR15 million for type 1 diabetes research from the EU***
- ***increased patient involvement in clinical trials***
- ***Implemented priority recommendations from our type 1 diabetes research roadmap***

Research advocacy (continued)

Our FY15 results in numbers

- One new JDRF funding mechanism developed, with a future value of up to £165,000 per year.
- Seven new type 1 research grants were secured or influenced by JDRF from partner organisations during the year.
- During FY15 the total value of funding committed to these and previously established research projects secured or influenced by JDRF research advocacy was over £1.6 million.

Highlights of our research advocacy activity

In FY15 we created a new post, Director of Research Advocacy, to strengthen our strategy to drive and influence the path of type 1 diabetes research in the UK and to work with other funders and government bodies to maximise the benefit of the excellent UK research environment and skills to JDRF's research programme.

Dr Clare McVicker joined the JDRF team in December 2014 and one of her first priorities was to finalise a partnership with the Medical Research Council (MRC). This will provide funding for Clinical Research Fellowships, for researchers seeking to progress their careers in type 1 diabetes clinical research. Launching in FY16, as it develops this programme could bring an additional £165,000 per year into UK type 1 research.

In March we were also extremely proud to announce our partnership with Diabetes UK to fund a £4 million programme into a 'vaccine'. The studies, funded by Diabetes UK with support from Tesco (over £3.3 million) and co-funded by JDRF (over £1 million), will look at treatments that could help to delay or even prevent type 1 diabetes in those at high risk. Research from this programme will also help our understanding of how to find the cure as it seeks to achieve changes in the immune system and its attack on insulin producing beta cells.

JDRF has been working with the MRC and National Institute of Health Research (NIHR) to set guidelines for how they record and report their funding of type 1 diabetes research. This will help us to better monitor UK government funding now and in the future.

We also surveyed participants in the JDRF/Wellcome Trust Frontier Meeting on 'The Common Mechanisms of Autoimmune Diseases' to understand collaborations and new research avenues that developed from this influential meeting. We continue to work with researchers and organisations across autoimmunity to develop new areas of interest for research into the immune system and its role in developing type 1 diabetes.

JDRF and our T1 Youth Ambassadors worked hard to raise the profile of type 1 diabetes research in the run up to the May 2015 election. More than 1,000 people engaged with our pre-election #countmein campaign focusing on 'Millie's Manifesto' through social media. Each MP received the manifesto and T1 Youth Ambassadors across the country met and wrote to their prospective parliamentary candidates.

Treatment advocacy

Our three year ambition: By the end of FY17 we will have:

- ***Influenced the progress of all relevant treatments and technology through the National Institute of Health and Care Excellence (NICE) and the Scotland Intercollegiate Guidance Network (SIGN)***
- ***Supported the creation and development of an active patient population engaged in influencing and informing drug and device development, diabetes policy and healthcare professionals***

Our FY15 results

- JDRF and a JDRF patient advocate influenced an important NICE review of sensor augmented pumps.
- We provided input into two NICE reviews on type 1 diabetes clinical guidelines.
- We supported one Parliamentary investigation into education and diabetes.

Highlights of our treatment advocacy activity

JDRF brought international expertise to bear in submitting evidence to the NICE Diagnostic Assessment for 'Sensor Augmented Pumps'. The draft guidance was published in FY15 and we view this guidance as a step in the right direction for diabetes technology in the UK. JDRF would like to see rapid uptake of this kind of technology for everyone with type 1 who can benefit from the device. We find the criteria set out by NICE still too narrow, but this guidance will make it easier for more people to acquire this technology from the NHS.

JDRF has reviewed and provided input to the NICE revision of clinical guidelines for management of type 1 diabetes in adults and for diabetes in children and young people. Working with Diabetes UK and technology patient advocacy group Input, we have also produced a guide for parents of children with the condition.

The report of the All Party Parliamentary Group (APPG) for Diabetes investigation into the state of diabetes education launched at Parliament on 4 March. Speakers included the National Clinical Director for Obesity and Diabetes and the Shadow Health Minister and was attended by 30 MPs and Lords as well as key stakeholders. JDRF worked with Diabetes UK to support the production of this report following a programme of meetings to investigate issues and potential solutions through the year.

Support and awareness

Our three year ambition: By the end of FY17 we will have reached and helped more people with type 1 diabetes to access better information about their condition, to feel empowered to make decisions, with their health team, about their treatment, and to get involved with the search for the cure.

Support and awareness (continued)

Our FY15 results in numbers

- One Pregnancy and Type 1 Diabetes Toolkit launched.
- Over 9,000 support and information packs given to children and adults living with type 1, and their families.
- Over 2,300 people attended JDRF's Type 1 Discovery Days and evenings, and T1 Youth Ambassador days.
- There were nearly 500,000 visits to the JDRF website.
- We achieved 50 pieces of national media coverage and over 1,000 pieces of regional coverage on type 1 diabetes.
- 32,000 copies of our Type 1 Discovery were downloaded or sent out and 13,500 of our Kids magazine T1 Kids were distributed.

Highlights of our support and awareness activity

We know the devastating impact that type 1 diabetes can have on the lives of those living with it and their families, at diagnosis and beyond. To help overcome this, we provide information for children, adults and families about living with type 1, developments in treatment, and we are working to let everyone with a connection to type 1 know about the global effort to find the cure and to enable them to get involved in working towards a world without type 1 diabetes.

