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### Financial Statements

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### Thank you

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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:

Steve Hitchins (Chairman retired February 2013)
Ian Edwards (Treasurer to February 2013 and Chairman from February 2013)
Michael Yardley (Treasurer from February 2013)
Dominic Christian (appointed February 2013)
James Cripps (appointed February 2013)
Christina Croft (retired February 2013)
Geoffrey Forester
Sarah Gordon
Jonathan Henderson (retired February 2013)
Jim Lurie
Nicholas McCall (retired February 2013)
Anthony Reeves
Bruce Steinberg
Steven Turnbull

Company Secretary
Jonathan Taylor

Executive management team

Chief Executive
Karen Addington

Director of Finance & Resources
Jonathan Taylor

Director of Policy & Communications
Sarah Johnson

Director of Fundraising
Caroline Hellicar

Registered office
19 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
Fax: 01224 874 283

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
Fax: 0121 685 7103

JDRF South, East and London: London Office
19 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
Fax: 023 8061 5511
### Reference and administrative details

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<tr>
<th>Auditor</th>
<th>Buzzacott LLP</th>
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A message from the Chairman and Chief Executive
In 2012 our report *Facing Type 1 Diabetes* made clear the impact of type 1 diabetes in the UK. Affecting 400,000 people across the country, type 1 costs the UK economy nearly £2 billion; a cost that is set to rise to £4 billion by 2036 as numbers continue to grow. What these numbers do not show is the effect that type 1 can have on the child or adult living with it, and their family. We know first hand the significant impact it has. This is why everyone involved with JDRF is completely focused on improving lives, until we find the cure and create a world free from type 1.

As we look back on FY13, we wanted to give you an overview of some of the highlights of JDRF’s year, and of the progress in our mission to cure, treat and prevent type 1 diabetes.

Royal Presidency
FY13 was the first full year of the Presidency of Her Royal Highness The Duchess of Cornwall. Her Royal Highness supported us in helping Clarence House ‘Go Blue’, visited research projects in Cambridge and met children living with type 1 at their diabetes clinic.

We’re extremely grateful to Her Royal Highness for her continued support of JDRF and her commitment to raising the profile of type 1 diabetes.

A global mission to cure type 1 diabetes
JDRF in the UK is pleased to be part of an international global network that shares a common mission to improve the lives of people with type 1 diabetes, progressing treatment until one day we achieve a world without type 1.

To do this, the JDRF network works internationally to:

♦ fund a world class research programme focused on curing, treating and preventing type 1 diabetes, with over £300 million currently committed to research;

♦ influence research funders and policy makers to accelerate the pace of research; and

♦ work to ensure that these research outcomes reach people with type 1 diabetes.

Our mission in the UK
JDRF in the UK benefits from being a part of this global network and our mission and strategy follows that of our international partners. It has three main strands – research funding, advocacy and education.

We fund research approved and administered by our international research programme, based in the US.

We work with government, academia and industry to accelerate research in the UK and, increasingly, within healthcare policy to ensure that the outcomes of research are delivered to people with type 1 in the UK.
Chairman and Chief Executive’s report Year to 30 June 2013

JDRF in FY13: A year in review

Our mission in the UK (continued)
We support people with type 1 diabetes with information about their condition, how medical research is improving type 1 treatment, and how they can get involved in finding the cure.

Supporting our mission to cure type 1 diabetes
All of the work of JDRF in the UK is funded by the public – we receive no government funding. It is thanks to the hard work of people and families living with type 1 diabetes, our corporate partners, trusts and others, that we are able to work towards curing, treating and preventing type 1 diabetes.

We would like to say thank you to everyone who walked, ran, climbed, cycled, baked, swum, dressed up, donated in lieu of gifts, and found ever increasingly innovative ways to raise funds for JDRF.

In FY13 we managed to maintain our income in spite of the continuing economic austerity in the UK, and were pleased to be able to increase the amount of funds we invested in research.

However, generating funds and growing our commitment to research funding, and the advocacy and education integral to the success of our mission to cure type 1 diabetes, will remain tough for the year ahead as the realities of external financial pressures continue to impact.

So, as we look back on a challenging and successful FY13 and forward to FY14, we thank all of our supporters, staff, volunteers and researchers for your continued support of JDRF and your commitment to helping to find the cure for type 1 diabetes.

Ian Edwards        Karen Addington
Chairman        Chief Executive
Chairman and Chief Executive’s report Year to 30 June 2013

Review of the year: Progress in delivering our charitable objectives

FY13 has been another year of considerable activity and progress towards our ultimate goal through our charitable objectives – funding research, advocacy and education.

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 network.

Funding research
The UK’s type 1 research community continues to attract significant funding from JDRF’s international research programme, reinforcing the 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 FY13 totalled £4 million.

Highlights this year from the UK research programmes have included:

The artificial pancreas goes home – researchers at the University of Cambridge began home trials of the artificial pancreas. The trial tested the artificial pancreas in children outside a hospital setting for the first time. Children wore the artificial pancreas at night time for a three week period to see how it works in a ‘real world’ environment over a longer time period.

Focus on hypoglycaemia – A Dundee research group is looking at how the brain senses and responds to low blood glucose levels, with a goal of developing treatments to restore hypo awareness in people with type 1.

Preventing complications – the multi-centre, multi-country AdDIT trial, led from Cambridge, is investigating whether treating teenagers with type 1 at high risk of cardiovascular and kidney complications with statins and/or ACE inhibitors may protect them from developing these complications.

Researchers are also developing a new, non-invasive method of screening for diabetic neuropathy, which is currently impossible to measure objectively or routinely. The new method involves taking a photograph of the nerves in the eye and having a computer analyse whether there are signs of neuropathy.

Unpicking autoimmunity – The D-GAP programme links information about the genetics of type 1 with the changes in the immune system present in people with type 1 and brings that information together to understand how we might prevent type 1, make transplants more effective and how we might regulate the immune system when type 1 is starting to develop. Meanwhile other research focuses on how different combinations of genes that influence the development of type 1 match up with clinical features (phenotype) of individual cases of type 1. This study will help us to understand the emerging picture that there may be different ‘flavours’ of type 1 diabetes and whether this is determined by, or linked to, particular type 1 risk genes. For example type 1 that develops in a two year old may be biologically quite different to type 1 that develops in a 22 year old.
Review of the year: Progress in delivering our charitable objectives

Funding research (continued)

In the clinic – We are supporting programmes aimed at progressing clinical trials, including Trial Net - a group of researchers who want to understand how type 1 develops and test ways of preventing it within the clinic; and the ADDRESS 2 study which captures information about people newly diagnosed with type 1 diabetes so that these people can be invited to trial innovative treatments that might alter the immune system attack that caused their type 1 diabetes.

