

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA  
(a company limited by guarantee and not having share capital)  
For the year ended 31 March 2021



(a company limited by guarantee and not having share capital)

Company Number SC149069

Charity Number SC022315

**Directors' Report, Strategic Report and Financial Statements**

**For the year ended 31 March 2021**

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## Directors' Report – including Strategic Report

### 1. References and administrative details

Alzheimer Scotland - Action on Dementia is the registered name of the organisation. Operationally, the organisation is known as Alzheimer Scotland (and this title is used throughout this report).

Scottish charity number: SC022315 Company registration number: SC149069

**Principal and registered office**  
160 Dundee Street  
EDINBURGH  
Scotland  
EH11 1DQ

**Chief Executive**  
Henry Simmons

**Company Secretary**  
Julie Drummond

**Solicitor**  
Russel + Aitken LLP  
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DENNY  
FK6 6AZ

**Auditor**  
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Citypoint  
65 Haymarket Terrace  
EDINBURGH  
EH12 5HD

**Banker**  
The Bank of Scotland plc  
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EDINBURGH  
EH2 4RN

#### Directors

David McClements (Convener)  
Bernard O'Hagan (Treasurer)  
Archie Noone (Vice Convener)  
Diane Goldberg (Honorary Secretary) – resigned August 2021  
Lorraine Mann (Honorary Secretary) – appointed November 2020  
Joanna Boddy – appointed November 2020  
Pamela Brankin  
Tom Carroll  
Keith Chapman  
Caroline Crawford  
Lesley Diack – deceased December 2020  
Patricia Howie – co-opted November 2020 for a further 1 year, resigned February 2021  
Dianne Howieson  
John Laurie – resigned November 2020  
Lorraine Mann – appointed November 2020  
Mary-Frances Morris  
Jayne Pashley  
Tracey Ward

## **2. Structure, governance and management**

Alzheimer Scotland is a company limited by guarantee and has obtained permission from the Registrar of Companies to omit the word 'limited' from the company name. Alzheimer Scotland is governed by its Memorandum and Articles of Association (last amended November 2013) and the Rules of the Organisation (last amended December 2018).

We reported in the previous accounts that the charity took steps (in line with the ever changing government advice) to help contain the outbreak of COVID-19, including the suspension of all physical gatherings such as our day care and community groups and the closure of all our properties. We also have had to curtail how we operate. With staff being able to work from home we have been able to maintain a high level of service, even with a sufficient number of colleagues on the government retention scheme; the charity has been able to continue some of its activities using online media for keeping connected and for online activities. In addition we have increased the capacity of our Helpline service to meet the higher demand of calls received. We have sourced good supplies of PPE and have been able to maintain contact with care at home visits to many of our Day Care users particularly for our most vulnerable and isolated individuals and carers who have been unable to access our services directly. It is pleasing to report that we are now emerging from those days with many of our services back up and running.

The trustees are monitoring income and expenditure closely and will take measures to mitigate the impact of COVID-19 on the charity's free reserves. We have continued to conduct monthly Board meetings online. The outbreak has of course resulted in a reduction of our fundraising income during 2020/21, with the cancellation and postponement of many of our fundraising events and equally a reduction in our conferences and projects. At this stage, it is difficult to assess the full impact of the virus on the long-term future and activities of the charity, though we remain confident that we will get through any potential impacts due to sufficient reserves and with future plans to mitigate any reduction in income long term and by seeking new opportunities, especially around our digital offerings.

We have made further reference on this impact under Section 8 Future Plans and under Section 9 Going Concern.

The Directors of the Company, in this Report referred to as "the Directors", are elected from the membership for three-year terms of office by the members at the Annual General Meeting (AGM). The office bearers of the organisation are elected from and by the Directors. Alzheimer Scotland has a membership base as at March 2021 of 8,877 (9,373 members - 2019/20). The Board of Directors (who are also the Trustees of Alzheimer Scotland for the purposes of charity law) established a Nominations Committee back in 2016/17 for the purpose of recruiting new Trustees, and this worked successfully with five new trustees recruited to the Board during 2017/18, one during 2018/19 and 3 in 2019/20. Member's contribution on winding up is £1.

Each year there is an induction and training session for new and continuing Directors. Each Director receives a Directors handbook. Throughout the year Directors are encouraged to visit services and attend conferences organised by Alzheimer Scotland as well as spend time with the Executive Directors as part of their induction.

The Board is responsible for the governance, strategic direction and priorities of the organisation and for approving the annual budget. The management of the organisation is delegated to the Chief Executive and Executive Directors.



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Alzheimer Scotland is an active member of several umbrella organisations: Alzheimer’s Disease International, Alzheimer Europe, Coalition of Care and Support Providers in Scotland, the Alliance (formerly Long Term Conditions Alliance Scotland) and the Neurological Alliance. These relationships serve a number of purposes – they help to develop ideas in different markets by sharing expertise and also to pool resources to provide better services.

The Board meets monthly, with the exception of July and November, to oversee day-to-day management. The Board comprises the four office bearers and up to twelve other members of the Board. The Chief Executive attends all Board meetings. The other Executive Directors attend as and when required.

The Board reviews the most significant risks to the organisation at every Board meeting. The main area of concern is the impact of the coronavirus on the services we operate and on the financial impact of both a reduction in those contracts and the subsequent effects of much reduced fundraising opportunities as a result of the lockdown. In addition, cyber-security and potential data breach risks have also moved up on the risk register and again training for both trustees and staff have increased throughout the year.

### **3. Objectives and activities**

The objectives of Alzheimer Scotland, which are stated in the Memorandum of Association, are:

- i) to promote the welfare and rights of people in Scotland with Alzheimer’s disease and other dementias and those who care for them;
- ii) to provide care, support and information for people with dementia and those who care for them;
- iii) to assist, advise and work with other organisations and individuals in their work in relation to dementia and to promote collaboration between them;
- iv) to identify the needs of people with dementia and those who care for them, to establish objectives and policies for meeting those needs, to draw the attention of all concerned to those needs, objectives and policies and to keep under review the extent to which those needs are being met;
- v) to provide, promote and assist in the provision of information, training, education, research and development relating to dementia;
- vi) to encourage and assist in the establishment of local groups and branches of the organisation or other bodies with objectives related to the organisation.

These objectives can be summarised in four equally important basic aims:

- i) to be the national and local voice of and for people with dementia and their carers in Scotland;
- ii) to improve public policies for the benefit of people with dementia and their carers in Scotland;
- iii) to provide and secure the provision of high quality services for people with dementia;
- iv) to provide and secure the provision of high quality services for the carers of people with dementia.

The purpose of all four aims is to improve the quality of life experienced by people with dementia and their carers.

In order to achieve these aims, Alzheimer Scotland seeks local authority funding and public donations mainly for local and where appropriate national services. Alzheimer Scotland fundraises to be able to campaign, raise awareness, support research, develop innovative approaches to

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supporting people with dementia and their carers and fill the gap in funding short-falls. Alzheimer Scotland works closely with people with dementia and their carers to assist them to speak out on behalf of others living with the illness. Partnership working with national and local government and other organisations is also vital.

At 31 March 2021, Alzheimer Scotland had 411 staff (512 – 2019/20) - the average number of full time equivalent employees during the year was 139 (345 – 2019/20) - and 766 active volunteers (882 – 2019/20) operating in 60 sites throughout Scotland. Alzheimer Scotland's commitment to working with volunteers throughout the organisation is a strength because of the wide-ranging experience and knowledge they bring to governance, service provision and fundraising.

Key management remuneration is reviewed and authorised by the Remuneration Committee, who meet when necessary. Annual cost of living uplifts are reviewed by the People and Wellbeing Committee before being authorised by the Board of Directors (who are also the Trustees of Alzheimer Scotland for the purposes of charity law).

## **4. Mission**

Our mission is to make sure nobody faces dementia alone. Our aims are to be the foremost provider of support services and information for people with dementia, their families and friends throughout Scotland and to be a leading force for change.

To fund our work, we rely on voluntary donations from the public, companies and trusts, in addition to the fees and grants we receive for providing services to Local Authorities (LA), other funding partners and the local communities in which we work.

## **5. Strategy Update**

### **5.1 Achievements and performance**

We continue to make considerable progress towards creating a robust and influential platform in our mission of making sure no one faces dementia alone. This has included progress in terms of our policy work, campaigns, awareness raising, Dementia Nurse Consultants, service provision (including Link Workers, Dementia Advisors, Dementia Resource Centres (DRCs) and Community Support), research and fundraising.

The key financial and operational performance indicators monitored by Alzheimer Scotland's management team include internal quality ratings, Care Inspectorate gradings, customer satisfaction survey results, social media presence, maintaining an acceptable level of staff turnover and sickness.

Alzheimer Scotland's Strategic Plan for 2019-22 was rolled out in October 2019 under the main outcomes below:

- Nobody on their own - We will continue to make sure nobody faces dementia alone and through our Locality Pathway (an diagram on how help can be provided at each step of the pathway) we will be there for the people we support every step of the way.
- Innovation - We will search for, test and apply the most innovative practice and technologies in all our localities throughout Scotland.
- Engagement - We will have the highest possible level of staff and volunteer engagement and ensure every person has an effective voice in the organisation and experiences fair work.
- Collective Voice - We will develop and lead the local and national collective movement and collective voice to ensure our vision for transformation is delivered throughout Scotland.

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- Recognition - We will ensure that the majority of people in Scotland know who we are, what we do, what we stand for and how to support us.
- Delivering - We will make sure that every penny we receive makes a difference and every person who supports us knows it.
- Growing - We will continue to grow our supporter base, extend our reach and invest in delivering our Locality Pathway in each area.
- Protecting Rights - We will bring an end to the inequality and injustice of people with advanced dementia paying for care.
- Prevention - We will lead the development and implementation of a brain health and dementia prevention strategy for Scotland, combined with the development of the Scottish Dementia Informatics Partnership.
- Research - We will ensure Scotland has the highest percentage of its population signed up to dementia research and that they are the best characterised cohort of participants anywhere in the world.
- Collaboration - We will take forward the work of the organisation both internally and externally based on the highest possible level of effective collaboration and engagement.
- International - We will be an internationally recognised centre of excellence in policy and practice.
- Efficiency - We will have the most efficient, effective and safe central operations. Ensuring our financial, technology and property management is of the highest possible quality.
- Quality - we will be able to evidence the effectiveness and quality of all that we do in all areas of our work and practice.

Progress against the Strategic Plan is reported to the Board every 6 months. The Strategic Plan for 2019-22 was approved at the October 2019 Board meeting.

## 5.2 Risk Management

Effective risk management is at the heart of the successful delivery of our strategy and for protecting the future sustainability of Alzheimer Scotland. We continue to prepare for the challenging financial climate by ensuring that all our systems and processes are effective and efficient in supporting the delivery of our strategy. That said we have as a charity, like all other charities throughout the country, have been affected by the on-going impact of Covid-19. The eventual outcome of this cannot be predicted at this time, but it will leave a significant scar on the finances of the charity going forward. One of the main objectives of our Strategic Plan is to achieve significant efficiency savings in everything we procure and commission, as well as minimising all our non-essential costs. Our aim is to protect the level, quality and scale of our frontline operations by reducing and controlling all other expenditure.