When you have type 1 diabetes, pregnancy is a challenging time. To this end, to supplement our KIDSAC for newly diagnosed children and parents, and the Type 1 Toolkit for newly diagnosed adults and all teens with type 1, we launched the JDRF Pregnancy Toolkit, providing support for anyone starting – or considering starting a family. The resource has been so popular that nearly 1,000 were downloaded in the first six months of its digital publication.

Our magazine Type 1 Discovery also went digital and is now available as an app through the JDRF website or by searching through your mobile device. This means that we can provide updates on research and living with type 1 in a more accessible and cost effective way.

FY15 was a bumper year for type 1 diabetes research and news and our media coverage reflects that. Beginning with coverage of Professor Doug Melton's stem cell research across the BBC and Channel 4 news and ending with the attendance of HRH The Duchess of Cornwall, Home Secretary Theresa May MP and singer Boy George at the Art Antiques London Party in the Park fundraising event in June, type 1 diabetes has been consistently in the headlines.

Looking Ahead

FY16 and FY17 will be the second and third years in our current three year strategy, during this period we will seek to achieve the following objectives:

Research Funding

In FY16 we aim to increase our research funding by at least 10 per cent to £2 million, and in FY17 again by at least 10 per cent to over £2.2 million. This will take JDRF's research commitment to more than its entire income 10 years previously.

Looking Ahead (continued)

Research Advocacy

We will continue to seek out partnership and co-funding opportunities with other research funders including government funding bodies.

We will analyse gaps in UK type 1 funding and build JDRF mechanisms to address these gaps.

We will continue to promote type 1 diabetes research, its benefits and impact to key decision makers and political influencers across the UK.

We will seek to support more people with type 1 diabetes in joining clinical trials.

We will work with our colleagues at JDRF International to promote suitable EU funding opportunities to UK researchers and to support them in developing funding bids.

Treatment Advocacy

We will produce up-to-date information for people about type 1 diabetes treatments and technologies, policies and access.

We will work with international colleagues and people with type 1 diabetes to advocate for positive NICE and SIGN guidance for all relevant new treatments and technologies.

We will contribute to the Government 'Accelerated Access' Review aiming to speed up access to innovative drugs, devices and diagnostics for NHS patients.

Support and Information

We will continue to review our information provision for people with type 1 diabetes and add new programmes according to need.

We will launch a new look website, improving access to our online information and support for people with type 1 diabetes.

We will seek to maintain and increase the media coverage of the issues surrounding type 1 diabetes.

We will increase our presence in the type 1 diabetes online community.

Income Generation and financial governance

We will continue to run a sound, resource-efficient charity, including:

- seeking to grow actively fundraised income (ie excluding legacies) by at least 10 per cent each year.
- maintaining control of costs and continuing to increase the proportion of income available for JDRF's charitable objectives every year.

Looking Ahead (continued)

Income Generation and financial governance (continued)

- in line with our reserves policy on page 15 below, reaching the FY16 and FY17 year ends with between 9 and 11 weeks of the subsequent year's budgeted expenditure in free reserves.

FINANCIAL REVIEW

Financial Summary of the Year

FY15 was the second year in a row in which all JDRF's budgeted commitments were achieved. This puts us in a good position to achieve the ambitions stated in JDRF's FY15 - FY17 three year strategic plan, of which FY15 was the first year. Spending on research grew above the 10 per cent target by 14 per cent to £1.8m. Other charitable spending grew slightly by one per cent to £1m and goals in relation to charitable mission were met. Income was a fraction over budget at £5.2 million, 10 per cent growth on the previous year. Fundraising costs were under budget, and the move to a larger office within the Angel Gate estate to accommodate our continued growth was accomplished at minimum cost. There was a surplus over the year of £100,000, and the reserves freely available for JDRF's purposes of charitable mission grew from £1 million to £1.1 million. These were at the mid point of the Board's target of nine to eleven weeks of budgeted expenditure for the coming year.

Financial Review in more detail

Income

JDRF's actively fundraised income (excluding legacies which can vary considerably from year to year) grew significantly last year, from £4.6 million to £5.1 million, an increase of 11 per cent, as was budgeted for the year. This reflects the continued success of our diversified portfolio of fundraising activities since JDRF implemented a growth strategy nine years ago. Since then JDRF's actively fundraised income has grown by 170 per cent from £1.9 million to £5.1 million. This equates to an average annual growth rate of 11.5 per cent, a considerable achievement over this extended period of time.

Legacy income was very low during the year at £40,000, so including bank interest and gifts in kind total income was only a little higher at £5.18 million, a 10 per cent increase on the previous year.

Expenditure - research and other charitable activities

The amount spent on research activities increased by £230,000 to £1.8 million, growth of 14 per cent. UK and global research achievements during the year are described on pages 4 and 5.

FINANCIAL REVIEW (continued)

Expenditure - research and other charitable activities (continued)

Spending on research advocacy grew very marginally by one per cent from £298,000 to £304,000. This was largely because JDRF's Type 1 Parliament, which has been held in alternate years since the inaugural event in 2012, did not take place in FY15. Research advocacy costs are expected to increase next year if this event is held again.

