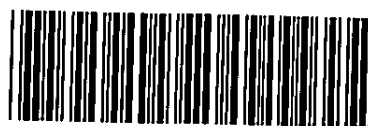


Company Number 03068044
Charity Number 1048167
Scottish Charity Number SC039804

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COMPANIES HOUSE

Coeliac UK
(Limited by Guarantee)

Financial statements

31 December 2012

Coeliac UK
(Limited by Guarantee)

Contents	Pages
Report of the Board of Governors	1-8
Independent auditor's report	9-10
Statement of financial activities	11
Balance sheet	12
Notes to the accounts	13-23

**Coeliac UK
(Limited by Guarantee)**

Report of the Board of Governors for the year ended 31 December 2012

The Board of Governors who are the Charity trustees, and directors of Coeliac UK ('the charitable company'/'the Charity'), have pleasure in presenting their report, which incorporates the report of the directors for the purposes of company law, and the accounts for the year ended 31 December 2012

LEGAL AND ADMINISTRATIVE INFORMATION

The organisation is a charitable company limited by guarantee, incorporated on 14 June 1995 and registered as a UK charity on 20 July 1995 and as a Scottish Charity on 22 August 2008. Coeliac UK is the successor body to The Coeliac Society which was established in 1968.

The Charity was established under a Memorandum of Association that established the objects and powers of the charitable company and is governed under its Articles of Association. The Articles provide for the Board to consist of up to nine elected Governors, two co-opted Governors and one Governor nominated by the Health Advisory Council. One third of the elected Governors resign at each Annual General Meeting and can stand for re-election for one further term.

Board of Governors

Paul Duell
Ian Henderson
David Gregory – Chair of Audit (appointed 18 July 2012)
Heather Lees (resigned 30 June 2012)
Sarah Mitson
Jacqui Smith (resigned 7 March 2012)
Ian Tottman
Tim Wade – Chair (elected as Chair 18 July 2012)
Gillian White – Vice Chair (elected as Vice Chair 18 July 2012)
Dr Michael Forrest
David Sanders
Mike Elliott (appointed 12 September 2012)

Company Secretary

Penelope Edwards

Chief Executive

Sarah Sleet

Registered office and operation address

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

Auditor

Chantrey Vellacott DFK LLP
Prospect House
58 Queens Road
Reading
Berkshire
RG1 4RP

Bankers

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

CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

Solicitors

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

Coeliac UK (Limited by Guarantee)

Report of the Board of Governors for the year ended 31 December 2012

1 Introduction

This report aims to provide a clear account of our work and what has been achieved for people with Coeliac disease and dermatitis herpetiformis (DH) for the year ending 31 December 2012. We explain how we have gone about that work and how we have funded it. In writing this report we have adhered to the Charity Commission's guidance published as SORP 2005.

2 Objectives and Activities

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

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

In 2011 the Charity agreed the 2012-2013 Business Plan which set out five key objectives:

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

The key themes of the plan were as follows:

- capitalising on development of contacts in the catering sector and our intellectual property to achieve tangible changes
- improving service in the NHS by working with commissioners and extending our reach of training to Health Care Professionals (HCPs)
- benchmarking access to gluten-free products in retail stores and their nutritional status
- developing a more inclusive Membership scheme
- developing and implementing an ICT strategy to secure the Charity's long term future

3. Achievements and Performance

Eating out is regularly reported as the top concern by people with coeliac disease. We made a significant step forward in the year with the launch of training services to the industry and a brand new catering accreditation scheme. The new offering is already making a difference in the experience of Members in high street restaurants.

Improvements in the management of the condition also took a positive turn in the year. Financial pressures in the NHS continued to put gluten-free prescribing under the spotlight. However, work by the Charity with manufacturers, wholesalers and commissioning bodies has led to the re-introduction of gluten-free fresh bread on prescription in some areas. Furthermore, a long term ambition of the Charity to see National Institute for Health and Clinical Excellence (NICE) guidelines established on the management of the condition, was fulfilled with an announcement from NICE to develop a new guideline in 2013.

As part of the Charity's ongoing work to reach out to all those with coeliac disease, including those not yet diagnosed, a special resolution was passed at the 2012 AGM to extend Membership to those without a medical diagnosis, opening up support for the Charity to friends and family as well. The change took effect in January 2013.

In support of the Charity's latest strategy, a staff reconfiguration plan was introduced on 1 January 2013 providing a robust structure that will efficiently support the Charity's strategic aims. Extensive work was also undertaken to replace and improve the Charity's IT infrastructure and online presence.

Coeliac UK (Limited by Guarantee)

Report of the Board of Governors for the year ended 31 December 2012

The 2012 plan was developed at a time of ongoing financial uncertainty for the Charity sector. However, we have performed well exceeding expectations particularly in commercial income. We also were fortunate to benefit from a number of legacies.

3.1 Authoritative source of support and quality services

The Charity ended 2012 with a Membership base of just over 60,000, a slight decrease in the 2011 levels, including 12,659 newly diagnosed joining in 2012. The number of paying Members was 48,000 generating just over £815k in Membership fees.