Other risks that we face include:

**Reputational risk** – We rely on all our staff and volunteers delivering a high quality of service at all times to minimise risk as much as possible, as well as on our internal procedures regarding our registered care, support service provision and administrative functions. We have a good external indicator of the success of high quality through our Care Inspectorate grades, which continue to be very good.

**Financial risk** – We focus on maintaining sufficient funds to meet our charitable objectives. We carefully monitor this risk through a system of financial reporting that compares actual results against the monthly budget. Our investments and reserves policies are set to ensure that we

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have the ability to cope with variations in income and retain adequate liquidity to meet liabilities as they arise. Credit risk on amounts owed through incoming resources is low.

**Health and Safety** – This continues to be a risk priority for us. Operational procedures are in place that set out the appropriate best practice and standards to be followed and these are audited periodically to ensure compliance. We also have a robust training programme in place and we send all our Locality Leaders on an Institution of Occupational Safety and Health training programme. We purchased in 2018/19 a new on-line e-learning suite of training programmes that has made it easier for our staff to learn from relevant health and safety courses and we have added to that suite further training courses and updates.

**Information Security** – This item is ever higher on the risk programme of many organisations. It is vitally important that we defend our IT systems from malicious attacks and protect the personal data we hold from unauthorised access and misuse. We recently invested in additional protection measures and brought on board IT security consultants to help ensure that the organisation remains secure. Policies and procedures are also in place for protecting data within the working environment. The organisation was also awarded the Cyber Essentials badge in March 2018; this was retested in March 2019 and March 2020 and will be sought again during 2021 and on all occasions has been retained.

**Organisational Change and Sustainability** – This item is key to delivering our strategy and business plans in a measured and successful manner.

**Strategic Risk** – This item is relevant to the external environment in which we operate. That environment continues to present uncertainties arising from the challenges and major changes facing social care partners, especially around funding. We manage the impact of these risks through our planning and performance processes.

The Executive Directors have in place procedures for review and assessment of the business, compliance and environmental risks which may impact upon the activities of the organisation and the achievement of our aims and objectives.

These procedures include an annual written Risk Management Review, which is discussed and approved at the Finance Audit Committee (FAC) before being presented to the Board. "Risk and Governance" also forms a regular item in the Chief Executive's monthly reports to the Board.

The Risk Management review and assessment include:

- Classifying and understanding the risks to which the organisation is potentially exposed;
- Identification and assessment of actual specific risks and the potential exposure in terms of probability and financial/operational impact;
- Selecting several key risks and agreeing strategies to mitigate and/or obviate each risk;
- Reporting to Executive Directors and the Board about how those risks are managed and monitoring of our potential exposure.

## 6. Directors' Report

### 6.1 People

Our people are our greatest asset and we are committed to making sure we have the best possible mechanisms in place to support, develop and engage our highly valued workforce. Investing in our people through avenues for support directly linked to their wellbeing and in making it possible for



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everyone to have a voice and a stake in what we do, means we will be well equipped to deliver our mission through better solutions and outcomes for the people we support. Our volunteers are integral to our plans and we continue to look at ways to improve how we engage and include this hugely valued source of support.

This last year has increased the challenge in how we support and engage our workforce. Equally, we've encountered opportunities and have been consistently in awe of the ability of our workforce to adapt and show immense capacity for resilience in the face of the crisis situation we were all thrust into, as we all learned to live with the ongoing restrictions on our lives both at home and in work. Our levels of collaboration and connectivity increased as our workforce pulled together to support each other and stay in touch throughout the crisis. Our leadership team have worked closely with each other to make sure there is cohesion in our messaging, that we give our people the leadership they deserve and to help us to stay focussed through the crisis.

The priority has been to focus on making sure we have all of the available options in place to give people choice and control over the levels of support they may need as they continue to work in a very different setting to the one we knew before the pandemic. Acknowledging the impact of the pandemic, we have invested significantly in a range of targeted and very specific tools and routes through which people can access support, guidance and advice for mental health. This has been further complimented by a much greater focus on our day to day connectivity between individuals, teams and on a bigger scale. This has meant maximising the options for people to access through digital all of the available channels, making it possible for everyone regardless of location, role or position in the organisation to be personally connected and involved as we have navigated our way through the last year.

The impact of the pandemic and the restrictions on people led to an understandable rise in the number of instances where people sought support or advice from our Staff Engagement Group (SEG). To support this crucial area of employee representation, we have focussed on increasing direct engagement between the People Directorate and SEG. This has worked really well and overall there has been a marked increase in levels of collaboration between the Director for People, HR team and SEG colleagues through our shared responsibility to make sure our people have access to support, guidance and advice on a range of matters, including those that are confidential and sensitive. As we plan for the coming year we will review how we can further increase the profile of SEG, and their specific role as integral to our aim to strengthen our commitment to the dimensions of Fair Work with a focus on the dimension for Effective Voice.

Looking ahead, our main aim will be to create stability for our people, and we will be placing much greater emphasis on how we embed the dimensions of Fair Work as defined by the Fair Work Convention (Scotland). We will use the Framework as our key reference and structure to assess, develop and implement all of our people related actions, initiatives and decisions, underpinned by our commitment to ensuring that through their employment with the Charity, our people experience the key dimensions of Respect, Opportunity, Effective Voice, Security and Fulfilment. We will integrate a much stronger focus on Wellbeing – what this means and how we explain and evidence the connection between the wellbeing of our people, the overall performance of the Charity and the outcomes for those we support.

Through the Framework and with a clear focus on increasing awareness and ability for people to understand and enable Effective Voice, we will plan our transition from our current status towards a more stabilised, secure and safe work environment, giving people more choice, influence and control in the way they manage work life balance and take care of their mental and physical wellbeing and to have the best possible chance of delivering our shared mission.

## 6.2 Policy and campaigning

Over the past year a substantial focus of our campaigning work has been the impact of the Covid-19 pandemic on people with dementia, their families and carers. There is clear evidence that people living with dementia have been disproportionately impacted both directly and indirectly by this pandemic.

Early in the pandemic we took action to provide additional support for our 24 hour Freephone Dementia Helpline to ensure it had the capacity to meet the increased demand and maintain links with our locality teams to make sure people with dementia and carers were not alone during this critical period and were able to access the support and practical help they needed. Calls to the Helpline increased in the early months of lockdown by a third. More tellingly, the length of calls increased substantially which reflected the high levels emotional distress.

Alzheimer Scotland's 24 hour Freephone Dementia Helpline volunteers, local Dementia Advisors, Post Diagnostic Support Link Workers and other colleagues have supported tens of thousands of people with dementia, their families and carers using innovative and alternative approaches over the past year. Through them we have a clear picture of how this crisis has impacted on people with dementia and carers.

Throughout the pandemic Alzheimer Scotland worked with other stakeholders to highlight what people with dementia, their families and carers were telling our Helpline and frontline staff. We have worked with the Scottish Government in order to find solutions to how we can better balance the need to protect people from the virus with the harms of the restrictions put in place to prevent it spreading.

Our approach as a critical friend, along with the ability to provide regular and credible updates, enabled us to draw attention to emerging issues and impacts of the response to Coronavirus and to have them addressed. We also contributed to a weekly meeting with the Minister for Mental Health, Scottish Government officials and representatives from autism and learning disability charities. This provided an additional opportunity to raise issues directly with the Minister and influence practice, guidance and policy.

In addition to keeping the Scottish Government informed of emerging issues we wrote to the Cabinet Secretary for Health and subsequently met with the Minister for Mental Health in October 2020 to discuss the issues we raised in the letter and our call for action to address them. These included:

- Take urgent action to understand the reasons why people with dementia are disproportionately represented in the deaths from Coronavirus and the excess deaths during this pandemic
- Acknowledging that the pandemic had further exposed the inequalities Alzheimer Scotland highlighted in our Delivering Fair Dementia Care report and campaign and to work towards Fair Dementia Care by ensuring that people with advanced dementia living in care homes do not have to pay for care, which is clearly health care. We have proposed that the Scottish Government commit to increasing the existing Free Personal and Nursing care payments so that they equate to the actual cost of personal and nursing care
- Action to support families and carers of people with dementia who live in care homes to support better decisions and communication between care homes and families around safe visiting



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- A proposal for a national investment fund to double the capacity to deliver post diagnostic support to address the exiting gaps in delivery; the increased demand for post diagnostic support among those who have not been able to access a diagnosis during the pandemic, and to provide a further period of post diagnostic support to those who have not benefited fully from this critical support during the pandemic

In November 2020 we published "*COVID-19: the hidden impact: A report on the impact of the COVID-19 pandemic on people with dementia and carers living at home*". This report set out the evidence Alzheimer Scotland gathered from the tens of thousands of people with dementia and their carers we have supported during this period about the impact of the pandemic and the unintended harms to their health and wellbeing of the public health restrictions.

The report also set out the urgent need to address these harms by responding to the increased levels of need through the safe remobilisation of community supports for people with dementia and carers.

The report made key recommendations to ensure that the increased needs of people with dementia and carers are prioritised to mitigate the impact of this pandemic now and in the coming years.

Following the publication of the "*COVID-19 The hidden impact report*" and subsequent meeting with the Minister for Mental Health, we agreed to take forward scoping work with Convention of Scottish Local Authorities (COSLA), Health and Social Care Partnerships and the Scottish Government to explore the current gaps in, and barriers to, the delivery of post diagnostic support, including the additional demand arising from the disruption to diagnosis during the pandemic. That work is ongoing and we are hopeful that it will result in a substantial increase in the availability of this critical support.

This agreement and other key calls for action are included in the commitments of the Scottish Government's Coronavirus (COVID-19) - dementia and COVID-19: action plan, published on the 22 December 2020. We contributed to the development of this national action plan. This included working with our local colleagues to ensure that people with dementia and carers were able to participate in the development of this national plan.

We were successful in securing Scottish Government funding to address significant emerging needs we highlighted to them throughout this pandemic. That includes funding to establish a new national counselling service for families and carers of people with dementia who are experiencing loss, bereavement and overwhelming stress, anxiety and emotional distress from the direct and indirect impacts of the pandemic. We also secured funding to establish a new Action on Rights Team to offer emotional and practical support on the care home visiting guidance to empower families and carers to have informed discussions with care home staff and, where necessary and appropriate, to liaise directly with care home staff responsible for visiting arrangements to facilitate visits and essential visits. The team works with families to support meaningful contact in a way that helps avoid, or when necessary, resolves conflict. These new teams have been established and are operational. They build on the existing work of our Dementia Helpline, Dementia Advisers, PDS Link Workers, and other locality colleagues in supporting people with dementia, carers and families with complex and often stressful circumstances. They provide an additional layer of support for the Helpline, Dementia Advisers, PDS link workers and others to resolve particularly challenging and complex issues.