JDRF's information and education costs also grew to £740,000. This is due to an expansion in our support and information provision to children and young people with type 1 generously funded by the Monument Trust.

As a result of these new and ongoing initiatives total spending on charitable objectives increased last year by £250,000 to £2.87 million. Over the nine years identified above, the implementation of JDRF's growth strategy has meant spending on charitable objectives has increased from £1 million to £2.87 million. This is an increase of 185 per cent, which demonstrates that our strategy has successfully delivered a higher proportion of our income to charitable activities over this period, on top of the high levels of growth achieved.

Expenditure - income generating and governance activities

In FY15 spending on all income generating activities grew by £120,000 (six per cent) to £2.1 million, a much smaller increase than the 11 per cent growth in income raised. As we enter into our tenth consecutive year of investment in income generation and growth, we are confident that in future years more funds will continue to be available for our charitable objectives, both in absolute terms and also as a proportion of total spending, as was the case in FY15. Expenditure on maintaining good governance and appropriate controls over JDRF's activities also increased by a lower percentage than that of charitable spending, growing by six per cent to £136,000.

JDRF Trading Limited

These accounts consolidate the income, costs, assets and liabilities of JDRF Trading Limited with those of JDRF. This small wholly owned trading subsidiary enables JDRF to take full advantage of opportunities to grow revenue – primarily from the corporate sector through sponsorship of events and other activities. The company produces separate accounts which can be obtained from JDRF's Director of Finance and Resources and are summarised in note 10 to these accounts. The trading company's income for the year was £115,000 (FY14: £210,000), and operating profit for the year (entirely gift aided to JDRF) was £70,000 (FY13: £140,000). The company directors are confident that a combination of temporary factors led to this drop, and expect a substantial recovery in income and profit in FY16. These temporary negative factors included the ending of a previously substantial partnership, and extended absences in the staff team responsible for the trading activities.

FINANCIAL REVIEW (continued)

Balance sheet for the charitable group

Cash and short term deposits at 30 June 2015 totalled £890,000 (FY14: £820,000). JDRF's policy is to hold its available cash in instant access and short term deposit accounts; and is consistent with our reserves policy for the level of general funds held. We ran down our funds in fixed term deposit accounts over the year as the interest rates available didn't compensate for the relative lack of flexibility these entail.

Debtors at the year end were £540,000 (FY14: £565,000), of which £240,000 related to accrued income. Creditors were £260,000 (FY14: £220,000). Fixed assets grew by £110,000 during the year to £120,000. This was due to the improvement works carried out on our new head office in London before we moved into it. These will be depreciated over the 10 year length of the new lease.

Funds

Restricted funds dropped over FY15 from £210,000 to £96,000. Unrestricted funds increased from £0.97 million to £1.19 million. As a consequence, total funds held at the year end increased from £1.18 million to £1.29 million. The impact of these changes on JDRF's reserves position is discussed under the relevant paragraph below.

GOVERNANCE INFORMATION

Public benefit and grant making policy

The directors have taken account of the Charity Commission's guidance on public benefit in reviewing JDRF's aims and objectives and planning future activities. JDRF UK aims to fund as much as possible of the globally approved research carried out in the UK. JDRF's global research department sends details of the UK grant payments due on a monthly basis and JDRF UK will pay those funded by specific grants and donations and as much of the other grants as funds allow.

Activity in Scotland

JDRF has a presence in Aberdeen and Edinburgh, supported by a very active and capable volunteer group. We are well supported by the public across Scotland, who raise funds on JDRF's behalf. Our fundraising activities in Scotland delivered £600,000 income during the year, with a new post spearheading a particular focus on central Scotland. In line with its goal of funding the best research wherever it is taking place in the world, JDRF funds type 1 diabetes research in Scotland and recently funded work at the University of Glasgow and five separate projects at the University of Dundee.

GOVERNANCE INFORMATION (continued)

Financial policies and activities

Reserves policy

The Board is committed to ensuring a sound financial base for JDRF's work and activities. It will guard against reasonable levels of risk, making funds available for future activities and providing for cashflow movements, while maximising the flow of funds to research.

The Board reviewed the reserves policy one year ago with reference to Charity Commission guidelines. On the basis of forecasts and scenario analysis, and taking into account the particular circumstances of JDRF, the Board has determined that it expects JDRF to hold under normal circumstances free reserves at the year end equivalent to between 9 and 11 weeks of total budgeted expenditure for the forthcoming year. For FY15 this gives a free reserves target of between £1 million and £1.2 million. Free reserves at the year end were £1.1 million (unrestricted funds minus fixed assets), and therefore at the mid point of the Board's target range for the year.

Risk management

The Board monitors the principal business and control risks to JDRF, within a control framework. The risk assessment register is reviewed by the senior management and Audit and Risk Committee and updated accordingly. Strategies and timelines have been agreed for the management and limitation of identified risks, which have been reviewed by the Audit and Risk Committee and the Board.

Financial controls review

In FY14 the finance team updated its review of JDRF's internal financial controls and fraud risks, using the template of the Charity Commission's CC8 guidelines on *Internal Financial Controls for Charities*. This thorough exercise concluded that JDRF's internal controls and processes are appropriate to its activities and that risks are mitigated appropriately and proportionately. In FY15 work continued on a rolling review and update of JDRF's finance manual and related policies, including its authorisation policy, expense policy and procedures, and cash handling guidelines.