- We launched a Member2Member programme, which provided one to one support between experienced Members and those facing similar challenges. Forty seven mentors were signed up in the year with emphasis in the first phase on parent to parent support. We have had 24 parent/carers already matched with mentors. Other potential mentors for the future include a dietitian, a community nurse, a teenager who wants to help other teenagers and a trained counsellor.
- In July 2012 a special resolution was passed at the Charity's AGM which paved the way for Membership based on support for the Charity, with or without a medical diagnosis of coeliac disease. This will allow those struggling to get a diagnosis become an integral part of the Charity together with friends and family. The change will be implemented in 2013.
- Preparatory work continued on the development of a new smartphone application to enable on the go access to the food and drink directory as well as the venue guide. The launch of the app is now scheduled for 2013 as it was subsumed into a more complex and wider ranging IT programme of work.

3.2 Accelerated rate of diagnosis and uniformly high quality care

We are experiencing a time of exceptional change within the Health Service which presents the Charity with new opportunities and challenges.

- Helping to ensure access to gluten-free prescriptions stayed high on the agenda throughout 2012. We continued to promote a pharmacy supply scheme toolkit to commissioners in the U.K. which is under active consideration in Scotland and Wales. These schemes aim to free up GP time and provide easier access to gluten-free foods.
- More commissioning bodies withdrew access to fresh gluten-free bread during the year citing high costs as the rationale. The Charity worked with wholesalers and manufacturers to establish new arrangements guaranteeing set costs and subsequently promoted the new arrangements to the commissioning bodies. As a result policies have been reversed in Surrey, East Kent and Dudley improving access for thousands of Members.
- Ongoing efforts to promote the need for a NICE guideline on the management of coeliac disease finally paid off in the year when NICE announced its decision to review the current diagnosis guideline and include management in an updated version.
- A continuing professional development module aimed at GPs and hospital doctors early in their career was redesigned and relaunched during the year as part of the European funded project, CD-MEDICS.

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

The quantity and quality of food found in the shops has improved but there is still a need to persuade producers and retailers to make more mainstream foods gluten-free.

- A Europe-wide agreement on the licensing of the Crossed Grain symbol on packaged food was implemented in 2012 with 15 out of 34 member societies of the Association of European Coeliac Societies signed up to promote the new scheme increasing the number of products across Europe carrying the symbol.
- We undertook a survey to understand if gluten-free breads were being fortified with additional nutrients to match the requirements of their gluten-containing counterparts. The results of the work will be used to inform the Charity's policy position on the issue.

Coeliac UK (Limited by Guarantee)

Report of the Board of Governors for the year ended 31 December 2012

- During Awareness Week we challenged the nation to go gluten-free from 14-20 May to raise awareness of the daily food frustrations encountered by people in the UK who have coeliac disease. The idea of the Gluten-free Challenge was for people to shop, cook or eat out completely gluten-free for a week in order to experience what it is like to be diagnosed with coeliac disease. The need to improve access to suitable foods was highlighted in national coverage included 49 items in national media, 5 national newspapers including The Daily Mail, Sunday Times Style Magazine and The Guardian. Features appeared in 37 consumer magazines and a further 132 articles featured on publications' websites.

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

The key thrust of our activities in 2012 centred on improving the provision of gluten-free options in catering and in doing so developing a new income line for the Charity.

- In April the Charity launched its new services to the catering sector at a well-received event entitled "The gluten-free law and the catering sector: From legislation to liberation". Over 90 delegates attended from across the catering sector including representatives from high street restaurant chains, contract caterers and suppliers.
- The new service includes online training courses which have proved popular. In addition three face to face training courses took place before the end of the year involving regional individual delegate courses and in-house organisation wide courses.
- Our accreditation service for caterers and restaurants has proved particularly attractive. Two new trademarked logos were created to represent two levels of accreditation – gluten-free and NGCI (no gluten containing ingredients). Before the end of the year the paid for service was taken up by two major high street pizza chains, with both public sector and private sector operations in the pipeline.
- These new innovative services have boosted the Charity's profile overall in the catering sector with a number of media articles in the catering press.
- To boost awareness further, we ran our Gluten Free Chef of The Year competition once more in association with the Institute of Hospitality and the Craft Guild of Chefs. This year the competition was tougher with entrants being asked to showcase their skills by including gluten-free substitutes such as bread, pasta or batter cooked from scratch at the live final.

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

The Charity spent £148k in the year both on medical research and research supporting the Charity's work to improve catering provision for people with the condition. Our objective to spend a minimum of 5% of our income on research in any one year was met for 2012.