Throughout this crisis our Alzheimer Scotland Dementia Nurse Consultants have been involved in providing support to care homes across Scotland and Allied Health Professional colleagues in

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developing and supporting the rights of people with dementia and carers to rehabilitation. Alongside other colleagues they have been contributing to the Clinical and Professional Advisory Group (CPAG) which has been advising and developing areas of guidance such as the recently published guidance on facilitating visiting in care homes. In addition, they and other colleagues, the Alzheimer Scotland Centre of Policy and Practice and members of the Scottish Dementia Working Group and National Dementia Carers Action Network, have proactively developed a series of information resources on a wide range of subjects, to support people with dementia and carers throughout this pandemic.

Towards the end of the financial year we were planning our campaign for the Scottish Parliamentary Elections on 6 May 2021. This focussed on the glaring inequities faced by people with advanced dementia as highlighted in our Delivering Fair Dementia Care report of 2019 and subsequent campaign. During the campaign we aimed to have candidates to pledge to deliver Fair Dementia Care. We called on our supporters to ask the candidates in their constituencies to sign up to the Alzheimer Scotland Fair Dementia Care Pledge and commit to ending this gross unfairness if elected to the Scottish Parliament. We also asked the party leaders to include a commitment to deliver fair dementia care in their election manifestos.

Earlier in 2021 the Scottish Government published the Independent Review of Adult Social Care. This review (also known as the Feeley Report) was commissioned to consider the future of Adult Social Care in Scotland in light of the significant and systemic failings highlighted during this pandemic. We supported the involvement of people with dementia and carers in this review and through various meetings, including a meeting with Alzheimer Scotland's Chief Executive and the Chair of the review, were able to contribute to its development. The report includes recommendations on work force, including implementing the recommendations of the Fair Work Convention's "Fair Work in Scotland's Social Care Sector 2019" report led by Henry Simmons. It also uses our model of post diagnostic support as an exemplar of a preventative model of care.

The Scottish Government have committed to implementing the report's recommendations in full, including establishing a new national care service, ending all non-residential care social care charging, and increasing the free personal and nursing care payments to those in care homes to a level that equates to the national care home contract care costs. That appears to be closely in line with our fair dementia care campaign and election pledge. While we welcome these recommendations, it is likely that the implementation of the report's recommendations will take several years. We will continue to press to end this inequity now through our Fair Dementia Care election pledge on the basis that people with advanced dementia do not have that time to wait.

### **6.3 Localities**

The priority in localities throughout 2020 has been, and remains, the response to Coronavirus. There was a critical and urgent need for all face to face contacts; community activity groups, day care and Dementia Resource Centres (DRC) to close from March 2020 in response to Scottish Government guidelines. In this new and frequently changing landscape, our aims were to ensure people with dementia and carers still felt supported and could trust that Alzheimer Scotland was still there for them. Given the frequency, often daily of changes in guidance from Scottish Government, Health Protection Scotland and other statutory bodies, without exception, the responses in localities has been remarkable as services were adapted to ensure quality supports were still delivered albeit in a new way, as well as ensuring the safety of those supported, staff and volunteers was maintained.

Locality teams responded in the most flexible and creative way as services evolved throughout the year increasing our digital supports as well as re-introducing face to face supports as guidance

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allowed, plus standing those down too as circumstances changed. At all times keeping people supported, informed, and included in those changes. No formal complaints were received about these changes. Alongside this, the implementation of our shared information system, SIS, for all Dementia Advisors, Community Activity Coordinators, and day care services was brought forward. This has provided us the opportunity to test SIS and shape it for reporting needs. It is still being adapted and the next steps will be to incorporate the Croftspar service.

From this 6,338 enquiries were received in localities - 68% of these enquiries came directly from carers relating to the carer role, carer stress, emotional support and coping with stress & distress, demonstrating the significant needs of carers during this period. 10% of enquiries came from people living with dementia, enquiring about our services. The remaining enquiries came from other stakeholders including Health & Social Care professionals and other voluntary organisations.

Almost 50,000 interventions in total were delivered (49,818) with an average of 12,454 per quarter, these included online social and peer support groups, delivery of activity and self-care packs, support calls, 1:1 video calls and wellbeing home visits.

30,804 supportive telephone calls were made averaging 2,567 each month. In the main, these calls started out brief however over time became longer as relationships and trust built with this new model of support.

We delivered 3,030 personalised activity packs to provide activity ideas as well as cognitive stimulation and remind people that we were still there for them. Packs included materials that tied in with people's individual interests and hobbies. This ranged from seed kits to encourage a sense of positivity as well as self-care packs including hand cream, soap and other items..

Despite many initial teething problems, 5,016 digital online groups were facilitated including carer support groups, virtual cafés, afternoon quizzes, doggie bingo, virtual nature learning, carers education sessions, games afternoons and musical mornings.

We have taken a person-centred approach to all the support we have offered throughout this time to ensure we meet the needs of each individual as demonstrated by the Activity Pack contents, and in Glasgow the team sent out specialist Alzheimer Scotland activity DVDs for those who are less digitally connected.

To support those not connected digitally, all Locality teams were successful in bids to Connecting Scotland to secure devices to support people living with dementia, and over 300 gadgets were received and, following risk assessment, were set up in individuals homes.

Not all supports had to move online - following agreements from Scottish Government and the Care Inspectorate, we sought to deliver an alternative, interim wellbeing home visit service for the most vulnerable of those who had previously attended a day care service. Alzheimer Scotland subsequently sought approval from commissioners across Scotland. This service was fully risk assessed with measures in place according to current guidelines at that time and updated as required. We were successful in securing agreement in Dumfries & Galloway, Dundee, Western Isles, Edinburgh, Glasgow, Renfrewshire and Inverclyde, where we safely delivered 2,357 wellbeing visits throughout the year without incident. This is a testament to the level of commitment shown alongside adherence to the guidelines and necessary measures including PPE and self-testing for Covid by locality colleagues. These visits have been maintained throughout the year even during the national lockdown over the festive period. The criteria was adjusted to allow the most vulnerable to not lose this critical support at that time.



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The Croftspar service team has continued to support tenants to remain safely in their own homes, keep in touch with families, albeit digitally at times, as well as maintain morale at a time when tenants could not access the local community as they are used to. Through adherence to guidance and undertaking a full risk assessment they supported one tenant to have his wish granted of having Christmas dinner with his family.

Our relationship with the Care Inspectorate has been maintained throughout with regular calls and updates. They were supportive of the interim wellbeing home visits and held the new model of day care in high regard, sharing it with colleagues as an example of excellent practice.

The support we have been offering has been described as a lifeline by many families and in some cases has prevented crisis, emotional distress and loneliness. Provided below is a sample of some of the comments received from service users:

- *"I just wanted to thank you personally for all your help with Mum. You have been so kind and been a tremendous support. I know that I would have struggled a lot without your support."*
- *"Since my husband has been receiving the companion calls it has allowed me to have an hour to myself, to shower or catch up on housework. I love to listen to my husband singing with his companion, it's just like the old days when he was in a choir"*
- *"Mum may not remember exactly the activities she participated in but she always has a big smile on her face and a spring in her step when I pop in at night – Thank you so much"*
- *"Football memories every Wednesday has been brilliant!! A big thank you to them and everyone who has made Lockdown a bit easier."*
- *"I really look forward to this call. It's lonely with the wife being in care and I miss the company."*
- *"I've felt abandoned, so it's so good that you have got in touch"*
- *"Thanks so much for keeping in touch with us - you don't know what you have until it is taken away from you"*
- *"Whenever anyone asks me how I cope with my diagnosis of dementia I tell them about Alzheimer Scotland and how much you help. Everyone is so nice"*
- *"Alzheimer Scotland are the only consistent service. Thank you so much for always being available"*

Our experienced volunteers have been a consistent point of contact that has improved people's mood, stimulated their mind, and safeguarded their general wellbeing. Feedback from people with dementia and their families has highlighted to us that calls have been something to look forward to each week, which has been especially important in the context of lockdown, when there have been so few positive prospects on the horizon. We have been told that volunteers bring news of the outside world – near and far – which has helped people remain connected to their communities. We know too from feedback that, in the process of getting to know the people they are calling, volunteers have created a unique space for a wide-ranging exploration of peoples' memories as well as topical conversation

What our volunteers have proved is that in a world where normal face-to-face contact is prohibited the simple, elemental sound of a kind and empathetic voice is amplified beyond all measure, and we are ever grateful to every one of them for their dedication and commitment.

In the most exceptional and challenging of years, none of this could have been accomplished without the patience of those we supported plus commitment and dedication of all locality teams and volunteers, as well as support from all of our colleagues in other directorates.

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Going into 2021 and in response to the blended approach now adopted due to the pandemic, the 7 dimension model has been refreshed to reflect our current digital offer, strengthening links with the Virtual Resource Centre and how these will blend with face to face supports as they return, increasing flexibility and offering more choice of supports. Locality objectives have been written that align with the new strategic plan, bringing a strategic focus to the next year of service delivery as we come out of lockdown.

Alzheimer Scotland's 80 Link Workers have provided support to 5,760 people across 16 localities from April 2020-March 2021. The average number of people receiving post diagnostic support per month was 3,424. The Link Workers have continued to deliver a blended approach to Post Diagnostic Support using digital platforms such as Teams and Go To for Post Diagnostic Peer Support, Carers Support and face to face contact. Limited home visits were maintained using safe systems of working and critical/essential risk assessment criteria to ensure the safety of our staff, people with dementia and their family and carers.

The Link Workers delivered 61,766 contacts, 16,302 emails, 18,044 referrals to other professionals (AHP, SW, CPN etc), 810 Post diagnostic peer support groups and 233 carers support groups over the last year. Delivering the 5 Pillar Model has been challenging, particularly for the Community Connection and Peer Support which are key pillars for ensuring every person receives high quality post diagnostic support which helps build a better resilience and enable a period of supported self-management, helps avoid crisis and the need for formal health and social care services. However, we know a substantial number of people have not benefited fully from all of the 5 Pillar PDS during the pandemic and will therefore require an extended period of support beyond one year.

Our Post Diagnostic Support Leads have provided excellent support to our Link Workers across our localities. We have developed and implemented new Key Performance Indicators to ensure consistency of the qualitative and quantitative recording and reporting of information of high-quality post diagnostic support for our organisation and commissioners. We have implemented the Post Diagnostic Improvement Framework developed by Alzheimer Scotland and Healthcare Improvement Scotland across 8 localities, developing improvement plans as identified. Plans are in place to deliver this in our other 8 localities by June 2021.

We successfully tendered for and were awarded a five year Post Diagnostic Support contract with Greater Glasgow & Clyde with funding to appoint additional Link Workers. Edinburgh City Council extended our Post Diagnostic Support contract by a further two years to 2023. Our Service Level Agreement is under review with Argyle and Bute, Dumfries and Galloway and Dunbartonshire. Plans are progressing to reshape the Leadership and Management for Post Diagnostic Support maintaining quality and expansion of the service.