STRUCTURE, GOVERNANCE AND MANAGEMENT

JDRF is a charitable company limited by guarantee incorporated on 6 November 1986 and registered as a charity on 14 May 1987. The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

JDRF is governed by a Board of Directors who are also the trustees of the charity for the purposes of charity law, which meets at least five times a year. The Board sets the strategic goals of JDRF, reviews the pursuit of charitable objectives, establishes policy and monitors financial status and compliance with legal requirements. The Chief Executive assists the Board in these activities and together with the staff is responsible for the implementation of the Board's strategic plan and the day to day running of JDRF.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

The Board of Directors has established three committees that report and are accountable to the Board – the Executive Committee, the Succession Committee and the Audit and Risk Committee – to assist in the efficient execution of its responsibilities and duties.

The Executive Committee oversees many of JDRF's day to day operations and makes recommendations on substantive issues to the Board of Directors. The Executive Committee meets five times a year, and is composed of the Chairman, Treasurer, at least one other Director, and is attended by JDRF's senior management team. **The Succession Committee** (made up of at least three current or former Directors) meets as needed and is responsible for identifying and recruiting new Directors and ensuring retention and development of senior level volunteers. The **Audit and Risk Committee** is responsible for JDRF's compliance with statutory reporting, managing the relationship with the external auditor, reviewing the draft accounts and accompanying report, JDRF's risk management and a range of financial controls and processes. This committee is made up of the Treasurer and two other Directors, is attended by the Director of Finance and Resources and Head of Finance and meets at least three times a year.

Appointment of Directors

All potential Directors of JDRF go through a nomination process before they join the Board. This is within the remit of the Succession Committee which has the goal of identifying and meeting individuals who have the necessary skills, experience and leadership attributes that will further JDRF's mission to find the cure for type 1 diabetes. To be considered for recommendation, candidates must confirm that they will accept the requirements of the role which, in addition to statutory criteria, include actively participating in at least one fundraising event per year and serving on at least one committee or group.

Directors are appointed by the Board but must be re-appointed by members at the first annual general meeting following their appointment. Directors serve an initial term of three years but may be reappointed for a further term of three years.

Induction of new Directors

Before their first Board meeting, each new Director has an induction meeting with the Chief Executive and with at least one other Director covering role, responsibilities, expectations and highlighting current governance and strategic issues. They are given an overview of organisational history and current activities; including organisational structure, the portfolio of charitable and fundraising activities, financial goals, controls and performance. After appointment, all new Directors have induction meetings with the members of JDRF's senior management team.

At the start of their tenure new Directors are given an induction manual including: (a) the most recent annual report and accounts; (b) memorandum and articles of association; (c) Charity Commission publications "The essential trustee" and "Hallmarks of an Effective Charity"; and a range of internal documents and publications.

Training of Directors

Collective training on issues of strategy and governance is offered to Directors.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Volunteers

Volunteers play a vital role at JDRF. During the year a significant number of volunteers served on development groups within the regions and in groups supporting national fundraising teams and activities. All Board Directors and advisors from the scientific community give their time free of charge. In addition, volunteers help JDRF with many aspects of our work, especially with fundraising events and with office activities. In total over 600 individuals volunteered to support JDRF in one way or another and we are extremely grateful to all of these dedicated supporters. JDRF does not consider that it would be practical to try to calculate the value of its volunteer support in monetary terms because of the uncertainties involved and the challenge of quantifying very different forms of commitment and support.

Statement of Directors' responsibilities

The Directors are responsible for preparing the trustees' 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 Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and the group and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

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

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities' SORP);
- ◆ make judgments and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Statement of Directors' responsibilities (continued)

Each of the Directors confirms that:

- ◆ so far as the Director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- ◆ the Director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Members of the company guarantee to contribute an amount not exceeding £10 to the assets of the company in the event of winding up. The total number of guarantees at 30 June 2015 was 29. The Directors have no beneficial interest in the company but as members are entitled to voting rights.

AUDITORS

The Audit and Risk Committee, and the Board of Directors, were satisfied with the work of Buzzacott in their third year, auditing the FY15 accounts. Buzzacott was reappointed auditors by the Board for the year ended 30 June 2016 and Buzzacott has expressed its willingness to act in that capacity.

Approved by the Directors on 7 December 2015 and signed on their behalf by

Ian Edwards
Chairman

Reference and administrative details

President	Her Royal Highness The Duchess of Cornwall
Directors	The Directors, who are also trustees under charity law, who served during the year up to the date of this report were as follows: Dominic Christian James Cripps Ian Edwards (Chairman) Sarah Gordon Karen Loumansky James Lurie Eleanor Mills Dr Roger Morton Sue Whelan Tracy Anthony Reeves (retired January 2015) Ian Schneider (appointed June 2015) Bruce Steinberg (retired January 2015) Steven Turnbull Graham White Michael Yardley (Treasurer)
Company Secretary	Jonathan Taylor
Executive management team	
Chief Executive	Karen Addington
Director of Finance and Resources	Jonathan Taylor
Director of Policy and Communications	Sarah Johnson
Director of Fundraising	Dean Benton
Registered office	17/18 Angel Gate City Road London EC1V 2PT
Telephone	0207 713 2030
Fax	0207 713 2031
Website	www.jdrf.org.uk
Company registration number	02071638 (England and Wales)
Charity registration number	295716 (England) SC040123 (Scotland)