- We undertook an in-house research project looking at the needs of our South Asian Members to help inform our plans for development of culturally sensitive support and resources. The activity was featured on BBC Asian Radio, BBC Leicester & Sheffield. The results will feed into the Membership review in 2013.
- Following our research call we chose NSF-CMI to conduct our latest phase of catering research. The research is looking to establish more precise recommendations on the conditions necessary to provide gluten-free food when gluten-containing flour is also being used within a commercial kitchen.
- Coeliac UK has teamed up with CORE, a charity that funds research into a range of digestive diseases, to jointly fund two new research projects. Dr Joe West of the University of Nottingham, has been awarded £40K to investigate how common clinically diagnosed coeliac disease and dermatitis herpetiformis is in the UK today. This work will update current estimates and build up our understanding of the condition. Dr Philip Riches, of Western General Hospital, Edinburgh has been awarded £40k towards his research on osteoporosis as a common complication of coeliac disease. This project aims to find out whether the higher risk of osteoporosis in people with coeliac disease is a result of autoimmune processes rather than simply due to poor absorption of calcium.
- Dr Adrian Thomas at Royal Manchester Children's Hospital was awarded £20k to carry out research, as part of a Europe-wide project, testing the accuracy of a new approach to diagnosis in children that avoids biopsy under certain conditions.

Coeliac UK (Limited by Guarantee)

Report of the Board of Governors for the year ended 31 December 2012

- We hosted a research conference with an invited audience of medical and dietetic practitioners entitled 'Coeliac Disease new approaches to diagnosis, prevention and practice' Leading experts in coeliac disease from across the UK and from the Netherlands provided insight into the latest research and clinical practice on the condition

3 6 Delivering value for money for the Membership by demonstrably improving our efficiency and effectiveness.

The Charity focussed on opportunities during the year to improve operations and arrange our resources to implement our strategic plan

- Coeliac UK has implemented an IT strategy during the year which is intended to support the Charity's mission This financially robust and cost efficient project will involve a mixture of new equipment and facilities that are well managed and supported so as to enable un-interrupted services and support for staff, members and other stakeholders alike
- During the year the Charity reviewed its operations in Wales It is important for the Charity to put in place mechanisms which are seen to be more sensitive to the context of Wales A new post and office base were established to give us a permanent presence in Wales and recruitment was initiated for a Governor with a Welsh perspective
- As a result of a new strategy in 2010 a re-evaluation of our current structure and its fitness for purpose took place In the resulting restructure we have concentrated expertise in three main delivery teams Policy, Research and Campaigns, Engagement and Communications, and Commercial Services These teams will be supported by an expert team focused on supporting ICT and a separate team providing corporate service support in an efficient manner

4 How we are Managed – Structure, Governance and Management

4 1 The Charity

Coeliac UK is a charitable company limited by guarantee, incorporated on 14 June 1995 and registered as a charity on 20 July 1995 with the Charity Commission It was also registered with the Office of the Scottish Charity Regulator in 2007

4 2 The Board of Governors

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

The expertise within the Board is substantial and wide-ranging Trustees include a senior director with banking experience, senior multinational executives, a university lecturer and experienced senior healthcare professionals All Governors are volunteers committing many days, evenings and weekends of the year to working for the Charity

During the year Tim Wade was elected as Chair, Gillian White as Vice Chair and David Gregory as Chair of the Audit Committee

In order to manage scheduled Board rotations, a new recruitment round was initiated for Governors Candidates with a volunteering, legal or Welsh background were identified as of particular interest

4.3 The Board's Committees

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

The Executive Action Committee allows the Board to retain control in crisis situations when the full Board may not be able to be convened The Committee would only be called upon in emergencies and was not invoked in 2012

Health Advisory Council and Health Associates

The Health Advisory Council provides the Charity with expert insight into health issues related to coeliac disease, associated research and advice on related policies and activities The Council draws upon a wide range of expertise to reflect all aspects of healthcare

Coeliac UK (Limited by Guarantee)

Report of the Board of Governors for the year ended 31 December 2012

Food Sector Advisory Panel

The future remit and operation of the Panel were due to be reviewed in 2012. The discussions are still ongoing with two bodies being proposed – a relaunched Food Sector Advisory Panel and a new Food Standards Committee. The new groups are expected to begin work in 2013.

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

4.4 Recruiting and supporting Governors

During the year a new Governor was co-opted to the Board. Mike Elliott has more than 30 years' experience working in large UK and US multi-national companies, specialising in business process management, property and facilities management, systems and IT.

4.5 Company Secretary

Penelope Edwards was appointed as Company Secretary on the 21 July 2010.

4.6 Management and staff

The Board of Governors delegates the day to day management of the Charity to the Chief Executive who leads a team of 25 full time equivalent staff. Their work is supplemented at times of peak workload by a limited number of temporary staff. The staff work within the Delegation of Authority agreed in a statement by the Board.

The staff agree a work plan with the Board at the beginning of the year and report progress at Board meetings throughout the year through quarterly reporting.

4.7 Our volunteer community

Our strength and depth in volunteering continued apace in 2012. Over 1,706 Members are currently engaged in volunteering roles. This is a small decrease from the number of volunteers in 2011 owing to the absence of the Cost Project.

Over the year the Charity had 10 volunteers who provided administrative support at the Charity's offices in High Wycombe and Edinburgh. In 2012 the Charity had 93 active Local Voluntary Support Groups at the end of the year.

4.8 Managing risk

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

During the year the adoption of the new IT strategy prompted a complete review of the Charity's risk register and governance. A new register was devised to clearly flag high risk areas for this project and is also reviewed at each Audit Committee meeting.