Significant progress was achieved with Cohesion Medical. In partnership with the Executive Lead, PDS Leads and a cohort of Link Workers the 5 Pillar PDS Digital Platform and Digital Wallet was completed with a live "pilot" in Lanarkshire and Highlands. The Executive Lead is proactively engaging with Health and Social Care Partnerships to test out the platforms within the Community Mental Health Teams. Two Health Board areas have expressed an interest to date.

#### **6.4 People Development**

Throughout the last year our focus has been on making sure our workforce are safe at work, well connected and have access to all of the support in place to help with their wellbeing through the unprecedented scale of crisis as a result of the pandemic.

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Whether our people have continued to work from home or have been furloughed during the last year, the option to participate in development and learning has remained in place through digital channels. Although the uptake has understandably been low due to the sheer impact on our day to day 'normal' work environment, we have continued to leave open the options for employees to utilise their time to undertake refresher learning modules as well as participation in mandatory training, including topics such as Health and Safety and Data Security.

Looking ahead, and as part of our wider approach to managing the post pandemic transition into the workplace, we will be looking to include a comprehensive review of our people development needs with a new focus on what is needed to manage a changed work environment with more remote management of teams and individuals. We will look at where we can bring increased development to strengthen ability and confidence across our workforce in how to set and manage performance standards and expectations, and how to maximise the potential of our highly valued workforce through enabling a flexible and adaptable work environment where, through Effective Voice, our people have direct influence and impact.

We have seen significant progress in how our workforce has embraced digital as the overarching method of staying connected and working collaboratively to achieve the best possible outcomes through this challenging last year. Digital will be pivotal in our approach to people development and closely aligned to how we innovate and develop better solutions and greater options for the people we support, their families and carers.

How we utilise, develop and maximise digital tools and channels remains at the forefront of national transformation in how people living with dementia are supported to live well, including remaining connected to family and community in their own homes. Throughout the pandemic we have invested significantly in making sure we stay ahead of digital transformation, innovation and in developing practical solutions always mindful of the very varied needs of those we support. Our Digital Team, Localities and our Helpline employees and volunteers have been instrumental in making sure we continue to engage and support people during the coronavirus pandemic. As we begin to see opportunities emerging to open up our physical spaces and welcome back those we support, through our approach to development we are committed to continuing to build upon our embedded success of using a blended approach of digital, practical learning and practiced based activities to evidence the quality of our work and in how we acknowledge and continue to improve the way that our workforce has embraced new ways of working towards always improving our support for people living with dementia, their families and carers.

Whilst our workforce are supported through the channels specific to employment we also remain committed to making sure our loyal and hugely valued volunteers are supported. With the exception of our Helpline, where the support of volunteers has been critical, the restrictions and risks that we have encountered as a result of the pandemic has had quite a significant impact on the ability of our volunteers to participate in those areas where we would normally see high levels of support. This has in no way diminished the value we place on this critically important aspect of our Charity, and as part of our strategy for the coming year we will commit to looking at better ways to engage with the people who support us through volunteering their time.

## **6.5 Innovation and Development**

It has never been more important for the citizens of Scotland to be digitally connected. The growth of digital over the last year has been exponential, we have experienced growth that we didn't expect to see until 2030. Families have been able to remain connected sharing daily life, seeing their grandchildren, joining groups and having fun with friends. It has been essential for the health and resilience of the nation. This resonates so well with the work we have been undertaking for the last



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6 years, working to ensure those living with dementia did not get left behind and that their access to support could be continued through digital access with support and guidance from our staff and volunteers.

Our Digital Charter, launched in November 2015, was a call to action for us all to work together to actively promote the use of technology in health and social care, and to benefit the increasing number of people living with dementia in Scotland and their families. To be a mandate founded on a common set of core values and principles so that people living with dementia in Scotland benefited from technology to help them live a healthy life safely, securely and confidently as full citizens in society.

This Charter sought to raise public and professional awareness of how technology can enhance lives, promote independent living and assist and complement care and support - and we did just that. In partnership with Scottish Government we have been shaping the digital future for people living with dementia in Scotland, and in this last year we have been ready to offer support through a variety of digital innovations and supports.

Our digital and operational teams worked like lightning on the announcement of the very first lockdown, and we commenced digital activity to as many people as we could. Our staff used Go To, Teams and Near Me as platforms to support our digital engagement and this has been a huge success with our staff gaining digital skills and delivering the most outstanding innovative therapeutic program. We have partnered with “Care Visions” and their team delivered therapeutic sessions in partnership with our staff. And, whilst this might not have differed so much from some of our sessions it was backed by academic rigor and validated our anecdotal assumptions that these sessions were in fact beneficial to those we support. We intend to incorporate digital activity as a staple and our future support will be blended.

We launched a series of digital innovations in September 2020:

**ADAM**

meetadam.co.uk

<https://vimeo.com/461775194>

Families living with long term health conditions can often benefit from the adoption of readily available commodity technologies which would allow them greater choice and control in their lives. However, the stresses of living with their condition mean that they often don't have the time or ability to research and make a good decision about what might be of benefit, and can waste resources purchasing the wrong things.

Adam is a digital companion who will support you to make choices in the types of citizen technologies that will help people in a variety of ways, this can range from a kettle to a Samsung smart hub.

**Purple Alert**

<https://www.youtube.com/watch?v=p2mG4BiKyWo>

Purple Alert is a free app designed by people living with dementia and carers, Alzheimer Scotland staff, Police Scotland, Social Work, Dementia Friends Scotland, Health and Social Care Partnerships and Telecare Services.



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After successfully reaching our milestone of 10,000 downloads, Purple Alert has gone through a major design and functionality upgrade. While the main functionality is still helping to find a person with dementia if they're lost, the new app serves tailored content to users, depending on where you are in Scotland or when you use the app.

We are also waiting to commence a pilot with Police Scotland in Edinburgh where every person living with dementia who has gone missing in Edinburgh will be referred to our Dementia Advisor for a return conversation and connecting families to more support if that is of interest to them.

#### **Virtual Resource Centre**

[https://vimeo.com/475118770/1e9b39cd16?utm\\_source=Alzheimer+Scotland+-+MASTER&utm\\_campaign=2b9a1b9fc8-November+e-news&utm\\_medium=email&utm\\_term=0\\_73adf767e5-2b9a1b9fc8-](https://vimeo.com/475118770/1e9b39cd16?utm_source=Alzheimer+Scotland+-+MASTER&utm_campaign=2b9a1b9fc8-November+e-news&utm_medium=email&utm_term=0_73adf767e5-2b9a1b9fc8-)

A Virtual Resource Centre (VRC) is a digital representation of our physical DRCs. It will be open 24 hours a day and be hosted by a digital person (an avatar) who speaks 25 languages. It will open up our services to a new demographic, including those who aren't native English speakers, who might not live near a physical location and working people who can't access services running Mon-Fri during office hours.

The VRC will be made up of a series of rooms hosting information and activities and will be designed using the same principles as our DRCs, using 3d models of the furniture, lit in the same manner and with a familiar layout and signage, creating a continuous user experience. Available from Thursday 3<sup>rd</sup> June 2021, the VRC has been built with the donations of families and supporters.

In Edinburgh we also launched a new post of Digital Dementia Advisor. Kathy Wiles has done an astounding job in this post and has delivered digital support to 50 families in Edinburgh.

#### **Dementia Dog**

Our Dementia Dog program goes from strength to strength. Fiona and her team have strived to remain connected and support our families. Whilst our staff might not have been able to deliver face to face support our dogs remain on the frontline, ensuring consistency and unwavering support undaunted by Covid. We have been able to also provide services digitally and launch a new family dog service.

Our community dog went virtual and Carla was able to deliver:

- 91 Bingo/Scavenger sessions
- 15 individual AAI sessions
- Train 5 new volunteers to deliver therapeutic sessions digitally

Family dog service was launched:

- Family Dog guidance booklet now available for free download on website <https://dementiadog.org/dementia-family-dog/>
- 13 families have participated in program

## **6.6 Communications & Campaigns**

### **Events**

Unfortunately our Annual Conference, Staff & Volunteers Conference, Scotland's Dementia Awards and the Winter Lecture were all cancelled due to the pandemic.

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Membership

We have 8,877 active members and our Dementia in Scotland magazine continues to be one of the main opportunities to communicate with our members. Due to coronavirus, we issued one magazine in this period marking our 40<sup>th</sup> year, which we celebrated in September 2020. As well as the normal content, there was a four-page reflection on Alzheimer Scotland's 40 years, looking at some key achievements and highlights.

A 'Fair Dementia Care' Dementia in Scotland special edition was also planned as part our Fair Dementia Care Election Pledge campaign for the Scottish Parliament election in 2021, asking our members to show their support for the campaign by encouraging their local candidates to sign the pledge.

Internal Communications

Our internal communications channels became a vehicle predominantly for updates on the pandemic. We created a coronavirus-specific tab on our intranet, ALIS, where staff could access updates, policies and procedures, advice and guidance.

Our Chief Executive, Henry Simmons, introduced a weekly Teams call which all staff could access, including those on furlough. This was recorded and also hosted on ALIS. The numbers of staff joining the call have been consistently high and feedback throughout the organisation has been overwhelmingly positive, with staff noting they have never felt more connected. The majority of the content has come from Henry providing an update on how we've navigated the pandemic, with a latter focus on including internal and external stakeholders to provide their own updates. The call moved to bi-weekly in early 2021.

In October last year we embarked on a piece of work to ensure colleagues returning from furlough had everything they needed to feel informed and up to date. A suite of videos and resources were created and hosted on ALIS, as well as being disseminated through localities.

Raising Awareness

Dementia Awareness Week 2020 moved to a wholly online focus. Connection was key and we actively encouraged people to contact us, ask questions, be a part of our community, and share our social media posts with their networks. The most important message we wanted to convey to our supporters is that **we're still here, still care, and still doing all we can to make sure nobody faces dementia alone.**

We launched a landing page on our website a week in advance of DAW, shared plans across our social channels and asked colleagues, volunteers and supporters to decorate forget-me-not flowers and display them in their windows.

We worked with colleagues across the organisation to plan content in line with the current context and organisational priorities and, from there, established daily themes for the week. The themes were: Fair Dementia Care, Dementia Advisors, Helpline, Digital, AHP and campaigning, Fundraising and Dementia Friends.

Henry had a first-person piece published in the Sunday Post and, in wider press, we had:

- 64 articles/mentions across:
  - 51 regional titles
  - 7 UK regionals
  - 2 UK nationals

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There were 19,766 page views on our website throughout the week, and we had consistent engagement and growth on our social media channels.