JDRF funded UK researchers do not work in isolation on the challenges of curing, treating and preventing type 1 diabetes. They are members of an elite group, identified by JDRF as carrying out the world’s best research in this area. Highlights in the last year from global research include:

Collaboration on kidneys – JDRF has launched a wide reaching international collaborative effort to begin understanding the role of genetics in the development of kidney disease in people with type 1 diabetes. Involving research teams from the UK and Republic of Ireland as well as teams in the US, Canada, France and Denmark, this three year, £4.4 million project aims to uncover the genes that may predict whether, or how quickly, a person with type 1 will develop kidney problems.

Life expectancy increases – A new study from the University of Pittsburgh has found that the life expectancy of people with type 1 is increasing. The study found that people diagnosed with type 1 between 1965 and 1980 lived for an average of 15 years longer than those diagnosed between 1950 and 1964. The increase in life expectancy among people without type 1 born in these two time periods was just one year.

Beta cell growth breakthrough – Researchers in the US have discovered a hormone that controls beta cell growth. The team found that betatrophin can stimulate beta cells to grow and divide in vast numbers in mice. It has been known for a while that in some situations when the body has a high insulin requirement such as in pregnancy, beta cells can multiply. Now for the first time researchers have discovered how this happens. Regenerating beta cells would help people with type 1 produce their own insulin but would need to be used in conjunction with an immune therapy.

No link found between viruses and fast progression to type 1 – Scientists working on the TEDDY study which aims to determine the environmental factors that are linked to type 1 have found no link between viral infection and children who get diabetes within six months of autoantibodies developing (fast progressors). They found that there was no difference between the number of children that had a virus before quickly developing type 1 and the number of ‘control’ children who had a virus and did not develop autoantibodies.

Advocacy

Working with other UK research funding bodies, including the Medical Research Council and National Institute for Health Research, to encourage them to spend more on type 1 research could significantly increase the UK’s role in curing, treating and preventing type 1 diabetes.
Chairman and Chief Executive’s report  Year to 30 June 2013

Review of the year: Progress in delivering our charitable objectives

Advocacy (continued)
Long term investment in advocacy by JDRF in the US, Australia and Canada has led to multi-million pound government commitments to type 1 diabetes. JDRF in the UK continues to strengthen its profile, voice and influence to encourage the British research policy and funding sector to invest similarly in type 1 research.

Roadmap to the cure
In FY13 we launched the JDRF Type 1 Diabetes Research Roadmap. The document was created to support and stimulate world class type 1 diabetes research in the UK by seeking out the strengths and weaknesses, as well as identifying gaps and opportunities on a local level.

The Roadmap brought together the UK’s top diabetes researchers and opinion leaders with their European counterparts. Together they combined their existing knowledge, worked out priorities and identified how to overcome barriers to supporting the most promising research available.

JDRF launched the Roadmap in June at the Houses of Parliament. The event was attended by leaders from the fields of type 1 research, health and medicine. It was officially received by the Government with a key note speech from Paul Uppal MP, Parliamentary Private Secretary to David Willetts, Minister of State for Universities and Science at the Department for Business, Innovation and Skills.

Mr Uppal said: ‘… there is great excitement about the possibilities to significantly improve the lives of those with type 1 diabetes. The report is hugely important and rightly highlights where, as a government, we can make improvements.’

Stimulating investment in type 1 research
In November 2012 we held a parliamentary roundtable, hosted by Rt Hon George Freeman MP, Government Adviser on Life Sciences, entitled ‘Stimulating the UK economy through investment in type 1 diabetes research.’ The roundtable was also attended by industry, researchers and senior JDRF research staff.

JDRF has also engaged with about 200 MPs, directly and through our T1 Youth Ambassador programme, to educate them about type 1 diabetes and the benefits and potential of type 1 diabetes research.

Treatment
Globally JDRF is now funding 52 clinical trials around the world, more than ever before. This means that the opportunities to deliver new treatments to people with type 1 and change the way that the condition is managed are greater than ever. Because research is not successful until its outcomes are in use by people with type 1, we have been increasingly engaging with healthcare policy makers to ensure the delivery of available new treatments, and to prepare the UK for developments currently in clinical trials.
Chairman and Chief Executive’s report Year to 30 June 2013

Review of the year: Progress in delivering our charitable objectives

Advocacy (continued)

**New hope for eye disease**
Lucentis (ranibizumab) is a new treatment for visual impairment in some cases of diabetic macular oedema (DMO). Its early development was supported by JDRF’s research programme through an innovation grant.

Despite research indicating that Lucentis is effective in treating DMO and, significantly, that it meets an unmet need for patients who do not respond well to the current standard laser treatment, the treatment was originally rejected by the National Centre for Health and Clinical Excellence (NICE).

Lucentis was first approved for use by the Scottish Medicines Consortium, and following intervention by JDRF and a coalition of charities, NICE revised its decision and made the drug available through the NHS.

**Insight into technology uptake**
March 2013 saw the publication of the UK’s first comprehensive audit of insulin pump and continuous glucose monitor use, co-funded by JDRF. We are committed to increasing access to technology as part of a strategy to prepare the NHS for the artificial pancreas – which is currently in JDRF funded clinical trials across the world.

The report showed that pumps are now used by 7% of people with type 1 diabetes in the UK, increasing from 3.7% two years ago, with 19% of children using one. This increase is a testament to the work that JDRF and others have been doing in the area, but we still lag behind European averages for children and adults of 15 – 25% and the USA uptake of 40%.

The report suggests the UK’s poor performance is linked to the low number of healthcare professionals qualified to train people with type 1 diabetes to use a pump, with the lack of training for diabetes specialist nurses a particular problem.

**Delivering the outcomes of medical research to people with type 1 diabetes**
Towards the end of the year we held a parliamentary roundtable discussion, chaired by Adrian Sanders MP, Chair of the All Party Parliamentary Group on Diabetes raising the issue of access to, and uptake of, innovative medicines and treatments in type 1 diabetes. This was attended by MPs, clinicians, patient groups, civil servants and industry.

**Education**
JDRF’s mission is to improve lives until we find the cure. The main focus of improvement is changing treatment through research. However 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.
Chairman and Chief Executive’s report Year to 30 June 2013

Review of the year: Progress in delivering our charitable objectives

Education (continued)
To help overcome this, we provide information for children, adults and families about living with type 1, developments in treatment, and we’re 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.