Reference and administrative details

Regional Offices

JDRF Scotland: Aberdeen Office
c/o Subsea 7
Greenwell Base
Greenwell Road
East Tullos Industrial Estate
Aberdeen
AB12 3AX

Telephone: 01224 248 677

JDRF North: Leeds Office
Roundhay Road Resource Centre
233-237 Roundhay Road
Leeds
LS8 4HS

Telephone: 0113 3805 621

JDRF Midlands, West and Wales: Birmingham
Office
Suite 32, Fifth Floor
Queens Gate
121 Suffolk Street, Queensway
Birmingham
B1 1LX

Telephone: 0121 685 7102

JDRF South, East and London: London Office
17/18 Angel Gate
City Road
London
EC1V 2PT

Telephone: 0207 713 2030

Fax: 0207 713 2031

JDRF South, East and London: Southampton
Office
59a Leigh Road
Eastleigh
Hampshire
SO50 9DF

Telephone: 023 8061 6622

Reference and administrative details

Auditor Buzzacott LLP
130 Wood Street
London
EC2V 6DL

Bankers Barclays Bank plc
Marble Arch Corporate Banking Group
PO Box 32016
London
NW1 2ZH

Independent auditor's report to the members of Juvenile Diabetes Research Foundation Limited

We have audited the financial statements of Juvenile Diabetes Research Foundation Limited for the year ended 30 June 2015 which comprise the consolidated statement of financial activities, the consolidated and parent charity balance sheets, the principal accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with Section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and the auditor

The directors are also the trustees of the charitable company for the purposes of charity law. As explained more fully in the statement of directors' responsibilities statement set out in the directors' report, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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 regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and parent charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- ◆ give a true and fair view of the state of the group's and the parent charitable company's affairs as at 30 June 2015 and of the group's incoming resources and application of resources, including 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- ◆ the group has not kept adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the group's financial statements are not in agreement with the accounting records; or
- ◆ certain disclosures of directors' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit.
- ◆ the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

Edward Finch, Senior Statutory Auditor
for and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

17 December 2015

Consolidated statement of financial activities Year to 30 June 2015

	Notes	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Income and expenditure					
Incoming resources					
Incoming resources from generated funds					
. Voluntary income					
.. Donations and appeals		1,058,531	154,564	1,213,095	1,031,131
.. Legacies		39,320	—	39,320	94,303
.. Third party fundraising		1,003,662	—	1,003,662	837,717
. Activities for generating funds					
.. Walk to Cure Diabetes		294,250	—	294,250	257,303
.. Running and challenge events		1,208,606	4,119	1,212,725	1,599,099
.. Trading activities		132,195	—	132,195	226,526
.. Events and other fundraising activities		756,217	29,400	785,617	450,580
.. Rental/other income		48,973	—	48,973	33,936
. Investment income		3,934	—	3,934	5,111
Incoming resources from charitable activities					
	1				
. Research grants		—	257,994	257,994	115,459
. Information/Education/Awareness		—	190,660	190,660	61,810
Total incoming resources		4,545,688	636,737	5,182,425	4,712,975
Resources expended					
Cost of generating funds					
. Costs of generating income		2,026,487	—	2,026,487	1,882,198
. Costs of trading activities		46,737	—	46,737	68,069
Charitable activities					
. Research funding		1,237,739	585,480	1,823,219	1,592,560
. Research advocacy		303,944	—	303,944	297,882
. Information/Education/Awareness		573,951	165,661	739,612	729,328
Subtotal charitable activities		2,115,634	751,141	2,866,775	2,619,770
Governance costs		136,097	—	136,097	128,751
Total resources expended	2	4,324,955	751,141	5,076,096	4,698,788
Net incoming (outgoing) resources	4	220,733	(114,404)	106,329	14,187
Net movement in funds		220,733	(114,404)	106,329	14,187
Fund balances brought forward at 1 July 2014		969,124	210,384	1,179,508	1,165,321
Fund balances carried forward at 30 June 2015	14	1,189,857	95,980	1,285,837	1,179,508

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed above in note 14 to the financial statements.

Balance sheets 30 June 2015

	Notes	Group		Charity	
		2015 £	2014 £	2015 £	2014 £
Fixed assets					
Tangible assets	7	119,170	11,762	119,170	11,762
Investments	8	—	—	10,001	10,001
		119,170	11,762	129,171	21,763
Current assets					
Debtors	11	539,018	566,550	592,655	571,393
Cash at bank and in hand		889,306	823,160	794,823	767,772
		1,428,324	1,389,710	1,387,478	1,339,165
Liabilities					
Creditors: amounts falling due within one year	12	261,657	221,964	230,812	181,420
Net current assets		1,166,667	1,167,746	1,156,666	1,157,745
Total net assets	13	1,285,837	1,179,508	1,285,837	1,179,508
Represented by:					
Funds and reserves	14				
Restricted funds		95,980	210,384	95,980	210,384
Unrestricted funds					
. General funds		1,189,857	969,124	1,189,857	969,124
		1,285,837	1,179,508	1,285,837	1,179,508

Approved by the directors on 7 December 2015 and signed on their behalf by:

Ian Edwards

Chairman

Michael Yardley

Treasurer

Company Registration Number: 02071638 (England and Wales)

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and the Companies Act 2006. They follow the recommendations in the Statement of Recommended Practice, Accounting and Reporting by Charities (issued in March 2005).