Some other key awareness raising highlights include:

- Virtual Brick Appeal: We worked with a creative agency, Frame, to create an ask around buying a virtual brick for the new Virtual Resource Centre. Frame created an animation which was shown as part of a paid social media campaign. We also trialled showing this on STV on demand. Further to this, in December 2020, we worked with Stakeholder Engagement colleagues to further develop this campaign through a Direct Mail to a warm audience. To date the current total for the Virtual Brick Appeal is £68,292.74
- Pharmacy bag campaign: pharmacy bags with our Helpline branding and details were used in 100 independent chemists across Scotland for a 4 week period in December 2020. The results were a 34% increase in calls to the Helpline (year on year)
- We maintained our relationship with Newsquest and worked with them to secure 6 front page covers
- As part of our Fair Dementia Care campaign, we worked with an agency to create a short animation 'Mary's story' which helped break down some of the complexities associated with paying for care.
- In April 2020, we created a suite of information resources and podcasts on our website to help people with dementia and their carers/families navigate the pandemic. Content included Coping with Stress, Eating Well and Hints and Tips from the Scottish Dementia Working Group..
- We had two opportunities to interview Professor Jason Leitch, National Clinical Director at Scottish Government in June 2020 and March 2021. Questions were put to him which had been gathered from the dementia community and the recorded videos were published on our website and social media channels.

#### Website/social media/enews stats

Our social channels stayed steady over a turbulent year with Twitter showing a small growth of 3% to 23,537 followers. Facebook also had a small growth of 5% to 28,429 followers, with steady engagement and traffic from Facebook to our website. Strongest growth was seen on Instagram and LinkedIn with 23% (3285 followers) and 15% (3302 followers) respectively.

We issued a total of 10 enews bulletins over this period. We conducted a data cleanse in January, removing people who hadn't open the previous dozen bulletins. This took our numbers down from 66,000 to 22,000, however the figures have stayed reasonably consistent albeit showing a downward trend in people opening it.

#### **6.7 Fundraising**

£5.08 million (fundraised income and legacies analysis below) was raised in 2020/21. This is a fantastic achievement and testimony to the enduring support from our loyal supporters who, have helped us come through such a turbulent year. Without this ongoing support, we would not have been able to divert as much of our support online and continue to provide support to those who needed it so much, in a year when isolation was so paramount.

Every donation we receive makes a difference and we have continued to ensure best practice in every aspect of our fundraising work. We do not operate door-to-door fundraising nor do we do on-street canvassing and we do not use call centres or issue cold-call mailings. All senior fundraising



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staff are members of the Institute of Fundraising and adhere to their practices and policies. We received no complaints in relation to our fundraising practices during 2020/21 (2019/20 nil).

Whilst this year has challenged the team to reconsider its approach in locality, event and corporate support, with reduced capacity, the team transformed their approach from traditional transactional fundraising tactics, to a more strategic relationship based model. The team have rebranded to 'Stakeholder Engagement' to encompass the new culture, ethos and approach being utilised.

#### Legacies

In 2020/21 we received just under £1.9million from our very generous supporters who left us gifts in their wills.

#### Corporate Partnerships

Corporate partnerships raised £532,000 in 2020/21. The Covid-19 restrictions had a huge impact on this income stream, as businesses in all sectors had to shift operations and adapt to a new way of working, which had a direct bearing on their CSR commitments. Despite these challenging circumstances we managed to rework our plans with existing partners to deliver positive outcomes for both parties, as well as successfully securing some new opportunities and developing more strategic partnerships to lead us back into post-covid operations.

Key successes to highlight include our ongoing partnership with William Hill, which continued throughout the pandemic, and has raised £60,000 to date. Through their continued backing of our Fair Dementia Care campaign they also secured 10,000 signatures in support of this work. We are also delighted to be working in continued partnership with Brodies LLP who, alongside their significant fundraising efforts, have taken part in Dementia Friends sessions and supported us via the delivery of power of attorney and wills webinars for our frontline staff.

In addition, deserved and notable thanks are owed to our partners at Aegon (who raised over £43,000), Santander, Cairn Energy, and Artemis Charitable Foundation who have all contributed substantial support during 2020/21. We are incredibly grateful to all our generous corporate partners, sponsors and donors across the country who have reached out and supported us during this uniquely challenging time.

#### Events

Sporting and challenge events raised £457,306 in 2020/21.

The team diversified our portfolio of events in 2020/21, by introducing an in-house virtual series 'Do it for Dementia'. The campaign surpassed its initial target (£50,000) by over 250%, raising £176,485 and recruiting 551 participants.

The team administrated a large volume of event deferrals and postponements with a strong focus on keeping our supporters engaged by offering other fundraising events and opportunities. £47,962 was raised from 'Challenge Yourself, Change Dementia' in January 2021, our rebranded new year's resolution campaign.

Memory Walk 2020 was delivered as a virtual event, raising £72,396 and recruiting 823 participants. A large majority of walkers were new supporters to Alzheimer Scotland.

The team continued to improve our supporter experience and journey through new fundraising assets and online engagement in line with ongoing developments to improve our digital fundraising presence.

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Locality (community) Fundraising

Locality (community) fundraising raised £594,000 during 2020/21. The reduced level of income is proportionate to the closure of all our Dementia Resource Centres, and reduced numbers of colleagues out and about within our local communities. Whilst the team reworked and improved our methods for digital donation, along with revisiting and trialling previous fundraising methods that had been abstained from e.g. postal mailings, with over 90%\* of fundraised income still being accredited to traditional methods of giving (such as postal appeals, adverts etc) it was inevitable that this income stream would see a drop in the year of a pandemic. The team will be expanding trials within postal mailings and advertisement for 2021/22, to continue the reduced reliance on face-to-face fundraising within these arenas.

*\*Blackbaud's 2020 Charitable Giving Report.*

**6.7 Brain Health Scotland**

The initiative was originally established by Professor Craig Ritchie (Director) and Henry Simmons (Associate Director), and became fully operational in July 2020, with the appointment of Executive Lead (Anna Borthwick) thereby completing the senior leadership team. Project and Communications Lead (Neil Fullerton) was also appointed in July 2020 and in December 2020, we welcomed a new Research Officer (Jenny Waymont), funded by an additional award from pharmaceutical partner Biogen.

The major focus of this first year has been to establish collaborative relationships with relevant partner organisations and colleagues, and to build an evidence-based strategy for our proposed clinical and public health programmes.

We delivered a media launch in September 2020, based on the results of our first National Brain Health Survey, and launched our digital and social media presence, including website and stakeholder brochure to outline the BHS offering. This has now been complemented by a specific publication aimed at securing partnerships with corporate stakeholders, which has been well received.

In March we launched the free, open online course Understanding Brain Health: Preventing Dementia on the FutureLearn platform. To date the course has been joined by 1700 people, from a global audience of 93 countries (63% of registrations are from the UK). We are planning to recruit an education lead to our core team to explore further educational opportunities, including a schools programme to promote brain health to primary age children across Scotland.

A primary focus of Q3 and Q4 2020 was compiling and presenting evidence for the shift in paradigm from treating dementia to promoting brain health across the life course. This process culminated in two productive meetings with Professor Jason Leitch (National Clinical Director) and Professor Fiona McQueen (Chief Nursing Officer). Both parties expressed enthusiastic support for the Brain Health Scotland vision, and particularly for our clinics to be community-based in Alzheimer Scotland Resource Centres rather than in hospitals.

Following these discussions, the Scottish Government Dementia team identified Healthcare Improvement Scotland to lead the recruitment and establishment of four demonstrator sites. This commissioning process continues and, if approved, we expect to begin NHS engagement over the summer, with our first sites becoming operational by later in 2021.

Biogen have awarded £134,000 to pilot a two-year real-world implementation of cerebrospinal fluid (CSF) testing in Brain Health Clinics across Scotland. The project will collect CSF biomarkers and



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evaluate the clinician and patient experience of using these, in parallel with other investigations, for early detection and for diagnostic/clinical management confidence. The findings from this evaluation will directly inform Scotland's first Brain Health Scotland strategy, a policy document which Brain Health Scotland have been commissioned to deliver by the Scottish Government.

Development of the Brain Health and Dementia Prevention Strategy continues, and a first draft will be submitted for review by June 2021. This strategy incorporates the evidence base for focusing on brain health in mid-life, and the model outline of new clinical and public health approaches required to optimise brain health at a national scale.

Much of this first year has been spent in relationship building. This includes with relevant academic partners (for example, the MRC Social and Public Health Unit at Glasgow University; Health Psychology department at Stirling University) as well as with those who may help us meet the needs of those affected by health inequality. We have also established a fruitful partnership with Scottish Rugby and World Rugby to explore the potential of a national brain health service for those at increased risk following a career in professional sport. We are currently in the process of submitting a formal proposal to the Scottish Government and National Clinical Director and hope to deliver a pilot at BT Murrayfield within the next six months.

## **7. Financial review**

We ended the financial year with a surplus of £1,294,573 (2019/20 surplus £507,907).

The Statement of Financial Activities shows that total annual income of £14,728,589 was down by 13% (£16,923,906 – 2019/20), and total expenditure of £13,835,114 was down by 15.3% (£16,334,062 – 2019/20). Net gain on investments is £401,098 (loss of £81,937 – 2019/20). This gives us the net surplus of £1,294,573 (surplus of £507,907 - 2019/20).

Tangible assets reduced by 3% from £7,256,841 to £7,050,770. Details of fixed assets are shown in Note 13 to the financial statements.

The Group (being the charitable company, namely Alzheimer Scotland – Action on Dementia and our trading subsidiary, Dementia Scotland Limited) has free reserves of £5,307,379 (£3,988,277 – 2019/20).

The free reserves relate to services, branches and national office. Each service aims to have around twelve weeks' running costs as cash reserves, which means the unrestricted funds balance is more than the £3.2 million required. The Board of Directors considers the key measure of sustainability for Alzheimer Scotland to be the current and future liquidity cover, rather than the surplus or loss accounting position. Directors have decided that at all times we should maintain cash and readily realisable assets sufficient to fund twelve weeks of cash outflow. The twelve weeks' running costs is to allow, in the event of having to close all services and projects, for having sufficient funds to ensure a safe closure in terms of Care Inspectorate and staff notice periods.

The Directors approve recommendations for the use of funds from the General Funds for strategic commitments or restricted uses, taking into account the unpredictability of legacy income and the organisation's reserves policy. Each year decisions are made about the use of reserves when the annual budget is prepared and approved.

The Group has restricted funds of £1,797,993 (£1,755,134 - 2019/20). This includes restricted income funds of £162,441 and the restricted legacy reserve of £1,635,552. Restricted funds must be used for the purpose or area for which they were given, and the group seeks opportunities to use these funds, where appropriate, in agreement with the providers.

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The endowment fund of £104,073 (£103,901 – 2019/20) is the Michael Clutterbuck Bequest. Under the terms of the bequest, the group retains the capital of £100,000 and when sufficient interest accumulates, spends the interest on innovative home support services.

Total funds are now £16,497,379 (£15,202,806 – 2019/20) (9% increase on 2019/20), £7,210,033 of which are net current assets. The proportion of total reserves that is unrestricted is 88.5% (87.8% 2019/20).