We also know that the myths and misconceptions about type 1 diabetes can make it harder for those living with the condition; so, where possible, we try to raise awareness of the condition and ensure correct information and reporting on type 1 diabetes, its causes and impact.

A helping hand for schools
In September, the ‘Talking T1’ secondary school resource pack was officially launched. This was accompanied by the launch of a new T1 Schools section of the T1 website hosting the content from the pack.

In October, the JDRF ‘Talking T1’ Schools Programme was Highly Commended at the Quality in Care Diabetes Awards 2012 in the category of Best Cross-Organisational Partnership, as a partnership project between JDRF and Lilly UK.

New adult resource
Our new adult toolkit gets ‘Straight to the Point’ of living with type 1 diabetes as an adult. Including a book on all things type 1, from diagnosis to sport, driving and socialising, the new pack has been flying off the shelves following requests from healthcare professionals and adults alike.
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 2013.

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 22 to 24 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).

**FINANCIAL REVIEW**

**Income**

JDRF’s raised voluntary income (excluding legacies which can vary considerably from year to year) was the same as the previous year at £4.07m. However, as a result of small drops in legacy and rental income JDRF’s total income dropped by £34,000 (less than 1%) to £4.17m.

In FY12 raised voluntary income included income of £300,000 from a single event which was not repeated in FY13. Discounting this major single event, raised voluntary income from our general portfolio of fundraising activities grew by 7.5% in FY13. Given the general economic climate and the impact that this has had across the charity sector, the directors are satisfied with this result, which reflects the continued success of our diversified fundraising portfolio since we implemented a growth strategy in FY06. Over the last seven years our annual raised voluntary income has increased by 113% from £1.9m to the £4.07m in FY13.

**Expenditure**

The amount we spent on research activities increased by £10,000 to £1.45m.

Total spending on charitable objectives reduced for the first time in seven years as we reduced spending on public education by £142,000 to £1.02m. In FY12 our spending on public education included £80,000 on our first Type 1 Parliament, which is not an annual event. The next Type 1 Parliament is proposed for FY14.

Over two years our spending on charitable objectives has grown by 10%, and over seven years by 170%. This means that our growth strategy has successfully delivered a higher proportion of our income to charitable objects over the last seven years.

In FY13 spending on fundraising and organisational governance grew by £38,562 (2%). As we continue to invest in income generation and growth, we anticipate 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.
Directors’ report  Year to 30 June 2013

JDRF Trading Limited
Our wholly owned trading subsidiary allows 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 they are summarised in note 9 to these accounts. The trading company’s income for the year was £251,796 (FY12: £255,526), and operating profit for the year (entirely gift aided to JDRF) was £182,685 (FY12: £176,284).

Balance sheet for the group
Cash at 30 June 2013 totalled £710,917 (FY12: £1,037,883). 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.

Debtors at the year end were £614,215, (FY12: £497,185), of which £268,830 related to accrued income. Creditors were £191,900 (FY12: £168,682).

Funds
As noted in last year’s Director’s Report, due to unexpected levels of restricted income at the FY12 year end, restricted funds grew significantly from £203,783 to £467,829, with a consequent impact on JDRF’s total funds. As expected in that report, these additional restricted funds were spent during FY13, with restricted funds reducing over the year to £232,046. There is therefore a drop in total funds compared to FY12 from £1.4m to £1.165m, but the funds that are available to JDRF to fund its general activities are broadly unchanged.

LOOKING AHEAD
Strategy for FY14
JDRF will continue to work towards its objectives of:

♦ funding research to cure, treat and prevent type 1 diabetes and its complications;

♦ increasing funding of excellent type 1 research by UK research funding bodies;

♦ ensuring that advances in treatment reach people with type 1 in the UK as quickly as possible; and

♦ supporting people with type 1 with information about their condition, how medical research is changing type 1 treatment, and how they can get involved in finding the cure.

We will do this by:

♦ funding research approved and administered by our international research programme, based in the US;
Directors’ report  Year to 30 June 2013

LOOKING AHEAD (continued)

Strategy for FY14 (continued)
♦ working with government, academia and industry to accelerate research in the UK and
to influence the delivery of outcomes of that research for people with type 1; and
♦ providing information for children, adults and families living with type 1 at diagnosis and
beyond.

We will support this by continuing to run a sound, resource-efficient, charity, including:
♦ seeking to grow raised voluntary income (ie excluding legacies) by at least 10 per cent;
♦ maintaining control of costs, and reducing the ratio of fundraising costs to income
generated;
♦ focusing on our charitable objectives, seeking to grow spending on these by more than
10 per cent to over £2.7m; and
♦ reaching the FY14 year end with at least three months of the subsequent year’s
budgeted expenditure in free reserves.

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 successful office in Aberdeen, supported by a very active and capable
volunteer group. The office is well supported by the public across Scotland, who raise funds
on JDRF’s behalf. Our fundraising activities delivered an 8% growth in 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
diabetes research in Scotland, and recently funded work at the University of Glasgow and
five separate projects at the University of Dundee.
Directors’ report  Year to 30 June 2013

GOVERNANCE INFORMATION

Financial policies and activities

Reserves policy
The Board’s reserves policy is to hold (under normal circumstances) between three and six months forecast non-discretionary operating costs at the year end. The Board is committed to ensuring a sound financial base for operations, in order to make funds available for future fundraising activities and to provide for cashflow movements during the year, while maximising the flow of funds to research.

The free reserves available to the charity at the year end were £901,187 (general funds less tangible assets) which is equivalent to 3.9 months of the relevant costs in the FY14 budget, which is in line with the Board’s policy.

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
During the year the finance team updated an earlier 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 proportionately.

STRUCTURE, GOVERNANCE AND MANAGEMENT

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.

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.
STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)
The Executive Committee oversees many of JDRF’s operations and makes recommendations on substantive issues to the Board of Directors. The Executive Committee is composed of the Chairman, Treasurer, at least two other directors, and is attended by JDRF’s senior management team. The Succession Committee (made up of three current or former directors) is responsible for identifying and recruiting new directors and ensuring retention and development of senior level volunteers. In 2012 the Board established an Audit and Risk Committee, to take over these and related responsibilities from the Executive Committee. This 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 a three year term but for no more than two consecutive terms unless a special resolution is passed by the members.

Induction of new directors
Before their first Board meeting, each new director receives an induction 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 “Responsibilities of Charity Trustees” 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 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 us with many aspects of our work, especially with fundraising events. In total over 400 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 it appropriate to calculate the value of its volunteer support in monetary terms due to the significant uncertainties involved.