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary JDRF Trading Limited on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes to the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006 and paragraph 397 of SORP 2005.

Cash flow

The financial statements do not include a cash flow statement because the charity, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 'Cash Flow Statements'.

Incoming resources

Voluntary income received by way of subscriptions, donations and gifts to the charity is included in full in the statement of financial activities when receivable. Income is deferred if it relates to a specific future economic period. Gifts in kind are included in the statement of financial activities at their estimated gross value. Donated services and facilities are recognised as an incoming resource at their estimated value to the charity. Volunteer time is not included in the financial statements.

Legacy income is accounted for on a receivable basis. A legacy is considered receivable for the period only once the amount of the receipt is known with reasonable certainty.

Revenue grants are credited to the statement of financial activities when received or receivable whichever is earlier.

Where unconditional entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the incoming resources are recognised when there is sufficient evidence that conditions will be met. Where there is uncertainty as to whether the charity can meet such conditions the incoming resource is deferred.

Resources expended

Resources expended are allocated to a particular activity where the cost relates directly to that activity. Resources expended include attributable VAT which cannot be recovered. The cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central functions, is apportioned on the basis of an estimate, based on staff time, of the amount attributable to each activity.

Premises and office costs are allocated based on the amount of floor space attributable to each activity, except for regional offices which are split 75% cost of generating funds, 5% research advocacy and 20% information/education/awareness.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

The costs of generating funds relate to the costs incurred by the group in raising funds for the charitable work.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable activities. Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities.

Grants payable are charged to the statement of financial activities in the year in which agreement to pay has been reached with JDRF's global research department.

Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- ◆ Leasehold improvements Over the lifetime of the lease
- ◆ Computer equipment 5 years
- ◆ Fixtures and fittings 5 years

Items of equipment are capitalised where the purchase price exceeds £1,000 including irrecoverable VAT. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value or value in use.

The depreciation rates were reviewed in the year ended 30 June 2015, and as a result, the depreciation rate for computer equipment was revised from 3 years to 5 years.

Investments

Investments held as fixed assets comprise shares in the charity's subsidiary trading company are stated at cost.

Leases

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities over the life of the lease using the straight line basis.

Pension scheme

Juvenile Diabetes Research Foundation contributes to staff group personal pension plans. The pension charge represents payments to the scheme which are charged to the statement of financial activities in the period to which they relate. Employer contributions are 3% after 3 months, 5% after 2 years and 7% after 4 years of service. Using a 'Salary Sacrifice Scheme', employees may additionally sacrifice up to 10% of gross salary to their pension. The charitable company has no liability under the scheme other than for the payment of these contributions.

Fund accounting

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

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the directors for particular purposes.

Balance sheet assets/liabilities in foreign currencies are translated at the prevailing exchange rate at the balance sheet date. Transactions are translated at the transaction date exchange rate. Any exchange rate differences arising are credited or charged to the statement of financial activities.

1 Incoming resources from charitable activities

	2015 Total Restricted £	2014 Total Restricted £
Research Grants		
The Mary Kinross Charitable Trust	100,000	50,000
CHK Charities Limited	10,000	—
The Hugh Fraser Foundation	10,000	—
The Charles Wolfson Charitable Trust	86,125	—
Garfield Weston Foundation	20,000	—
Robert Barr Charitable Trust	10,000	—
Medtronic Foundation	—	12,050
Sugar Free	—	22,000
Violet Richards Trust	—	15,000
Diabetes Ireland Research Alliance	6,452	—
Donations £5,000 or less	15,417	16,409
	257,994	115,459
Public education		
The Monument Trust	190,000	33,500
Anton Jurgen	—	10,010
Beefys Charitable Foundation	—	10,000
Donations £5,000 or less	660	8,300
	190,660	61,810
Total	448,654	177,269

Notes to the financial statements 30 June 2015

2 Total resources expended

	Note	Cost of generating funds £	Research funding £	Research advocacy £	Information/ education/ awareness £	Governance costs £	Support costs £	2015 Total £	2014 Total £
Staff costs	5	870,340	183,098	192,647	331,825	94,907	204,376	1,877,193	1,822,576
Other staffing costs		78,071	1,743	930	1,617	167	29,385	111,913	51,735
Office costs		95,477	12,189	15,587	27,144	2,431	21,880	174,708	173,359
Rent and premises		100,015	13,298	17,951	31,506	4,030	36,267	203,067	164,977
Depreciation		—	—	—	—	—	21,908	21,908	25,736
Information technology costs		17,404	3,190	3,868	5,801	967	8,698	39,928	49,903
Direct fundraising costs									
. Donations and appeals		113,756	—	—	—	—	—	113,756	68,405
. Third party fundraising		10,827	—	—	—	—	—	10,827	25,755
. Walk to Cure Diabetes		61,188	—	—	—	—	—	61,188	76,169
. Running and challenge events		314,552	—	—	—	—	—	314,552	315,643
. Trading activities		10,870	—	—	—	—	—	10,870	14,867
. Events and other fundraising activities		232,923	—	—	—	—	—	232,923	178,039
Subtotal direct fundraising costs		744,116	—	—	—	—	—	744,116	678,878
Audit fees		—	—	—	—	11,600	—	11,600	9,960
Governance		—	—	—	—	3,699	—	3,699	2,233
Advocacy		—	—	35,821	—	—	—	35,821	54,459
Information/education		—	—	—	277,742	—	—	277,742	233,123
Research grants – unrestricted	3	—	1,017,221	—	—	—	—	1,017,221	860,711
Research grants – restricted	3	—	557,180	—	—	—	—	557,180	571,138
		1,905,423	1,787,919	266,804	675,635	117,801	322,514	5,076,096	4,698,788
Support costs		167,801	35,300	37,140	63,977	18,296	(322,514)	—	—
Total resources expended		2,073,224	1,823,219	303,944	739,612	136,097	—	5,076,096	4,698,788
2014		1,950,267	1,592,560	297,882	729,328	128,751	—	4,698,788	