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

5 Financial review

5.1 Overview

The Charity has performed well under difficult economic conditions. There continued to be a strong performance in the commercial element and the receipt of significant legacy income £166k (£304k in 2011).

Expenditure continues to be controlled. However, there is an increase over 2011 which is mainly due to the one off cost to design and development of our catering services. More detail may be found in the Statement of Financial Activities and subsequent notes.

Coeliac UK (Limited by Guarantee)

Report of the Board of Governors for the year ended 31 December 2012

5.2 Investment results

As a result of movements in financial markets the Charity had an unrealised gain of £72k compared to unrealised loss of £29k in 2011. With effective cash management the Charity continues to be able to finance operations without having to liquidate its investments. Where operating cashflow allows, funds have periodically been placed on appropriate term deposits.

5.3 Investing in research

Research expenditure during the year was £147k with £114k remaining in designated and restricted funds.

5.4 Investment and reserves policy

The Charity reviewed its investment policy in 2006, concluding that we should place our investments with a fund manager to provide a reasonable and growing income over the long term, commensurate with a moderate but not excessive degree of risk. The Charity will not invest in high risk instruments, such as derivatives, hedge funds, covered warrants or spread betting. The Charity as an organisation committed to good health has also taken the view that it would be unethical to invest in the tobacco industry as this would impact on the Charity's reputation amongst its stakeholders.

All of the Charity's investments are managed by M&G, a leading investment manager, within its Charfund and Charbond portfolios. The Chair of the Board and Head of Finance and Corporate Services reviewed the robustness of the current investment management during the year and concluded the arrangements were prudent and effective.

The Board recognises the need to hold charitable funds as free reserves in order to safeguard the continuity of provision of basic services, to fund periods of expenditure in excess of revenue and to fund unexpected expenditure. In 2007 the Board concluded that the equivalent of between 5 and 10 months of operating costs (excluding restricted and designated expenditure) should be held as free reserves.

The reserves policy will continue to be reviewed annually by the Board. The Board will monitor the level of free reserves regularly throughout 2013. Excess reserves may be spent to further the objectives of the Charity. If free reserves fall below the agreed level, the Board will take steps to establish or maintain free reserves at the agreed level by taking measures to reduce expenditure and by managing levels of designated reserves.

The proportion of free reserves at the end of 2012 was 8.86 months of annual general expenditure which is within our policy. Total reserves rose by £107k in 2012, with £403k as restricted and designated reserves.

6 Plans for Future Periods

Our strategic aims remain in place:

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

To support the achievement of the aims the 2013/14 Business Plan sets out its key themes of the plan as:

- roll out of the new ICT infrastructure with a new customer relationship management database, website and smartphone application
- launch new Membership scheme and create new Membership strategy
- review and increase returns from paid for commercial services
- review and develop strategy for fundraising including community fundraising
- increase presence with caterers through accreditation and training
- research need for maintenance of prescriptions
- complete reconfiguration of teams and successfully renew its Investors in People status

**Coeliac UK
(Limited by Guarantee)**

Report of the Board of Governors for the year ended 31 December 2012

7 Responsibilities of the Board of Governors

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

Company law requires the Board of Governors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the Governors are required to

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation

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

In so far as the Board of Governors are aware

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

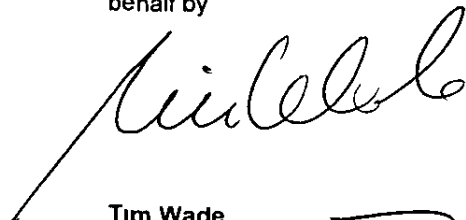
The Board of Governors is responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislations in other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

Auditor

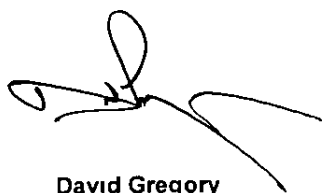
A resolution to reappoint Chantrey Vellacott DFK LLP will be proposed at the forthcoming Annual General Meeting.

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

This report was approved and authorised for issue by the Board of Governors on 25/3/13 and signed on their behalf by



Tim Wade
Chair



David Gregory
Chair of Audit

**Coeliac UK
(Limited by Guarantee)**

Independent auditor's report to the members and Governors of Coeliac UK (Limited by Guarantee)

We have audited the financial statements of Coeliac UK (Limited by Guarantee) for the year ended 31 December 2012 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheet 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 Governors, as a body, in accordance with section 44 (1)(c) of the Charities Accounts (Scotland) Regulations 2006 and of the Charities of 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 group and parent charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Board of Governors and auditors

As explained more fully in the Statement of Governor's Responsibility set out on page 8, the members of the Board of Governors (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the Report of the Board of Governors and 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 and charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Board of Governors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Board of Governors (incorporating the directors' report) to identify material inconsistencies with the audited financial statements. 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 and parent charitable company's affairs as at 31 December 2012 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Board of Governors (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Coeliac UK
(Limited by Guarantee)**

Independent auditor's report to the members and Governors of Coeliac UK (Limited by Guarantee)