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 charitable 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 charitable 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 charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the charitable 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 charitable 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 charitable 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 charity guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of winding up. The total number of guarantees at 30 June 2013 was 27. The directors have no beneficial interest in the charity but as members are entitled to voting rights.

AUDITORS
After six year’s service, the appointment of Sayer Vincent as the charity's auditors was reviewed in early 2013. JDRF has had no concerns about the service provided by Sayer Vincent during this time, but it was felt that after six years a review and re-tendering exercise for audit services would be healthy and constructive. The review was carried out on behalf of the Audit and Risk Committee by the finance staff and the Treasurer. The Committee accepted the working group’s recommendation that Buzzacott be appointed JDFR’s auditors for the year ending 30 June 2013, and Buzzacott has expressed its willingness to act in that capacity.

Approved by the Directors on 2 December 2013 and signed on their behalf by

Ian Edwards
Chairman
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 2013 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. If we become aware of any apparent material 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 2013 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.

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

11 December 2013
### Income and expenditure

#### Incoming resources

Incoming resources from generated funds
- Voluntary income
  - Donations and appeals: £833,245
  - Legacies: £63,501
  - Third party donations: £689,405
- Activities for generating funds
  - Walk to Cure Diabetes: £301,798
  - Running and challenge events: £897,018
  - Trading activities: £263,126
  - Events and other fundraising activities: £409,967
  - Rental/other income: £31,076
- Investment income: £13,125

Incoming resources from charitable activities
- Research grants: £166,468
- Public education: £95,840

Total incoming resources: £3,502,261

#### Resources expended

Cost of generating funds
- Costs of generating income: £1,756,238
- Costs of trading activities: £69,112

Charitable activities
- Research grants: £568,505
- Public education: £897,548

Subtotal charitable activities: £1,466,053

Governance costs: £119,891

Total resources expended: £3,411,294

#### Net incoming (outgoing) resources before transfers

Net incoming (outgoing) resources before transfers: (£332,947)

#### Gross transfers between funds

Gross transfers between funds: (£97,164)

#### Net movement in funds

Net movement in funds: (£235,783)

#### Fund balances brought forward at 1 July 2012

Fund balances brought forward at 1 July 2012: £939,472

#### Fund balances carried forward at 30 June 2013

Fund balances carried forward at 30 June 2013: £933,275

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 2013

<table>
<thead>
<tr>
<th></th>
<th>Group 2013</th>
<th>Group 2012</th>
<th>Charity 2013</th>
<th>Charity 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fixed assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tangible assets</td>
<td>32,088</td>
<td>40,915</td>
<td>32,088</td>
<td>40,915</td>
</tr>
<tr>
<td>Investments</td>
<td>10,001</td>
<td>10,001</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debtors</td>
<td>614,215</td>
<td>497,185</td>
<td>591,243</td>
<td>497,484</td>
</tr>
<tr>
<td>Short term deposits</td>
<td>370,168</td>
<td>737,399</td>
<td>370,168</td>
<td>737,399</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td>340,750</td>
<td>300,484</td>
<td>308,760</td>
<td>262,355</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,325,133</td>
<td>1,535,068</td>
<td>1,270,171</td>
<td>1,497,238</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Creditors: amounts falling due within one year</td>
<td>191,900</td>
<td>168,682</td>
<td>146,939</td>
<td>140,853</td>
</tr>
<tr>
<td><strong>Net current assets</strong></td>
<td>1,133,233</td>
<td>1,366,386</td>
<td>1,123,232</td>
<td>1,356,385</td>
</tr>
<tr>
<td><strong>Total net assets</strong></td>
<td>1,165,321</td>
<td>1,407,301</td>
<td>1,165,321</td>
<td>1,407,301</td>
</tr>
<tr>
<td><strong>Represented by:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Funds and reserves</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restricted funds</td>
<td>232,046</td>
<td>467,829</td>
<td>232,046</td>
<td>467,829</td>
</tr>
<tr>
<td>Unrestricted funds</td>
<td>933,275</td>
<td>939,472</td>
<td>933,275</td>
<td>939,472</td>
</tr>
<tr>
<td>General fund</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,165,321</td>
<td>1,407,301</td>
<td>1,165,321</td>
<td>1,407,301</td>
</tr>
</tbody>
</table>

Approved by the directors on 2 December 2013 and signed on their behalf by:

Ian Edwards      Michael Yardley
Chairman          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 and 25% public education.

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:

- Computer equipment 3 years
- Promotional equipment 3 years
- Fixtures and fittings 5 years

Items of equipment are capitalised where the purchase price exceeds £300. 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.
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 a group personal pension plan. The pension charge represents payments to the scheme which are charged to the statement of financial activities in the period to which they relate. The charitable company has no liability under the scheme other than for the payment of employer 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, together with a fair allocation of management and support costs.

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

<table>
<thead>
<tr>
<th></th>
<th>2013 Total</th>
<th>2012 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Restricted</td>
<td></td>
</tr>
<tr>
<td>Research Grants</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mary Kinross Charitable Trust</td>
<td>34,385</td>
<td>34,000</td>
</tr>
<tr>
<td>Alan and Babette Sainsbury Charitable Fund</td>
<td>100,000</td>
<td>—</td>
</tr>
<tr>
<td>PF Charitable Trust</td>
<td>10,000</td>
<td>10,000</td>
</tr>
<tr>
<td>Diabetes Ireland Research Alliance</td>
<td>12,500</td>
<td>8,567</td>
</tr>
<tr>
<td>Donations £5,000 or less</td>
<td>9,583</td>
<td>3,700</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>166,468</td>
<td>56,267</td>
</tr>
</tbody>
</table>

#### Public education

<table>
<thead>
<tr>
<th></th>
<th>2013 Total</th>
<th>2012 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monument Trust</td>
<td>33,500</td>
<td>53,000</td>
</tr>
<tr>
<td>Medtronic Foundation</td>
<td>26,000</td>
<td>26,000</td>
</tr>
<tr>
<td>Garfield Weston Foundation</td>
<td>20,000</td>
<td>25,000</td>
</tr>
<tr>
<td>Lilly Grants and Donations Committee</td>
<td>10,040</td>
<td>—</td>
</tr>
<tr>
<td>Grants not renewed in 2013</td>
<td>—</td>
<td>18,454</td>
</tr>
<tr>
<td>Donations £5,000 or less</td>
<td>6,300</td>
<td>6,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>95,840</td>
<td>128,454</td>
</tr>
</tbody>
</table>