Notes to the financial statements 30 June 2015

3 Research grants

	Principal investigator	Restricted £	Unrestricted £	Total £
Queens University Belfast	Heping Xu	—	116,074	116,074
Targeting STAT3 for the management of diabetic Retinopathy				
University of Oxford	Mark McCarthy	—	52,257	52,257
Integration of genome-wide association, exome array and exome sequence data for diabetic kidney disease from JDRF- and IMI-funded consortia				
Imperial College London	Desmond Johnston	23,538	39,540	63,078
An incident and high risk Type 1 Diabetes research cohort				
King's College London	Manuel Mayr	—	29,751	29,751
Endothelial MicroRNA 126 as Biomarker Candidate for Diabetic Retinopathy				
King's College London	Gavin Bewick	8,497	40,637	49,134
Validation of Y receptors as targets for the maintenance of beta cell mass				
University of Cambridge	Roman Hovorka	9,160	5,235	14,395
HOVORKA Overview: Overnight closed-loop in young people Type 1 Diabetes				
King's College London	Peter Jones	109,729	69,026	178,755
Islet encapsulation for transplantation: nano- versus micro-encapsulation				
University of Birmingham	Parth Narendran	6,681	—	6,681
Understanding T cell migration via inflamed endothelium in Diabetes Type 1				
King's College London	Tim Tree	32,242	26,180	58,422
Iatrogenic immunization reveals the properties of islet destructive T-cells				
King's College London	Tim Tree	132,515	—	132,515
Identifying a signature for islet-specific IL-10 secreting (ISIS) Tregs				
Queen's University Belfast	Reinhold Medina	88,175	6,254	94,429
Harnessing vascular stem cells to model and treat diabetic retinopathy				
Cardiff University	Colin Dayan	—	24,078	24,078
MonoPepT1De trial				
King's College London	Mark Peakman	—	10,405	10,405
MonoPepT1De trial				
Cardiff University	Terri Thayer	—	825	825
Tolerizing insulin-reactive CD8 T cells in Type 1 Diabetes				
Imperial College London	Mark Kalisz	—	689	689
The role of novel epigenetic regulators in beta cell development and growth				
University of Dundee	Helen Colhoun	10,000	57,035	67,035
Extreme Phenotypes relevant to Diabetic Complications in Type 1 Diabetes				
University of Dundee	Helen Colhoun	57,399	35,055	92,454
Extreme Phenotypes relevant to Diabetic Complications in Type 1 Diabetes				
Tel Aviv University	Shimon Efrat	27,572	4,068	31,640
Insulin-producing cells from iPS cells derived from human beta cells				
University of Cambridge	Ricardo Correia Botelho Chaves Ferreira	—	5,992	5,992
Using gene-phenotype studies to identify early disease biomarkers for T1D				
University of Dundee	Rory McCrimmon	29,817	—	29,817
Pre-Conditioning and the Development of Hypoglycemia Tolerance				
University of Exeter	Andrew Hattersley	—	41,582	41,582
Potential mechanisms of persistent C-peptide in Type 1 Diabetes				
Cardiff University	Andrew Sewell	13,117	16,286	29,403
Developing and optimizing pHLA multimers as a biomarker for T1D				
King's College London	Els Henckaerts	4,618	2,688	7,306
Rejuvenating beta cell antigen-specific regulatory T-cells for adoptive therapy				
University of Manchester	Neil Hanley	—	69,210	69,210
Deciphering the epigenome of human beta cells during development and in pathology for novel regenerative strategies in diabetes				
University of Cambridge	David Dunger	4,120	92,144	96,264
Adolescent Type 1 Diabetes Cardio-Renal Protection Study				
Kalvista Pharmaceuticals	Robert Haigh	—	192,911	192,911
The development of intravitreal plasma kallikrein inhibitors for DME				
University of Glasgow	John Petrie	—	64,299	64,299
REMOVAL study: Reducing with MetfOrmin Vascular Adverse Lesions in Type 1 Diabetes				
Imperial College London	Mark Kalisz	—	15,000	15,000
The role of novel epigenetic regulators in beta cell development and growth				
Total		557,180	1,017,221	1,574,401

4 Net incoming (outgoing) resources before transfers

This is stated after charging:

	2015 £	2014 £
Depreciation	21,908	25,736
Directors' indemnity insurance	781	711
Auditor's remuneration (excluding VAT)		
. Audit	9,500	9,300
. Under (over) accrual for previous year	200	(1,000)
Operating lease rentals		
. Property	115,725	65,122

5 Staff costs and numbers

Staff costs were as follows:

	2015 £	2014 £
Salaries and wages	1,645,998	1,592,104
Social security costs	161,284	161,327
Pension contributions	69,911	69,145
	1,877,193	1,822,576

One employee earned between £90,000 and £100,000 during the year (2014 – one) and one employee between £60,000 and £70,000 (2014 – one). The pension contributions paid during the year for these employees totalled £15,789 (2014 - £11,193).