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) requires us to report to you if, in our opinion

- the charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of Governors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the Governors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Report of the Board of Governors



MIKE MCALLISTER (Senior Statutory Auditor)
for and on behalf of **CHANTREY VELLACOTT DFK LLP**
Chartered Accountants and Statutory Auditor
THAMES VALLEY

Chantrey Vellacott DFK LLP is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

Date 08-04-13

Coeliac UK
(Limited by Guarantee)

Consolidated Statement of financial activities (incorporating an income and expenditure account)
Year ended 31 December 2012

	Notes	Unrestricted funds £	Restricted funds £	2012 Total £	2011 Total £
Incoming resources					
Incoming resources from generated funds					
Voluntary income	2	745,839	12,932	758,771	899,204
Activities for generating funds	2	268,395	-	268,395	322,942
Incoming resources from trading activities		280,777	-	280,777	286,542
Investment income	2	50,549	3,572	54,121	46,571
Incoming resources from charitable activities	2	1,358,873	-	1,358,873	1,404,101
Total incoming resources		<u>2,704,433</u>	<u>16,504</u>	<u>2,720,937</u>	<u>2,959,360</u>
Resources expended					
Costs of generating funds					
Costs of generating voluntary income		172,866	-	172,866	143,308
Fundraising trading		193,488	-	193,488	72,686
Costs of trading activities		49,807	-	49,807	15,174
Charitable activities	3	2,181,648	67,507	2,249,155	2,294,886
Governance costs	4	20,856	-	20,856	28,296
Total resources expended		<u>2,618,665</u>	<u>67,507</u>	<u>2,686,172</u>	<u>2,554,350</u>
Net incoming/ (outgoing) resources for the year	8	85,768	(51,003)	34,765	405,010
Other recognised gains/losses					
Unrealised (losses)/ gains on investment assets	13	67,421	4,763	72,184	(29,137)
Net movement in funds		153,189	(46,240)	106,949	375,873
Balances brought forward		1,288,723	202,683	1,491,406	1,115,533
Total funds carried forward		<u>1,441,912</u>	<u>156,443</u>	<u>1,598,355</u>	<u>1,491,406</u>

The notes on pages 13 to 23 form part of these financial statements

Coeliac UK
(Limited by Guarantee)

Balance sheet
31 December 2012

	Notes	Group		Charity	
		2012 £	2011 £	2012 £	2011 £
Fixed assets					
Tangible assets	12	153,829	115,757	153,829	115,757
Investments	13	938,811	866,627	938,813	866,629
		<u>1,092,640</u>	<u>982,384</u>	<u>1,092,642</u>	<u>982,386</u>
Current assets					
Investments & deposits		331,960	325,896	331,960	325,896
Debtors	14	268,155	222,671	361,938	303,128
Cash at bank and in hand		615,047	668,938	495,390	552,104
		<u>1,215,162</u>	<u>1,217,505</u>	<u>1,189,288</u>	<u>1,181,128</u>
Current liabilities					
Creditors amounts falling due within one year	15	(689,447)	(693,483)	(665,779)	(659,313)
Net current assets		<u>525,715</u>	<u>524,022</u>	<u>523,509</u>	<u>521,815</u>
Total assets less current liabilities		<u>1,618,355</u>	<u>1,506,406</u>	<u>1,616,151</u>	<u>1,504,201</u>
Provisions for liabilities and charges	16	(20,000)	(15,000)	(20,000)	(15,000)
Net assets		<u><u>1,598,355</u></u>	<u><u>1,491,406</u></u>	<u><u>1,596,151</u></u>	<u><u>1,489,201</u></u>
Reserves					
Unrestricted funds					
– designated	17	246,914	421,428	246,914	421,428
– general		1,194,998	867,295	1,192,794	865,090
		<u>1,441,912</u>	<u>1,288,723</u>	<u>1,439,708</u>	<u>1,286,518</u>
Restricted funds	18	<u>156,443</u>	<u>202,683</u>	<u>156,443</u>	<u>202,683</u>
	19	<u><u>1,598,355</u></u>	<u><u>1,491,406</u></u>	<u><u>1,596,151</u></u>	<u><u>1,489,201</u></u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

Approved by the Board of Governors and authorised for issue on 25/3/13 and signed on their behalf by


Tim Wade – chair

Company number 03068044

The notes on pages 13 to 23 form part of these financial statements

Coeliac UK
(Limited by Guarantee)

Notes to the financial statements
Year ended 31 December 2012

1. Accounting policies

a) Accounting convention

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of fixed asset investments at market value and in accordance with the Companies Act 2006, Applicable United Kingdom Generally Accepted Accounting Practice and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) have been followed in preparing these accounts

b) Local groups and accounting policy

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

c) Income

Income from web advertising, sponsorship and licensing is deferred on a proportionate basis over the life of the contract. All other income is recognised on a received basis

d) Cost allocation

Shared costs have been allocated on the following basis

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

e) Grants

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

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

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

f) Restricted funds

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

g) Depreciation of fixed assets

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

Furniture and fittings	20% p a straight line
Computer equipment	33 3% p a straight line (pre 2012 25% p a straight line)

h) Investments

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

Coeliac UK
(Limited by Guarantee)

Notes to the financial statements
Year ended 31 December 2012

1 Accounting policies (*continued*)

i) Leasing

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

j) Resources expended

Resources expended are recognised in the period in which they are incurred. They are analysed between direct charitable expenditure, fundraising and governance of the Charity.