**Total resources expended**

<table>
<thead>
<tr>
<th></th>
<th>2013 Total</th>
<th>2012 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Notes</td>
<td></td>
</tr>
<tr>
<td>Staff costs</td>
<td>860,176</td>
<td>119,219</td>
</tr>
<tr>
<td>Other staffing costs</td>
<td>67,946</td>
<td>2,163</td>
</tr>
<tr>
<td>Office costs</td>
<td>86,354</td>
<td>5,951</td>
</tr>
<tr>
<td>Rent and premises</td>
<td>93,402</td>
<td>44,104</td>
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<tr>
<td>Depreciation</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Information technology costs</td>
<td>26,253</td>
<td>14,585</td>
</tr>
<tr>
<td>Professional fees</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Direct fundraising costs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>. Donations and appeals</td>
<td>105,539</td>
<td>105,539</td>
</tr>
<tr>
<td>. Third party donations</td>
<td>7,078</td>
<td>7,078</td>
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<tr>
<td>. Walk to Cure Diabetes</td>
<td>72,565</td>
<td>72,565</td>
</tr>
<tr>
<td>. Running and challenge events</td>
<td>194,586</td>
<td>194,586</td>
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<tr>
<td>. Trading activities</td>
<td>10,807</td>
<td>10,807</td>
</tr>
<tr>
<td>. Events and other fundraising activities</td>
<td>151,888</td>
<td>151,888</td>
</tr>
<tr>
<td>Subtotal direct fundraising costs</td>
<td>542,463</td>
<td>542,463</td>
</tr>
<tr>
<td>Audit fees</td>
<td>—</td>
<td>12,000</td>
</tr>
<tr>
<td>Governance</td>
<td>—</td>
<td>979</td>
</tr>
<tr>
<td>Public education</td>
<td>—</td>
<td>276,261</td>
</tr>
<tr>
<td>Research development activities</td>
<td>—</td>
<td>31,313</td>
</tr>
<tr>
<td>Research grants – unrestricted</td>
<td>499,655</td>
<td>499,655</td>
</tr>
<tr>
<td>Research grants – restricted</td>
<td>763,361</td>
<td>763,361</td>
</tr>
<tr>
<td>Support costs</td>
<td>148,756</td>
<td>20,617</td>
</tr>
<tr>
<td><strong>Total resources expended</strong></td>
<td>1,825,350</td>
<td>1,454,031</td>
</tr>
<tr>
<td>2012</td>
<td>1,794,543</td>
<td>1,444,118</td>
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</table>
## Research grants

<table>
<thead>
<tr>
<th>Principal investigator</th>
<th>University of Cardiff</th>
<th>Developng and optimising pHLA multimers as a biomarker for T1D</th>
<th>39,936</th>
<th>8,494</th>
<th>48,430</th>
</tr>
</thead>
<tbody>
<tr>
<td>University of Dundee</td>
<td>Dr Craig Beall</td>
<td>The role of AMPK in hypoglycaemia detection and GABA regulation</td>
<td>—</td>
<td>23,573</td>
<td>23,573</td>
</tr>
<tr>
<td>University of Cambridge</td>
<td>Professor David Dunger</td>
<td>Adolescent type 1 diabetes cardio-renal protection study</td>
<td>68,762</td>
<td>85,000</td>
<td>153,762</td>
</tr>
<tr>
<td>Imperial College London</td>
<td>Professor Desmond Johnston</td>
<td>An incident and high risk type 1 diabetes research cohort</td>
<td>62,500</td>
<td>—</td>
<td>62,500</td>
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<tr>
<td>University of Dundee</td>
<td>Professor Gelen Colhoun</td>
<td>Extreme Phenotypes relevant to Diabetic Complications in type 1 Diabetes</td>
<td>—</td>
<td>31,912</td>
<td>31,912</td>
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<tr>
<td>University of Glasgow</td>
<td>Professor John Petrie</td>
<td>REMOVAL study: Reducing with Metformin Vascular Adverse Lesions in type 1 Diabetes</td>
<td>59,689</td>
<td>19,300</td>
<td>78,989</td>
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<tr>
<td>King’s College, London</td>
<td>Professor Manuel Mayr</td>
<td>Endothelial MicroRNA 126 as a Biomarker Candidate for Diabetic Retinopathy</td>
<td>13,718</td>
<td>18,088</td>
<td>31,806</td>
</tr>
<tr>
<td>King’s College, London</td>
<td>Professor Mark Peakman</td>
<td>Islet-specific T-cell response genes identified by microarray analysis</td>
<td>26,411</td>
<td>—</td>
<td>26,411</td>
</tr>
<tr>
<td>King’s College, London</td>
<td>Professor Mark Peakman</td>
<td>JDRF UK Centre for Diabetes Genes, Autoimmunity and Prevention (D-GAP)</td>
<td>—</td>
<td>134,056</td>
<td>134,056</td>
</tr>
<tr>
<td>King’s College, London</td>
<td>Professor Peter Martin Jones</td>
<td>Islet cell encapsulation: Nano vs micro encapsulation</td>
<td>50,980</td>
<td>56,250</td>
<td>107,230</td>
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<tr>
<td>University of Bristol</td>
<td>Professor Polly Bingley</td>
<td>The UK International Clinical Site (UK Trials Group)</td>
<td>27,724</td>
<td>—</td>
<td>27,724</td>
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<tr>
<td>University of Manchester</td>
<td>Professor Rayaz Malik</td>
<td>Developing corneal confocal microscopy for human diabetic neuropathy</td>
<td>23,336</td>
<td>10,380</td>
<td>33,716</td>
</tr>
<tr>
<td>University of Cambridge</td>
<td>Dr Ricardo Correia Botelho Chaves Ferreira</td>
<td>Using gene-phenotype studies to identify early disease biomarkers for T1D</td>
<td>—</td>
<td>31,390</td>
<td>31,390</td>
</tr>
<tr>
<td>University of Cambridge</td>
<td>Dr Roman Hovorka</td>
<td>HOVORKA Overview: Overnight closed-loop in young people type 1 diabetes</td>
<td>23,344</td>
<td>139,792</td>
<td>163,136</td>
</tr>
<tr>
<td>University of Cambridge</td>
<td>Professor Rory McCrimmon</td>
<td>Closing the loop in children and adolescents</td>
<td>—</td>
<td>127,398</td>
<td>127,398</td>
</tr>
<tr>
<td>University of Dundee</td>
<td>Professor Rory McCrimmon</td>
<td>Restoring Hypoglycemia Counterregulation in type 1 Diabetes</td>
<td>17,237</td>
<td>3,900</td>
<td>21,137</td>
</tr>
<tr>
<td>University of Dundee</td>
<td>Professor Rory McCrimmon</td>
<td>Pre-Conditioning and the Development of Hypoglycemia Tolerance</td>
<td>7,917</td>
<td>2,083</td>
<td>10,000</td>
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<tr>
<td>University of Dundee</td>
<td>Professor Rory McCrimmon</td>
<td>Improving recovery from hypoglycemia using Katsp</td>
<td>—</td>
<td>14,926</td>
<td>14,926</td>
</tr>
<tr>
<td>King’s College, London</td>
<td>Dr Timothy Tree</td>
<td>Iatrogenic immunization reveals the properties of islet destructive T-cells</td>
<td>31,376</td>
<td>31,199</td>
<td>62,575</td>
</tr>
<tr>
<td>Wellcome Trust</td>
<td>Wellcome Trust (John Todd)</td>
<td>JDRF/Wellcome Trust Diabetes and Inflammation Laboratory</td>
<td>46,725</td>
<td>25,620</td>
<td>72,345</td>
</tr>
</tbody>
</table>