The principal funding sources for Alzheimer Scotland are Local Authorities (38%), NHS Boards (9%), Scottish Government and specific grants (17%), fundraising, trusts and donations (22%), legacies (13%) and investment income (1%).

Most of the organisation's charitable expenditure is spent on care related services at 91.54%. The other 8.46% is split as follows: fundraising 1.45%, campaigning 0.65%, research 1.76%, involvement 2.25% and awareness raising 2.35%. Support costs included in the above is 7.33% of total expenditure and includes governance of 0.19%.

The organisation's banking policy is to minimise risk by holding liquid reserves in interest-bearing bank accounts. In 2014/15 The organisation's investment policy was extended so as to invest through external fund managers Sarasin, this will help secure future growth and better returns than are presently enjoyed by holding cash in low interest rate accounts. These investments are closely monitored by the Finance Audit Committee (FAC) at all their meetings; in addition, the investment managers meet with the FAC and then separately with the Board on an annual basis to discuss the investments and markets in general. The year-end listed equities balance is £2,236,503 (£1,915,090 - 2019/20).

The investment income of £77,029 (£102,514 – 2019/20) comprises bank interest of £10,629 and £66,400 income from our investments with Sarasin.

Alzheimer Scotland has adopted an ethical investment policy to ensure that its investments do not conflict with its aims. Any stock where more than 10% of their turnover is derived from any of the undernoted categories whether in the UK or Overseas will be excluded. This may have a small potential opportunity cost on investment performance in the region of 0.5% per annum

- Armaments
- Tobacco
- Alcohol
- Gambling
- Pornography

The investment manager is also required to bring to the Finance Audit Committee's attention any investments made in companies which generate any revenue from the direct or indirect manufacture of pharmaceutical products.

We established the employee owned entity, Caledonia Social Care Limited (CSC) during 2016/17. The purpose of CSC was to allow us to transfer most of our care at home service contracts and support staff. We are pleased that CSC are performing well and have achieved the continuation of this care at home work while protecting the staff transferred roles. Inline with the original intention to step back from the investment at an appropriate time the Board discussed and agreed to proceed with withdrawing in March 2021. All share holding and share of reported results has been written off in 2020/21.

Alzheimer Scotland invested £125,000 in share capital and have reported a total share of results of £33,093.

## **8. Future Plans**

The impact of the COVID19 pandemic on the dementia community has been quite simply devastating, the loss of direct community support services, the unimaginable pain experienced by people with dementia and their families with loved one's living in Care Homes, the number of deaths and indeed the high level of excess deaths has all led to a disproportionate impact on our community.

Only now are we starting to rebuild and remobilise our local services, and we will continue to do this throughout the year in as safe yet rapid way as possible. Never before have people needed our support as they do now, our local front line staff have done an incredible job of supporting as many people as possible using new digital and on-line formats and we will continue to use this new found skill set in a blended way alongside our direct face to face support as we open up of our local resource centres and services. At the centre of this blended approach will be the launch of our Virtual Resource Centre, this new development will enable people with dementia and their families to have access to a wide range of therapeutic, social and peer support opportunities and will allow us to reach many more people more often through this format.

We will remodel our day services and introduce smaller scale highly therapeutic day care sessions, with a Covid safe number of people for shorter periods time but delivered with a greater frequency across the week in order to meet a similar number of people as previously. We will also reshape some of our local leadership approaches, in particular we will create a new national structure and management approach for our Post Diagnostic Support services in order to maintain the quality of this service and continue its successful expansion.

We will continue to campaign to end the inequalities within our care system through our Fair Dementia Care Campaign and we will put forward new proposals as to how we believe there needs to be a new national response to dementia at the core of the Scottish Government. We will also invest in developing a new advocacy focus for the organisation developing and building on our Action on Rights team.

We will seek the support of our stakeholders, investors and supporters in this quest and use our new Stakeholder Engagement team to build longer lasting and more meaningful, corporate, local and individual relationships.

As a consequence of the lessons we have learned from our enforced home working during the pandemic we will build on this and engage with our core staff to move towards a home based working model, creating a new arrangement for the use of our existing office bases that will compliment this.

During this pandemic many of our staff have been on Furlough, for many others they have been doing an incredible job in supporting people with dementia and their families throughout this time, with our core staff doing all that they can to enable and support this as well as continuing to raise vital funds for the Charity. Going forward we will build on the sound work that has been done to support their well being and we will seek to implement further our approach to Fair Work. We will also redesign our approach to supporting volunteers, workforce development and quality in light of the new structures and approaches that have evolved as a result of the pandemic.

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA  
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Despite the pandemic we successfully launched Brain Health Scotland and we will continue to progress the shift towards a Brain Health Movement through the implementation of this initiative and the gradual testing of a shift towards Brain Health Resources Centres and Brain Health Services. We will underpin this with a new drive to increase the level of participation in dementia and brain health research, using the well developed and focused Join Dementia Research Platform as a basis of this.

Financially the changes that we made to our structure and the support we received as a result of the Government's Job Retention Scheme along with the immense ongoing support we have received from individuals, communities and businesses across Scotland has meant that we were able to finish the year in a strong financial position. This has enabled to focus this year on stabilising the organisation and we will seek to develop as strong a sense of security for the organisation as possible as we recover from the pandemic through this year, with a view to a return to more normal and increased level of fundraising, events and activities in the following year.

## **9. Going concern**

In March 2021 the Executive Team presented a budget to the Finance Audit Committee highlighting a deficit of £1,200,000 for 2020/21. In order to assess the level of headroom in the liquidity, we performed stress testing analysis on the forecasts until 2022/23. Two scenarios were prepared to assess the further reduction in income which would result in reserves falling below Reserves policy (being 12 weeks of costs) and also for all liquid resources to be exhausted. The first of these would require total income for 2023 to be at 86% of 2021 and the second would require total income for 2023 to be at 45% of income for 2021.

Since March 2021 we have reforecast this position and now estimate a reduced deficit of £800,000. This is primarily due to the extended Government's Job Retention Scheme plus some general savings from offices being closed, staff travel restrictions and not filling staff vacancies within the first quarter. The reforecast of £800,000 is not the true cash impact as that includes depreciation of £500,000. In general terms this highlights that our liquid reserves will drop by £300,000 and it is clear from the Balance Sheet that we have a good level of cash available to cover this estimated shortfall.

The Directors have reviewed the financial position, the financial forecasts and the results of the stress testing, all of which cover the 3 years to March 2024, taking into account the levels of investments, reserves and cash, and the systems of financial control and risk management. As a result of this, the Directors believe that we are well placed to manage financial and operational risks successfully.

Accordingly, the Directors have a realistic expectation that the Charitable Company and the Group have adequate resources to continue in operational existence for the foreseeable future. As a consequence, they continue to support the going concern basis in preparing the financial statements.

## **10. Statement of Directors' responsibilities**

The Directors (who are as previously explained also the Trustees of Alzheimer Scotland for the purposes of charity law) are responsible for preparing the Directors' Report, the Strategic Report and the financial statements in accordance with applicable law and regulations.



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Charity and company law require the Directors to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and the Group and of the incoming resources and application of resources, including the income and expenditure, of the Charitable Company and the Group for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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 charity will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

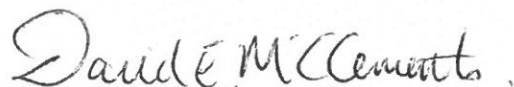
Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

**Provision of information to auditor at the time of approval of this report:**

- So far as the Directors are aware, there is no relevant audit information of which the auditor is unaware, and
- The Directors have taken all steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

In approving the Directors' Annual Report, the Directors are also approving the Strategic Report in their capacity as Company Directors.

**By order of the Board of Directors**



.....  
**Convenor and Director**

*David McClements,*  
Edinburgh

27 August 2021

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA  
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**INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS AND TRUSTEES OF ALZHEIMER  
SCOTLAND – ACTION ON DEMENTIA**

Opinion

- In our opinion, the financial statements:
- give a true and fair view of the state of the Group’s and of the Parent Charitable Company’s affairs as at 31 March 2021 and of the Group’s incoming resources and application of resources and the Parent Charitable Company’s incoming resources and application of resources 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.

We have audited the financial statements of Alzheimer Scotland – Action on Dementia (“the Parent Charitable Company”) and its subsidiary (“the Group”) for the year ended 31 March 2021 which comprise the consolidated statement of financial activities, the consolidated and company balance sheet, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group and the Parent Charitable Company in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions related to going concern

In auditing the financial statements, we have concluded that the Trustees’ use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and the Parent Charitable Company’s ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.



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Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

#### Other information

The Trustees are responsible for the other information. The other information comprises the information included in, 'The directors' report and strategic report', other than the financial statements and our auditor's report thereon. The other information comprises: the directors report – including strategic report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Other Companies Act 2006 reporting

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' Report included within the Trustees report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic report or the Trustee's report.

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

- proper and adequate accounting records have not been kept by the Parent Charitable Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Charitable Company financial statements are not in agreement with the accounting records and returns; or
- 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.

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### **Responsibilities of Trustees**

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

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

#### **Auditor's responsibilities for the audit of the financial statements**

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

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of those charged with governance and reviewing documentation for indications of non-compliance with laws and regulations.
- assessing whether the accounting policies, treatments and presentation adopted in the financial statements is in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice) and whether there are instances of potential bias in areas with significant degrees of judgement such as the accounting of the investment in Caledonia Social Care;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business;

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For the year ended 31 March 2021

- vouching balances and reconciling items in management's key control account reconciliations to supporting documentation as at 31 March 2021; and
- carrying out detailed testing, on a sample basis, of material transactions, financial statement categories and balances to appropriate documentary evidence to verify the completeness, occurrence and accuracy of the reported financial statements.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the Charitable Company's trustees, as a body, in accordance with the Charities and Trustee Investment (Scotland) Act 2005. 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, the Charitable Company's members as a body and the Charitable Company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Martin Gill (Senior Statutory Auditor)

For and on behalf of BDO LLP, statutory auditor

Edinburgh, UK

Date

DocuSigned by:  
*Martin Gill*  
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15 September 2021

BDO LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).