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

k) Designated funds

Designated funds are funds earmarked by the Board of Governors for particular purposes.

l) Pension

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

m) Basis of consolidation

The group accounts consolidate the accounts of Coeliac UK and its subsidiary undertaking on a line by line basis. The accounts are made up to 31 December 2012. No separate statement of financial activities or income and expenditure has been presented for the Charity alone as permitted by the Companies Act 2006 and the 2005 Charities SORP.

The amount of the result for the financial period dealt within the financial statement of the charity is disclosed in note 11 to these accounts.

n) Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Coeliac UK
(Limited by Guarantee)

Notes to the financial statements
Year ended 31 December 2012

2 Incoming resources

	Unrestricted £	Restricted £	2012 Total £	2011 Total £
Incoming resources from generated funds				
Voluntary income				
Donations and gifts	579,719	12,932	592,651	595,629
Legacies	166,120	-	166,120	303,575
	<u>745,839</u>	<u>12,932</u>	<u>758,771</u>	<u>899,204</u>
Activities for generating funds				
Raffle	267,860	-	267,860	321,638
Affinity	505	-	505	1,304
Events	30	-	30	-
	<u>268,395</u>	<u>-</u>	<u>268,395</u>	<u>322,942</u>
Investment income				
M&G Investments	44,707	3,159	47,866	45,403
Bank Interest	5,842	413	6,255	1,168
	<u>50,549</u>	<u>3,572</u>	<u>54,121</u>	<u>46,571</u>
Incoming resources from charitable activities				
Membership				
Membership fees	814,842	-	814,842	858,878
Information delivery	334,305	-	334,305	328,190
	<u>1,149,147</u>	<u>-</u>	<u>1,149,147</u>	<u>1,187,068</u>
Research	28,955	-	28,955	24,252
Campaigning	11,518	-	11,518	33,068
Groups	169,253	-	169,253	159,713
	<u>1,358,873</u>	<u>-</u>	<u>1,358,873</u>	<u>1,404,101</u>

3 Resources expended

	Unrestricted £	Restricted £	2012 Total £	2011 Total £
Charitable activities				
Membership	1,249,671	14,353	1,264,024	1,199,377
Research	146,295	1,513	147,808	299,380
Campaigning	488,099	51,641	539,740	507,705
Groups	297,583	-	297,583	288,424
	<u>2,181,648</u>	<u>67,507</u>	<u>2,249,155</u>	<u>2,294,886</u>

Breakdown of costs of charitable activities

	Direct costs £	Grants made (note 7) £	Support costs (note 6) £	2012 Total £	2011 Total £
Membership	861,040	-	402,985	1,264,025	1,199,377
Research	61,515	54,023	32,271	147,809	299,380
Campaigning	299,495	-	240,094	539,589	507,705
Groups	224,631	-	73,101	297,732	288,424
	<u>1,446,681</u>	<u>54,023</u>	<u>748,451</u>	<u>2,249,155</u>	<u>2,294,886</u>

Coeliac UK
(Limited by Guarantee)

Notes to the financial statements
Year ended 31 December 2012

4 Governance costs

	Unrestricted	Restricted	2012 Total	2011 Total
	£	£	£	£
Legal and professional fees	1,253	-	1,253	7,399
Audit fees	9,100	-	9,100	8,852
Cost of AGM	3,780	-	3,780	3,848
Cost of Governors meeting and travel	6,723	-	6,723	8,197
Total	20,856	-	20,856	28,296

5 Total support cost breakdown by activity

	Staff Costs	Other costs	Total 2012	Total 2011
	£	£	£	£
Cost of generating funds (note 6)	11,228	25,902	37,130	16,242
Charitable activities (note 3)	226,329	522,122	748,451	665,373
Governance costs (note 4)	-	20,856	20,856	28,296
	237,557	568,880	806,437	709,911

6 Support cost apportionment

Generating funds

	Cost of generating voluntary income	Fundraising	Investment income	Total 2012	Total 2011
	£	£	£	£	£
Depreciation	1,519	1,490	-	3,009	1,435
Information technology	2,438	2,391	-	4,829	2,538
Support staff costs	8,706	8,537	-	17,243	7,385
Office costs	6,083	5,966	-	12,049	4,884
	18,746	18,384	-	37,130	16,242

Charitable activities

	Membership	Research	Campaigning	Groups	Total 2012	Total 2011
	£	£	£	£	£	£
Depreciation	32,655	2,615	19,455	5,924	60,649	58,812
Information technology	52,412	4,197	31,226	9,507	97,343	103,976
Support staff costs	187,137	14,986	111,495	33,947	347,564	302,541
Office costs	130,781	10,473	77,918	23,723	242,895	200,044
	402,985	32,271	240,094	73,101	748,451	665,373