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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Footnotes

- Principal investigator
- University of Cardiff: Developing and optimising pHLA multimers as a biomarker for T1D
- University of Dundee: Dr Craig Beall, The role of AMPK in hypoglycaemia detection and GABA regulation
- University of Cambridge: Professor David Dunger, Adolescent type 1 diabetes cardio-renal protection study
- Imperial College London: Professor Desmond Johnston, An incident and high risk type 1 diabetes research cohort
- University of Dundee: Professor Gelen Colhoun, Extreme Phenotypes relevant to Diabetic Complications in type 1 Diabetes
- University of Glasgow: Professor John Petrie, REMOVAL study: Reducing with Metformin Vascular Adverse Lesions in type 1 Diabetes
- King’s College, London: Professor Manuel Mayr, Endothelial MicroRNA 126 as a Biomarker Candidate for Diabetic Retinopathy
- King’s College, London: Professor Mark Peakman, Islet-specific T-cell response genes identified by microarray analysis
- King’s College, London: Professor Mark Peakman, JDRF UK Centre for Diabetes Genes, Autoimmunity and Prevention (D-GAP)
- King’s College, London: Professor Peter Martin Jones, Islet cell encapsulation: Nano vs micro encapsulation
- University of Bristol: Professor Polly Bingley, The UK International Clinical Site (UK Trials Group)
- University of Manchester: Professor Rayaz Malik, Developing corneal confocal microscopy for human diabetic neuropathy
- University of Cambridge: Dr Ricardo Correia Botelho Chaves Ferreira, Using gene-phenotype studies to identify early disease biomarkers for T1D
- University of Cambridge: Dr Roman Hovorka, HOVORKA Overview: Overnight closed-loop in young people type 1 diabetes
- University of Cambridge: Professor Rory McCrimmon, Closing the loop in children and adolescents
- University of Dundee: Professor Rory McCrimmon, Restoring Hypoglycemia Counterregulation in type 1 Diabetes
- University of Dundee: Professor Rory McCrimmon, Pre-Conditioning and the Development of Hypoglycemia Tolerance
- University of Dundee: Professor Rory McCrimmon, Improving recovery from hypoglycemia using Katsp
- King’s College, London: Dr Timothy Tree, Iatrogenic immunization reveals the properties of islet destructive T-cells
- Wellcome Trust: Wellcome Trust (John Todd), JDRF/Wellcome Trust Diabetes and Inflammation Laboratory

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**Juvenile Diabetes Research Foundation Limited**

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**Notes to the financial statements** 30 June 2013
4 Net incoming (outgoing) resources before transfers

This is stated after charging:

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Depreciation</td>
<td>32,976</td>
<td>28,874</td>
</tr>
<tr>
<td>Directors’ indemnity insurance</td>
<td>636</td>
<td>916</td>
</tr>
<tr>
<td>Auditor’s remuneration</td>
<td></td>
<td></td>
</tr>
<tr>
<td>. Audit</td>
<td>10,500</td>
<td>9,300</td>
</tr>
<tr>
<td>. Under accrual for previous year</td>
<td>1,500</td>
<td>—</td>
</tr>
<tr>
<td>Operating lease rentals</td>
<td></td>
<td></td>
</tr>
<tr>
<td>. Property</td>
<td>121,914</td>
<td>117,883</td>
</tr>
</tbody>
</table>

5 Staff costs and numbers

Staff costs were as follows:

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Salaries and wages</td>
<td>1,549,671</td>
<td>1,338,077</td>
</tr>
<tr>
<td>Social security costs</td>
<td>160,823</td>
<td>139,024</td>
</tr>
<tr>
<td>Pension contributions</td>
<td>57,498</td>
<td>49,990</td>
</tr>
<tr>
<td></td>
<td>1,767,992</td>
<td>1,527,091</td>
</tr>
</tbody>
</table>

One employee earned between £80,000 and £90,000 during the year (2012 – one), and one employee between £60,000 and £70,000 (2012 – one). The pension contributions paid during the year for these employees totalled £10,871 (2012 - £9,550).

The average weekly number of employees (full time equivalent) in JDRF’s functional departments during the year was as follows:

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Cost of generating funds</td>
<td>27.2</td>
<td>23.6</td>
</tr>
<tr>
<td>Research grants</td>
<td>2.7</td>
<td>2.7</td>
</tr>
<tr>
<td>Public education</td>
<td>7.9</td>
<td>7.5</td>
</tr>
<tr>
<td>Support services</td>
<td>8.5</td>
<td>7.7</td>
</tr>
<tr>
<td>Governance</td>
<td>1.3</td>
<td>1.2</td>
</tr>
<tr>
<td></td>
<td>47.6</td>
<td>42.7</td>
</tr>
</tbody>
</table>

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.
Notes to the financial statements 30 June 2013

7 Tangible fixed assets

<table>
<thead>
<tr>
<th>Promotional equipment £</th>
<th>Computer equipment £</th>
<th>Fixtures and fittings £</th>
<th>Total £</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cost</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1 July 2012</td>
<td>8,813</td>
<td>59,037</td>
<td>46,012</td>
</tr>
<tr>
<td>Additions</td>
<td>—</td>
<td>24,149</td>
<td>—</td>
</tr>
<tr>
<td>At 30 June 2013</td>
<td>8,813</td>
<td>83,186</td>
<td>46,012</td>
</tr>
</tbody>
</table>

Depreciation

<table>
<thead>
<tr>
<th></th>
<th>8,813</th>
<th>35,510</th>
<th>28,624</th>
<th>72,947</th>
</tr>
</thead>
<tbody>
<tr>
<td>At 1 July 2012</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charge for the year</td>
<td>—</td>
<td>23,980</td>
<td>8,996</td>
<td>32,976</td>
</tr>
<tr>
<td>At 30 June 2013</td>
<td>8,813</td>
<td>59,490</td>
<td>37,620</td>
<td>105,923</td>
</tr>
</tbody>
</table>