ALZHEIMER SCOTLAND – ACTION ON DEMENTIA  
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For the year ended 31 March 2021

**Consolidated Statement of Financial Activities (SOFA)  
Incorporating income and expenditure account**

For the year ended 31 March 2021

|   | Notes | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Endowment<br>Funds<br>£ | 2021<br>Total<br>£  | 2020<br>Total<br>£  |
|---|-------|----------------------------|--------------------------|-------------------------|---------------------|---------------------|
| <b>Income and endowments from</b>           |       |                            |                          |                         |                     |                     |
| Donations and legacies                      | 4     | 4,968,359                  | 76,132                   | 0                       | 5,044,491           | 7,811,679           |
| Other trading activities                    | 5     | 86,886                     | 0                        | 0                       | 86,886              | 447,212             |
| Income from charitable activities           | 6     | 87,099                     | 9,421,708                | 0                       | 9,508,807           | 8,559,990           |
| Income from investments                     |       | 73,944                     | 2,913                    | 172                     | 77,029              | 102,514             |
| Share of gain of associate                  | 15    | 10,162                     |                          |                         | 10,162              | 0                   |
| Other (gain on disposal of tangible assets) |       | 1,214                      | 0                        | 0                       | 1,214               | 2,511               |
| <b>Total income</b>                         |       | <b>5,227,664</b>           | <b>9,500,753</b>         | <b>172</b>              | <b>14,728,589</b>   | <b>16,923,906</b>   |
| <b>Expenditure on</b>                       |       |                            |                          |                         |                     |                     |
| Raising funds                               | 7     | (199,912)                  | (760)                    | 0                       | (200,672)           | (377,417)           |
| Charitable activities                       | 8     | (5,051,376)                | (8,583,066)              | 0                       | (13,634,442)        | (15,955,507)        |
| Share of loss of associate                  | 15    | 0                          | 0                        | 0                       | 0                   | (1,138)             |
| <b>Total expenditure</b>                    |       | <b>(5,251,288)</b>         | <b>(8,583,826)</b>       | <b>0</b>                | <b>(13,835,114)</b> | <b>(16,334,062)</b> |
| Net gains/(loss) on investments             |       | 401,098                    | 0                        | 0                       | 401,098             | (81,937)            |
| <b>Net income/(expenditure)</b>             |       | <b>377,474</b>             | <b>916,927</b>           | <b>172</b>              | <b>1,294,573</b>    | <b>507,907</b>      |
| Transfers between funds                     | 20,22 | (874,068)                  | 874,068                  | 0                       | 0                   | 0                   |
| <b>Net movement in funds</b>                |       | <b>1,251,542</b>           | <b>42,859</b>            | <b>172</b>              | <b>1,294,573</b>    | <b>507,907</b>      |
| <b>Reconciliation of funds</b>              |       |                            |                          |                         |                     |                     |
| Total funds brought forward                 |       | 13,343,771                 | 1,755,134                | 103,901                 | 15,202,806          | 14,694,899          |
| <b>Total funds carried forward</b>          | 20-23 | <b>14,595,313</b>          | <b>1,797,993</b>         | <b>104,073</b>          | <b>16,497,379</b>   | <b>15,202,806</b>   |

The consolidated statement of financial activities includes all gains and losses recognised in the year.

Prior year comparative breakdown across funds is shown in Note 3.

All results reflect continuing operations – highlighted further in Note 1(n).



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**Consolidated and Company Balance Sheets**

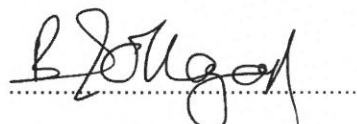
**At 31 March 2021**

|  | Notes | Group<br>2021<br>£ | 2020<br>£   | Company<br>2021<br>£ | 2020<br>£   |
|--|-------|--------------------|-------------|----------------------|-------------|
| <b>Fixed assets</b>                                  |       |                    |             |                      |             |
| Tangible assets                                      | 13    | 7,050,770          | 7,256,841   | 7,032,780            | 7,234,208   |
| Investments  | 14    | 2,236,576          | 1,972,355   | 2,236,576            | 1,972,355   |
| Investments in subsidiary and associate undertakings | 15    | 0                  | 147,931     | 1,000                | 126,000     |
| <b>Total fixed assets</b>                            |       | <b>9,287,346</b>   | 9,377,127   | <b>9,270,356</b>     | 9,332,563   |
| <b>Current assets</b>                                |       |                    |             |                      |             |
| Debtors: amounts due within one year                 | 16    | 2,240,874          | 1,961,399   | 2,241,849            | 1,963,919   |
| Cash at bank and in hand                             |       | 6,406,624          | 5,389,477   | 6,404,541            | 5,383,839   |
| <b>Total current assets</b>                          |       | <b>8,647,498</b>   | 7,350,876   | <b>8,646,390</b>     | 7,347,758   |
| <b>Liabilities</b>                                   |       |                    |             |                      |             |
| Creditors: amounts falling due within one year       | 17    | (1,437,465)        | (1,525,197) | (1,419,367)          | (1,500,446) |
| <b>Net current assets</b>                            |       | <b>7,210,033</b>   | 5,825,679   | <b>7,227,023</b>     | 5,847,312   |
| <b>Total assets less current liabilities</b>         |       | <b>16,497,379</b>  | 15,202,806  | <b>16,497,379</b>    | 15,179,875  |
| <b>Funds</b>   |       |                    |             |                      |             |
| Restricted income funds                              | 20    | 1,797,993          | 1,755,134   | 1,797,993            | 1,755,134   |
| Endowment funds                                      | 21    | 104,073            | 103,901     | 104,073              | 103,901     |
| <b>Total restricted funds</b>                        |       | <b>1,902,066</b>   | 1,859,035   | <b>1,902,066</b>     | 1,859,035   |
| Unrestricted funds                                   | 22    | 14,595,313         | 13,343,771  | 14,595,313           | 13,320,840  |
| <b>Total unrestricted funds</b>                      |       | <b>14,595,313</b>  | 13,343,771  | <b>14,595,313</b>    | 13,320,840  |
| <b>Total Funds</b>                                   |       | <b>16,497,379</b>  | 15,202,806  | <b>16,497,379</b>    | 15,179,875  |

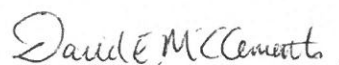
The surplus for the year of the charitable company being the parent company is £1,284,411 (2019/20 surplus £509,045).

No separate Statement of Financial Activities has been presented for the company alone, as permitted by section 408 of the Companies Act 2006.

The financial statements were authorised and approved by the Directors on 27<sup>th</sup> August 2021 and were signed on their behalf:



Bernard O'Hagan  
Treasurer and Director



David McClements  
Convener and Director

Company registration number SC149069  
Charity number SC022315

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA  
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**Consolidated statement of Cash Flows**

**For the year ended 31 March 2021**

|  | 2021             | 2020             |
|--|------------------|------------------|
|  | £                | £                |
| <b>Cash flows from operating activities</b>                                    |                  |                  |
| Net income for the reporting period (as per statement of financial activities) | 1,294,573        | 507,907          |
| Depreciation charges   | 564,401          | 562,348          |
| (Increase)/decrease in debtors   | (279,475)        | 298,533          |
| (Decrease)/increase in creditors   | (98,326)         | 7,458            |
| (Gains)/ losses on investments   | (401,098)        | 81,937           |
| Share of (Surplus)/loss of associates  | (10,162)         | 1,138            |
| Gain on disposal of fixed assets   | (1,214)          | (2,511)          |
| Dividends, interest and rents from investments                                 | (77,029)         | (102,514)        |
| <b>Net cash provided by operating activities</b>                               | <b>991,670</b>   | <b>1,354,296</b> |
| <b>Cash flows from investing activities</b>                                    |                  |                  |
| Purchase of fixed assets   | (355,376)        | (541,360)        |
| Proceeds from sale of investments  | 188,456          | 332,000          |
| Purchase of investments  | (99,918)         | 0                |
| Dividends and interest from investments  | 77,029           | 102,514          |
| Write off investment in associates   | 158,093          | 0                |
| Reduction in fixed term deposits   | (607,658)        | (13,260)         |
| <b>Net cash provided (used in)/by investing activities</b>                     | <b>(639,373)</b> | <b>(120,106)</b> |
| <b>Increase in cash and cash equivalents</b>                                   | <b>352,297</b>   | <b>1,234,190</b> |
| <b>Cash and cash equivalents at start of year</b>                              | <b>3,864,649</b> | <b>2,630,459</b> |
| <b>Cash and cash equivalents at end of year</b>                                | <b>4,216,949</b> | <b>3,864,649</b> |
| <b>Analysis of cash and cash equivalents</b>                                   |                  |                  |
|  | 2021             | 2020             |
|  | £                | £                |
| Cash in hand – bank  | 3,466,873        | 3,057,384        |
| Cash held by investment manager  | 73               | 57,265           |
| Notice deposits (less than 3 months)   | 750,000          | 750,000          |
| <b>Total for cash flow purposes</b>  | <b>4,216,949</b> | <b>3,864,649</b> |
| Term deposits  | 2,189,751        | 1,582,093        |
| Less cash held by investment manager   | (73)             | (57,265)         |
| <b>Total cash at bank and in hand</b>  | <b>6,406,624</b> | <b>5,389,477</b> |

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA  
(a company limited by guarantee and not having share capital)  
For the year ended 31 March 2021

## Notes to the Financial Statements

### 1. General information

Alzheimer Scotland – Action on Dementia is a registered charity and company limited by guarantee, incorporated in Scotland, UK, company number SC149069. The nature of the Group's operations and activities are set out on pages 4 and 5. The charity is registered at 160 Dundee Street, Edinburgh, Scotland EH11 1DQ.

### 2. Accounting policies

#### (a) Basis of accounting

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charity and Trustee Investment (Scotland) Act 2005 and the Companies Act 2006.

The preparation of the financial statements in compliance with FRS102 requires the use of certain critical accounting estimates. It also requires the Charity to exercise judgement in applying the entity accounting policies (see Note 2(w) below).

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

The Statement of Financial Activities and balance sheet consolidate the financial statements of the company, its subsidiary and its associate undertakings. The results of the subsidiary are consolidated on a line by line basis.

The company has used paragraph 4(1) of Schedule 1 to SI 2008 No. 410 "The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008" to reflect the special nature of the company's activities. Alzheimer Scotland – Action on Dementia constitutes a public benefit entity as defined by FRS 102.

The group's functional and presentational currency is GBP. The financial statements have been prepared to the nearest £1.

In accordance with Section 1 of FRS102, exemption has been taken from disclosing a statement of cash flows for the charitable parent company.

#### (b) Going Concern

In March 2021 the Executive Team presented a budget to the Finance Audit Committee highlighting a deficit of £1,200,000 for 2020/21. In order to assess the level of headroom in the liquidity, we performed stress testing analysis on the forecasts until 2022/23. Two scenarios were prepared to assess the further reduction in income which would result in reserves falling below Reserves policy (being 12 weeks of costs) and also for all liquid resources to be exhausted. The first of these would require total income for 2023 to be at 86% of 2021 and the second would require total income for 2023 to be at 45% of income for 2021.

Since March 2021 we have reforecast this position and now estimate a reduced deficit of £800,000. This is primarily due to the extended Government's Job Retention Scheme plus some general savings from offices being closed, staff travel restrictions and not filling staff vacancies within the first quarter. The reforecast of £800,000 is not the true cash impact as that includes depreciation of £500,000. In general terms this highlights that our liquid reserves will drop by £300,000 and it is clear from the Balance Sheet that we have a good level of cash available to cover this estimated shortfall.

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The Directors have reviewed the financial position, the financial forecasts and the results of the stress testing, all of which cover the 3 years to March 2024, taking into account the levels of investments, reserves and cash, and the systems of financial control and risk management. As a result of this, the Directors believe that we are well placed to manage financial and operational risks successfully.