The average weekly number of employees (full time equivalent) carrying out JDRF's activities was as follows:

	2015	2014
Generating funds	22.9	23.2
Charitable activities	18.6	18.3
Central support	7.9	7.8
	49.4	49.3

6 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary JDRF Trading Limited gift aids available profits to the charity.

7 Tangible fixed assets

	Leasehold improvements £	Computer equipment £	Fixtures and fittings £	Total £
Cost				
At 1 July 2014	—	51,694	42,179	93,873
Additions in the year	98,661	26,309	4,346	129,317
Disposals in the year	—	(22,703)	(41,611)	(64,314)
At 30 June 2015	98,661	55,300	4,914	158,875
Depreciation				
At 1 July 2014	—	40,387	41,724	82,111
Charge for the year	9,866	11,059	983	21,908
Disposals in the year	—	(22,703)	(41,611)	(64,314)
At 30 June 2015	9,866	28,743	1,096	39,705
Net book value				
At 30 June 2015	88,795	26,557	3,818	119,170
At 30 June 2014	—	11,307	455	11,762

8 Investments

	2015 £	2014 £
Investment in unquoted subsidiary undertaking at cost	10,001	10,001

9 Subsidiary undertaking

The charitable company owns the whole of the issued ordinary share capital of JDRF Trading Limited, a company registered in England on 17 December 2007. The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are gift aided to the charitable company. A summary of the results of the subsidiary is shown below:

	2015 £	2014 £
Turnover	114,587	210,139
Cost of sales	—	—
Gross profit	114,587	210,139
Administrative expenses	(46,737)	(68,069)
Operating profit	67,850	142,070
Taxation	—	—
Profit on ordinary activities after taxation	67,850	142,070
Gift aid to parent undertaking	(67,850)	(142,070)
Profit (loss) for financial year	—	—

9 Subsidiary undertaking (continued)

The aggregate of the assets, liabilities and funds was:

	2015 £	2014 £
Assets	131,583	76,088
Liabilities	(121,582)	(66,087)
Funds	10,001	10,001

10 Parent undertaking

The parent undertaking's gross income and the results for the year are disclosed as follows:

	2015 £	2014 £
Gross income	5,067,838	4,502,836
Results for the year	38,479	(127,884)

11 Debtors

	Group		Charity	
	2015 £	2014 £	2015 £	2014 £
Trade debtors	105,638	55,243	68,538	34,543
Other debtors	19,426	4,105	19,426	4,105
Amounts due from subsidiary	—	—	90,737	25,543
Prepayments	176,210	146,013	176,210	146,013
Accrued income	237,744	361,189	237,744	361,189
	539,018	566,550	592,655	571,393

12 Creditors: amounts due within one year

	Group		Charity	
	2015 £	2014 £	2015 £	2014 £
Trade creditors	60,085	81,396	60,085	81,396
Taxation and social security	58,527	50,504	47,682	45,460
Other creditors	13,703	21,820	13,703	21,820
Rent free benefit over lease period	22,214	—	22,214	—
Deferred income	78,124	35,500	58,124	—
Accrued costs	29,004	32,744	29,004	32,744
	261,657	221,964	230,812	181,420

13 Analysis of group net assets between funds

	Restricted funds £	General funds £	Total funds £
Tangible fixed assets	—	119,170	119,170
Net current assets	95,980	1,070,687	1,166,667
Net assets at the end of the year	95,980	1,189,857	1,285,837

14 Movement in funds

	At 1 July 2014 £	Incoming resources £	Outgoing resources £	At 30 June 2015 £
Restricted funds				
Research funding	210,384	446,077	(585,480)	70,981
Information/Education/Awareness	—	190,660	(165,661)	24,999
Total restricted funds	210,384	636,737	(751,141)	95,980
Unrestricted funds				
General funds	969,124	4,545,688	(4,324,955)	1,189,857
Total funds	1,179,508	5,182,426	(5,076,096)	1,285,837

Purpose of restricted funds

Restricted funds are received for the purpose of carrying out particular activities; usually research grant funding, information/education and advocacy activities. They either directly contribute to these activities, or are applied to core costs related to information/education about type 1 diabetes and the related dissemination of research information.

15 Operating lease commitments

The group and charity had annual commitments at the year end under operating leases expiring as follows:

	2015		2014	
	Land and buildings £	Other £	Land and buildings £	Other £
Less than one year	15,743	—	51,394	—
Between one and two years	—	—	—	—
Between two and five years	5,500	—	5,500	—
Between six and ten years	135,510	—	—	—