Coeliac UK
(Limited by Guarantee)

Notes to the financial statements
Year ended 31 December 2012

7 Grants payable

	Grants to institutions	
	Total 2012 £	Total 2011 £
Support of Edinburgh based research studentship	-	47,667
Matrix biology & tissue repair research unit	-	
Identify rare large effect size genetic variants	-	47,667
predisposing to Coeliac disease	-	
CORE – Riches, Centre for rheumatic diseases	13,333	-
CORE – Joe West, University of Nottingham	20,690	-
Thomas, Manchester Childrens Hospital	20,000	-
	<u>54,023</u>	<u>95,334</u>

In accordance with the accounting policy outlined in Note 1e, only the first year of funding commitment is recognised in the accounts for multi year grants which are conditional on an annual review of progress which determines if future funding is provided

8 Net incoming / (outgoing) resources for the year

This is stated after charging

	2012 £	2011 £
Depreciation	70,329	62,767
Operating lease rentals	40,161	40,161
Governors liability insurance	1,100	1,100
Audit services	9,100	8,852
	<u>120,690</u>	<u>112,880</u>

Travel costs amounting to £3,933 (2011 £4,095) were reimbursed to 9 (2011 11) members of the Board of Governors

Coeliac UK
(Limited by Guarantee)

Notes to the financial statements
Year ended 31 December 2012

9 Staff costs and numbers

Staff costs were as follows

	2012 £	2011 £
Salaries and wages	860,481	853,740
Social security costs	90,264	89,391
Pension costs	34,192	30,619
	<u>984,937</u>	<u>973,750</u>

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

	2012 No	2011 No
£70,001 - £80,000	<u>1</u>	<u>1</u>

The average monthly number of employees during the year, calculated on the basis of full time equivalents was as follows

	2012 No	2011 No
Advice and information	19	20
Administration and support	<u>6</u>	<u>6</u>
	<u>25</u>	<u>26</u>

10 Taxation

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

11 Results of Charity

The charity has total incoming resources in the year of £2,671,130 (2011 £ 2,944,186) and resources expended of £2,636,365 (2011 £2,539,176) giving net incoming resources of £34,765 (2011 £405,010) The net movement in funds after investment gains is £106,949 (2011 £ 375,873)

Coeliac UK
(Limited by Guarantee)

Notes to the financial statements
Year ended 31 December 2012

12. Fixed assets – Group and Charity

	Furniture & fittings £	Computer Equipment £	Assets under Construction £	Total £
Cost				
At 1 January 2012	102,021	250,342	-	352,363
Additions	920	35,767	74,410	111,097
Disposals	-	(4,036)	-	(4,036)
At 31 December 2012	102,941	282,073	74,410	459,424
Depreciation				
At 1 January 2012	74,396	162,210	-	236,606
Charge for the year	13,077	59,948	-	73,025
Disposals	-	(4,036)	-	(4,036)
At 31 December 2012	87,473	218,122	-	305,595
Net book value				
At 31 December 2012	<u>15,468</u>	<u>63,951</u>	<u>74,410</u>	<u>153,829</u>
At 31 December 2011	<u>27,625</u>	<u>88,132</u>	<u>-</u>	<u>115,757</u>

Assets under construction represent costs of the website design and CRM development

13 Fixed assets investments – Group and Charity

	(Charity only) Investment in Subsidiaries	Unit trusts	2012 Total	2011 Total
	£	£	£	£
Market value at 1 January 2012	2	866,627	866,629	846,425
Unrealised investment gains/(losses)	-	72,184	72,184	(29,137)
Market value at 31 December 2012	<u>2</u>	<u>938,811</u>	<u>938,813</u>	<u>866,629</u>
Historical cost at 31 December 2012	<u>2</u>	<u>1,180,016</u>	<u>180,018</u>	<u>1,180,018</u>
	Market Value £	2012 Cost £	Market Value £	2011 Cost £
M&G Charfund (Income units)	737,246	993,381	669,821	993,381
M&G Charbond (Income units)	201,565	187,635	196,805	187,635
	<u>938,811</u>	<u>1,181,016</u>	<u>866,626</u>	<u>1,181,016</u>

Coeliac UK
(Limited by Guarantee)

Notes to the financial statements
Year ended 31 December 2012

13 Fixed assets investments (continued)

Holdings of more than 20%

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

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

The aggregate amount of capital and reserves and the results of this undertaking for the year ended 31 December 2012 were

	Capital	Profit to Reserves for the year
	£	£
The Coeliac Trading Company Limited	2,205	-
	<u>2,205</u>	<u>-</u>

During 2012 the Trading Company donated its entire profits under Gift Aid of £76,860 (2011 £213,748) to Coeliac UK (Limited by Guarantee). The principal activity of The Coeliac Trading Company Limited is to raise funds on a commercial basis for Coeliac UK (Limited by Guarantee), a registered charity.