Net book value

<table>
<thead>
<tr>
<th></th>
<th></th>
<th>23,696</th>
<th>8,392</th>
<th>32,088</th>
</tr>
</thead>
<tbody>
<tr>
<td>At 30 June 2013</td>
<td>—</td>
<td>23,696</td>
<td>8,392</td>
<td>32,088</td>
</tr>
<tr>
<td>At 30 June 2012</td>
<td>—</td>
<td>23,527</td>
<td>17,388</td>
<td>40,915</td>
</tr>
</tbody>
</table>

8 Investments

<table>
<thead>
<tr>
<th>2013 £</th>
<th>2012 £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment in unquoted subsidiary undertaking at cost</td>
<td>10,001</td>
</tr>
</tbody>
</table>

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:

<table>
<thead>
<tr>
<th>2013 £</th>
<th>2012 £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover</td>
<td>251,796</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>—</td>
</tr>
<tr>
<td>Gross profit</td>
<td>251,796</td>
</tr>
</tbody>
</table>

Administrative expenses                     | (69,112) | (79,242) |

Operating profit                           | 182,684 | 176,284 |

Taxation                                   | —       | —       |

Profit on ordinary activities after taxation| 182,684 | 176,284 |

Gift aid to parent undertaking             | (182,684) | (176,284) |

Profit (loss) for financial year            | —       | —       |

The aggregate of the assets, liabilities and funds was:

<table>
<thead>
<tr>
<th>2013 £</th>
<th>2012 £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets</td>
<td>125,890</td>
</tr>
<tr>
<td>Liabilities</td>
<td>(115,889)</td>
</tr>
<tr>
<td>Funds</td>
<td>10,001</td>
</tr>
</tbody>
</table>
10 Parent undertaking

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

<table>
<thead>
<tr>
<th></th>
<th>2013 (£)</th>
<th>2012 (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross income</td>
<td>3,920,607</td>
<td>3,950,453</td>
</tr>
<tr>
<td>Results for the year</td>
<td>(424,664)</td>
<td>(468,622)</td>
</tr>
</tbody>
</table>

11 Debtors

<table>
<thead>
<tr>
<th></th>
<th>Group 2013 (£)</th>
<th>Group 2012 (£)</th>
<th>Charity 2013 (£)</th>
<th>Charity 2012 (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade debtors</td>
<td>188,741</td>
<td>154,295</td>
<td>94,841</td>
<td>125,495</td>
</tr>
<tr>
<td>Other debtors</td>
<td>6,256</td>
<td>6,159</td>
<td>6,256</td>
<td>6,159</td>
</tr>
<tr>
<td>Amounts due from subsidiary</td>
<td>—</td>
<td>—</td>
<td>70,928</td>
<td>29,099</td>
</tr>
<tr>
<td>Prepayments</td>
<td>150,388</td>
<td>106,330</td>
<td>150,388</td>
<td>106,330</td>
</tr>
<tr>
<td>Accrued income</td>
<td>268,830</td>
<td>230,401</td>
<td>268,830</td>
<td>230,401</td>
</tr>
<tr>
<td></td>
<td>614,215</td>
<td>497,185</td>
<td>591,243</td>
<td>497,484</td>
</tr>
</tbody>
</table>

12 Creditors: amounts due within one year

<table>
<thead>
<tr>
<th></th>
<th>Group 2013 (£)</th>
<th>Group 2012 (£)</th>
<th>Charity 2013 (£)</th>
<th>Charity 2012 (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade creditors</td>
<td>53,351</td>
<td>23,492</td>
<td>53,351</td>
<td>23,492</td>
</tr>
<tr>
<td>Taxation and social security</td>
<td>67,008</td>
<td>52,669</td>
<td>51,880</td>
<td>49,840</td>
</tr>
<tr>
<td>Other creditors</td>
<td>13,191</td>
<td>9,987</td>
<td>13,191</td>
<td>9,987</td>
</tr>
<tr>
<td>Rent free benefit over lease period</td>
<td>4,000</td>
<td>8,000</td>
<td>4,000</td>
<td>8,000</td>
</tr>
<tr>
<td>Deferred income</td>
<td>29,833</td>
<td>25,000</td>
<td>24,517</td>
<td>49,534</td>
</tr>
<tr>
<td>Accrued costs</td>
<td>24,517</td>
<td>49,534</td>
<td>24,517</td>
<td>49,534</td>
</tr>
<tr>
<td></td>
<td>191,900</td>
<td>168,682</td>
<td>146,939</td>
<td>140,853</td>
</tr>
</tbody>
</table>

13 Analysis of group net assets between funds

<table>
<thead>
<tr>
<th></th>
<th>General funds (£)</th>
<th>Restricted funds (£)</th>
<th>Total funds (£)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tangible fixed assets</td>
<td>32,088</td>
<td>—</td>
<td>32,088</td>
</tr>
<tr>
<td>Net current assets</td>
<td>901,187</td>
<td>232,046</td>
<td>1,133,233</td>
</tr>
<tr>
<td>Net assets at the end of the year</td>
<td>933,275</td>
<td>232,046</td>
<td>1,165,321</td>
</tr>
</tbody>
</table>
Notes to the financial statements 30 June 2013

14 Movement in funds

<table>
<thead>
<tr>
<th></th>
<th>At 1 July 2012</th>
<th>Incoming resources £</th>
<th>Outgoing resources £</th>
<th>Transfers £</th>
<th>At 30 June 2013 £</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Restricted funds</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Research funding</td>
<td>446,106</td>
<td>574,302</td>
<td>(885,526)</td>
<td>97,164</td>
<td>232,046</td>
</tr>
<tr>
<td>Public education</td>
<td>21,723</td>
<td>95,840</td>
<td>(117,563)</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Total restricted funds</td>
<td>467,829</td>
<td>670,142</td>
<td>(1,003,089)</td>
<td>97,164</td>
<td>232,046</td>
</tr>
<tr>
<td><strong>Unrestricted funds</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General funds</td>
<td>939,472</td>
<td>3,502,261</td>
<td>(3,411,294)</td>
<td>(97,164)</td>
<td>933,275</td>
</tr>
<tr>
<td><strong>Total funds</strong></td>
<td>1,407,301</td>
<td>4,172,403</td>
<td>(4,414,383)</td>
<td>—</td>
<td>1,165,321</td>
</tr>
</tbody>
</table>

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

**Transfer**
Funds have been transferred to cover the indirect costs of providing research funding, including research related salary costs and re-allocated support costs.

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

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Land and buildings £</td>
<td>Other £</td>
</tr>
<tr>
<td>Less than one year</td>
<td>19,075</td>
<td>—</td>
</tr>
<tr>
<td>Between one and two years</td>
<td>100,144</td>
<td>888</td>
</tr>
<tr>
<td>Between two and five years</td>
<td>6,600</td>
<td>—</td>
</tr>
</tbody>
</table>
Thank you

Board Directors
Ian Edwards - Chairman
Michael Yardley - Treasurer
Dominic Christian
James Cripps
Geoffrey Forester
Sarah Gordon
James M. Lurie
Anthony Reeves
Bruce Steinberg
Steven Turnbull

Scientific Advisory Committee
Professor Jeremy Tavaré - Chairman
Professor David Dunger - Vice Chairman
Professor Anthony Barnett
Dr Fiona Campbell
Ashley Dartnell
Professor Neil Hanley
Jonathan Haw
Professor Simon Heller
Jonathan Henderson
Alexandria Moseley
Professor Mark Peakman
Professor James Shaw
Professor John Todd

Trusts and Companies
Abbott Diabetes Care
The Alan & Babette Sainsbury Charitable Fund
Animas
The Annie Tranmer Charitable Trust
Baron Davenport’s Charity
Bayer Diabetes Care
The Bernard Sunley Charitable Foundation
Blossoms Healthcare
The Bothwell Charitable Trust
The Bulldog Trust Ltd
The Charles Littlewood Hill Trust
CHK Charities Ltd
Class Publishing
The Cumber Family Charitable Trust
Dame Violet Wills Will Trust
Dextro-Energy
Eli Lilly Diabetes
The Elizabeth & Prince Zaiger Charitable Trust
Ford of Britain
Garfield Weston Foundation
The Henry Lumley Charitable Trust
ING Direct
The Inman Charity
Josephs Family Charitable Trust
The Kirby Laing Foundation
The Lennox and Wyfold Foundation
Lifescan
Lilly Grants and Donations Committee
Macquarie Group Foundation
The Mary Kinross Charitable Trust
Medtronic Ltd
Medtronic Foundation
Merck Serono
The Greendale Foundation
The Millichope Foundation
The Monument Trust
Mrs E K Harding Charitable Foundation
The N Smith Charitable Settlement
Novartis
Novo Nordisk
P F Charitable Trust
The Peter Sowerby Charitable Foundation
R G Hills Charitable Trust
Roche Diagnostics
Sanofi Diabetes
Silpada Designs
Sir Samuel Scott of Yews Trust
Slaughter & May
Tay Charitable Trust

Special thanks
Viggo Birch
Lord John Cope
Philip Dunne MP
Vanessa Easlea
Sir Arnold Elton
Rachel Engel
Joe Greenwell
Keith Hague
Sir Michael Hirst
Rob Hersov
Wayne Leamon
Alex Lumby
Lewis McDonald MSP
Nanette Milne MSP
David Stewart MSP
Kevin Stewart MSP
Paul Warwick
Helen Weir

JDRF Patrons
Ian and Helen Adam-Smith
Thank you

**JDRF Patrons (continued)**

Greg and Susan Allanach  
David Beevers  
Kip Bertram  
J Bidwell  
Roy and Diana Brimblecombe  
Sandy and Shonagh Brown  
Peter and Suzy Brown  
The Brumpton Family  
Gregor Cameron and Amanda Ghost  
Victor and Isabel Cazalet  
Rupert and Juliet Cecil  
Ian Churchill  
Simon and Penny Clark  
Alain-Gabriel and Yolanda Courtines  
Michael and Hilary Cowan  
Brian and Rena Cuddigan  
Niall Curran and Sue Reid  
Alan and Debbie Davies  
Molly De Wolf  
Michael and Rita Dias  
Adam and Jenny Dias  
Alan Duncan  
Bill Dunnett  
Jasper and Sara Falk  
Roger and Johanna Fawcett  
Robin and Lindsay Fox  
Christopher and Fiona Fry  
The Gillespie Family  
David and Penny Gillett  
Martin Griffiths  
Roger and Ellie Guy  
The Harlow Family  
Jonathan and Hélène Haw  
Chris and Monica Hayward  
Ashley and Shayne Head  
Kay Johnson  
Peter and Anne Joshua  
Hugh and Alyson Kennaway  
Sue Kennedy  
Francis and Miranda Kirkpatrick  
Stuart Knight  
Leo and Els Koot  
Sir Eddie and Lady Kulukundis  
Susannah Lack  
Spencer and Heather Lake  
Edward Landau and Jane Mishcon  
Colin and Lisa Lawson  
Richard and Jane Lawson  
Timothy and Susie Lintott  
Enda and Joan Logan  
Klaus and Lizzie MacFarlane  
Bruce and Gwen Macmichael  
Angus and Margaret Maitland  
Nancy McDonald  
Stephen McNeill  
David and Rachel McTurk  
The Hon Anthony and Mrs Monckton  
Bob and Fay Neale  
Mike and Sylvia Nickson  
James and Caroline Noble  
Kevin O'Donnell  
John and Jackie Offenbach  
Michael and Jane Pardoe  
Edward Parry  
Clare Parsons and Tony Langham  
Keith Peat  
Ralph and Liz Peer  
Simon Pickering  
Anthony Prosser  
Tom Reynolds  
Lloyd and Janine Ridgwell  
Charles and Simone Rifkind  
Stuart and Bianca Roden  
Chris and Jenny Rolfe  
Larry and Adrienne Sackin  
John and Victoria Salkeld  
Nicholas and Caroline Saxby  
Graham Scott  
Robert Smith  
Colin and Annick Souter  
Graham Spooner  
Astrid St Aubyn-Findlay  
Richard and Charlotte Stanwell  
Craig and Anna Stewart  
Russell Stewart  
Chris and Teresa Sutton  
Andrew Swann  
Gillian Sweeney  
Didier and Colleen Tandy  
Simon and Lea Taylor  
Sir John and Lady Taylor  
Steve and Sally Taylor  
Simon Baggs and Miranda Taylor  
John and Francoise Thornton  
Siva Vignes  
Paul and Frances Warwick  
Robyn Watkins  
Tony and Helen Watt  
Graham and Helen White  
James and Sara Whitmore  
Ian and Beth Whitworth  
Stephen and Mia Woodford
For further information please contact:

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Fax: 020 7713 2031
Email: info@jdrf.org.uk

jdrf.org.uk