14 Debtors

	Group		Charity	
	2012	2011	2012	2011
	£	£	£	£
Trade debtors	59,198	74,004	46,073	41,578
Income tax and VAT recoverable	20,058	4,977	28,280	4,977
Amounts owed by group undertakings	-	-	103,020	113,578
Prepayments and accrued income	188,899	143,690	184,565	142,995
	<u>268,155</u>	<u>222,671</u>	<u>361,938</u>	<u>303,128</u>

15 Creditors amounts falling due within one year

	Group		Charity	
	2012	2011	2012	2011
	£	£	£	£
Grants payable	74,876	147,509	74,876	147,509
Trade creditors	175,142	103,564	174,640	103,564
Other tax and social security	21,400	33,975	21,400	23,198
Accruals	96,786	92,312	95,299	68,919
Deferred income(see below)	321,243	316,123	299,564	316,123
	<u>689,447</u>	<u>693,483</u>	<u>665,779</u>	<u>659,313</u>

Coeliac UK
(Limited by Guarantee)

Notes to the financial statements
Year ended 31 December 2012

15 Creditors amounts falling due within one year (*continued*)

Deferred income- Group and Charity

	2012 £	2011 £
At 1 January 2012	316,123	360,861
Released to the statement of financial activities	(316,123)	(360,861)
Membership, licensing and sponsorship income received in advance	<u>299,564</u>	<u>316,123</u>
At 31 December 2012	<u><u>299,564</u></u>	<u><u>316,123</u></u>

16 Provision for liabilities and charges – Group and Charity

	£
At 1 January 2012	15,000
Charge for the year	<u>5,000</u>
At 31 December 2012	<u><u>20,000</u></u>

17 Designated funds- Group and Charity

Designated funds are funds earmarked by the Board of Governors for particular purposes. At the year end the unspent designated funds were

	Balance at 1 January 2012	Incoming	Outgoing	Investment income & gains	Balance at 31 December 2012
	£	£	£	£	£
Research	156,639	-	(65,043)	22,683	114,279
Groups	114,789	165,303	(147,457)	-	132,635
ICT Development	150,000	-	(150,000)	-	-
	<u><u>421,428</u></u>	<u><u>165,303</u></u>	<u><u>(362,500)</u></u>	<u><u>22,683</u></u>	<u><u>246,914</u></u>

Coeliac UK
(Limited by Guarantee)

Notes to the financial statements
Year ended 31 December 2012

18 Restricted funds – Group and Charity

	Balance at 1 January 2012	Incoming	Outgoing	Investment income & gains	Balance at 31 December 2012
	£	£	£	£	£
Research	-	10,682	(1,513)	417	9,586
Food service sector publications	11,889	-	(12,353)	464	-
Training for newly diagnosed Coeliacs	-	2,000	(2,000)	-	-
Regional development Officer Edinburgh	-	-	-	-	-
Daily newspaper advert for Awareness Week	1,179	-	-	46	1,225
Scotland	189,615	-	(51,391)	7,408	145,632
Wales	-	100	(100)	-	-
Ireland	-	150	(150)	-	-
	<u>202,683</u>	<u>12,932</u>	<u>(67,507)</u>	<u>8,335</u>	<u>156,443</u>

The principal purposes for the above restricted funds were as follows

Research

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

Food service sector publications

For training and education of those in the food sector to improve the availability of gluten-free food outside the home

Training for newly diagnosed coeliacs

For provision of specific assistance with the gluten-free diet for the recently diagnosed

Regional development officer - Edinburgh

For the provision of assistance to people with coeliac disease specifically in the Edinburgh area

Daily newspaper advert for Awareness Week

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

Scotland

Income received to support people with coeliac disease in Scotland

Wales

Income received to support people with coeliac disease in Wales

Ireland

Income received to support people with coeliac disease in Ireland

19 Analysis of net assets between funds - Group

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total £
Tangible assets	153,829	-	-	153,829
Investments	724,822	128,869	85,120	938,811
Net current assets less provisions for liabilities and charges	<u>316,347</u>	<u>118,045</u>	<u>71,323</u>	<u>505,715</u>
	<u>1,194,998</u>	<u>246,914</u>	<u>156,443</u>	<u>1,598,355</u>

**Coeliac UK
(Limited by Guarantee)**

**Notes to the financial statements
Year ended 31 December 2012**

20 Lease commitments - Group

	Land and Buildings		Office Equipment	
	2012	2011	2012	2011
Expiry date	£	£	£	£
Within one year	5,400	5,400	2,085	4,076
Between two and five years	<u>56,161</u>	<u>56,161</u>	<u>2,627</u>	<u>2,627</u>
	<u>61,561</u>	<u>61,561</u>	<u>4,712</u>	<u>6,703</u>

21 Voluntary help

The Charity had extra support from 1,706 (2011 1,900) volunteers. The benefit of their contribution is not reflected in the financial statements.

22 Related party transactions

The Charity received a management fee of £154,124 (2011 £ 57,620) from The Coeliac Trading Company Ltd.

At 31 December 2012 a balance of £103,020 (2011 £113,578) was due from The Coeliac Trading Company Limited.

23 Capital commitments

At the end of the year the Charity had capital commitments relating to the finalisation of the website, updating the ICT Infrastructure and CRM development of £227,094 (2011 £NIL).