Accordingly, the Directors have a realistic expectation that the Charitable Company and the Group have adequate resources to continue in operational existence for the foreseeable future. As a consequence, they continue to support the going concern basis in preparing the financial statements.

### (c) Branch financial statements

The transactions of the company's branches are recognised on a cash basis. The Statement of Financial Activities includes the income and expenditure of the branches. The Balance Sheet includes the branch reserves and cash at bank and in hand held by branches.

### (d) Public funding and trust grants

Public funding and trust grants are credited to the Statement of Financial Activities in the year for which they are receivable including government grants.

Deferred income represents amounts received either for future periods or before any performance conditions attached to the grants have been met. Deferred income is released to income in the period either for which it has been received or in which the performance conditions have been met.

### (e) Donations and legacies

Donations and legacies are accounted for when receivable. The recognition criteria are entitlement, probable and measurement.

### (f) Membership subscriptions

Membership subscriptions are for a financial year and are accounted for when receivable.

### (g) Donated goods/services

On receipt, donated goods are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt or capitalised where they relate to capital items.

### (h) Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. All costs have been attributed directly to one of the functional categories of expenditure in the Statement of Financial Activities on the basis of resources used.

### (i) Allocation of expenditure

Raising funds include the costs incurred in generating income from donations and legacies, retail trading costs, fundraising event costs and publicity costs. These costs are regarded as necessary to generate funds that are needed to finance charitable activities.

Charitable activities expenditure enables Alzheimer Scotland – Action on Dementia to meet its charitable aims and objectives. Governance costs are associated with the governance arrangements of the charity, and relate to the general running of the charity at a strategic level.

These costs include audit fees, directors' indemnity, insurance and costs associated with meeting constitutional and statutory requirements such as cost of Directors' meetings. Support costs are those costs which enable fund generating and charitable activities to be undertaken and include finance, HR, IT, and property maintenance. Where expenditure incurred relates to more than one cost category it is apportioned. The method of apportionment uses the most appropriate basis which is mainly time cost apportionment.



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### (j) Operating leases

Operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term. Any lease incentives are spread over the period of the lease.

### (k) Tangible fixed assets

All fixed assets costing over £5,000 (2019-20 £5,000) including VAT are capitalised and depreciated.

### (l) Cash flow and liquid resources

Cash flows comprise increases and decreases in cash and include cash in hand and cash at bank. Liquid resources comprise assets held as a readily disposable store of value. They include cash term deposits and bank notice accounts. Cash and cash equivalents comprise cash at bank, cash on deposit where funds can be accessed without penalty within three months or less from opening the account and cash held with the investment manager. There are two bank accounts established on 90 day access terms, the purpose of this is secure a higher rate of interest, there are interest penalties if access is needed before the 90 days expires, however this is factored into the cash-flow models to avoid such a development.

### (m) Fund accounting

The unrestricted funds comprise of accumulated unrestricted surpluses and deficits. Restricted income funds are subject to restrictions imposed by the donor. The Endowment fund, which is permanent, represents the amount for which the capital must be retained and invested.

### (n) Investments

Investments are revalued monthly so that when investments are sold, gains or losses which arose before the previous year-end have already been recognised. The Statement of Financial Activities includes unrealised movements in value arising from investment changes or revaluation at the year end, together with realised gains and losses on disposal of investments.

### (o) Associates

An entity is treated as an associated undertaking where the group exercises significant influence in that it has the power to participate in the operating and financial policy decisions.

In the consolidated accounts, interests in associated undertakings are accounted for using the equity method of accounting. Under this method an equity investment is initially recognised at the transaction price (including transaction costs) and is subsequently adjusted to reflect the investor's share of the profit or loss, other comprehensive income and equity of the associate. The consolidated statement of financial activities includes the group's share of the operating results, interest, pre-tax results and attributable taxation of such undertakings applying accounting policies consistent with those of the group. In the consolidated balance sheet, the interests in associated undertakings and joint ventures are shown as the group's share of the identifiable net assets, including any unamortised premium paid on acquisition. Any premium on acquisition is dealt with in accordance with the goodwill policy.

### (p) Depreciation of tangible fixed assets

Depreciation is provided on all fixed assets at rates calculated to write off the cost or valuation less estimated residual value of each asset evenly over its expected useful life as follows:

|                             |                            |
|-----------------------------|----------------------------|
| Heritable property          | 50 years                   |
| Leasehold property          | over the term of the lease |
| Other tangible fixed assets | 5 years                    |

### (q) Pension costs

The company operates a defined contribution group personal pension scheme for a money purchase pension so there is no outstanding liability to the company or group. Contributions are charged to the statement of financial activities as they become payable in accordance with the rules of the scheme.

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### (r) Value added tax

The charitable company is not registered for VAT and accordingly expenditure includes value added tax where applicable.

### (s) Financial instruments

Financial assets and liabilities are initially measured at transaction price (including transaction costs). The Group only has financial assets and liabilities of a kind that qualify as basic financial instruments. An analysis is given in note 19.

### (t) Holiday pay

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

### (u) Termination benefits

Alzheimer Scotland – Action on Dementia accepts that there are occasions when it may be necessary to make staff redundant or terminate their employment; our intention is to manage the business in a manner which results in secure employment for our employees and will always try to avoid the need for compulsory redundancies. Payments for redundancy are calculated on the basis of paying the statutory entitlements or above.

### (v) Dilapidation provision

Our practice is to ensure that premises are maintained to a good standard throughout the lease term, such that the obligation arising at the end of the lease term is minimised. Dilapidations costs are estimated, and a provision has been established based on the estimated dilapidation costs of the individual leased properties, this is then adjusted as maintenance costs are incurred and new leases are taken out.

### (w) Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the Directors have made the following judgements:

Determined whether there are indicators of impairment of the group's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and the viability and expected future performance of that asset.

#### Other key sources of estimation uncertainty

##### Tangible fixed assets (see note 13)

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on several factors. In re-assessing asset lives, factors such as technological innovation and maintenance programmes are considered. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

### (x) Donated professional services

Donated professional services and donated facilities are recognised as income, if a value can be reliably measured, at the value to the charity when received. In accordance with the Charities SORP (FRS 102), no amounts are included in the financial statements for services carried out by volunteers, including professional services provided directly by volunteers. The number of active volunteers of 882 has reduced by 82 (2019: 964).

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### 3. SOFA prior year comparison disclosure

|   | Notes | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Endowment<br>Funds<br>£ | 2020<br>Total<br>£  |
|---|-------|----------------------------|--------------------------|-------------------------|---------------------|
| <b>Income and endowments from</b>           |       |                            |                          |                         |                     |
| Donations and legacies                      | 4     | 7,069,254                  | 742,425                  | 0                       | 7,811,679           |
| Other trading activities                    | 5     | 447,212                    | 0                        | 0                       | 447,212             |
| Income from charitable activities           | 6     | 473,648                    | 8,086,342                | 0                       | 8,559,990           |
| Income from investments                     |       | 96,689                     | 5,292                    | 533                     | 102,514             |
| Share of surplus of associate               | 15    | 0                          | 0                        | 0                       | 0                   |
| Other (gain on disposal of tangible assets) |       | 2,511                      | 0                        | 0                       | 2,511               |
| <b>Total income</b>                         |       | <b>8,089,314</b>           | <b>8,834,059</b>         | <b>533</b>              | <b>16,923,906</b>   |
| <b>Expenditure on</b>                       |       |                            |                          |                         |                     |
| Raising funds                               | 7     | (377,058)                  | (359)                    | 0                       | (377,417)           |
| Charitable activities                       | 8     | (6,021,291)                | (9,934,216)              | 0                       | (15,955,507)        |
| Share of loss of associate                  | 15    | (1,138)                    | 0                        | 0                       | (1,138)             |
| <b>Total expenditure</b>                    |       | <b>(6,399,487)</b>         | <b>(9,934,575)</b>       | <b>0</b>                | <b>(16,334,062)</b> |
| Net (loss)/gains on investments             |       | (81,937)                   | 0                        | 0                       | (81,937)            |
| <b>Net income/(expenditure)</b>             |       | <b>1,607,890</b>           | <b>(1,100,516)</b>       | <b>533</b>              | <b>507,907</b>      |
| Transfers between funds                     | 20,22 | (1,682,430)                | 1,682,430                | 0                       | 0                   |
| <b>Net movement in funds</b>                |       | <b>(74,540)</b>            | <b>581,914</b>           | <b>533</b>              | <b>507,907</b>      |
| <b>Reconciliation of funds</b>              |       |                            |                          |                         |                     |
| Total funds brought forward                 |       | 13,418,311                 | 1,173,220                | 103,368                 | 14,694,899          |
| <b>Total funds carried forward</b>          | 20-23 | <b>13,343,771</b>          | <b>1,755,134</b>         | <b>103,901</b>          | <b>15,202,806</b>   |

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**4. Donations and legacies**

|              | <b>2021</b>      | <b>2020</b>      |
|--------------|------------------|------------------|
|              | <b>£</b>         | <b>£</b>         |
| Donations    | 2,833,615        | 4,297,855        |
| Legacies     | 1,894,209        | 3,173,294        |
| Trust grants | 316,667          | 340,530          |
| <b>Total</b> | <b>5,044,491</b> | <b>7,811,679</b> |

**5. Other trading activities**

| <b>Other trading activities</b>   | <b>2021</b>   | <b>2020</b>    |
|-----------------------------------|---------------|----------------|
|                                   | <b>£</b>      | <b>£</b>       |
| Events                            | 527           | 294,523        |
| Merchandise sales                 | 2,145         | 128            |
| Dementia Scotland including shops | 84,214        | 152,561        |
| <b>Total</b>                      | <b>86,886</b> | <b>447,212</b> |

**6. Income from charitable activities**

| <b>2021</b>             | <b>Provision of care related services</b> | <b>Awareness raising</b> | <b>Campaigning</b> | <b>Involvement</b> | <b>Total</b>     |
|-------------------------|---|--------------------------|--------------------|--------------------|------------------|
|                         | <b>£</b>                                  | <b>£</b>                 | <b>£</b>           | <b>£</b>           | <b>£</b>         |
| Public funding          | 8,773,692                                 | 200,000                  | 20,862             | 334,710            | 9,329,264        |
| Service user income     | 61  | 0                        | 0                  | 0                  | 61               |
| Other charitable income | 160,924                                   | 0                        | 190                | 18,368             | 179,482          |
| <b>Total</b>            | <b>8,934,677</b>                          | <b>200,000</b>           | <b>21,052</b>      | <b>353,078</b>     | <b>9,508,807</b> |

| <b>2020</b>             | <b>Provision of care related services</b> | <b>Awareness raising</b> | <b>Campaigning</b> | <b>Involvement</b> | <b>Total</b>     |
|-------------------------|---|--------------------------|--------------------|--------------------|------------------|
|                         | <b>£</b>                                  | <b>£</b>                 | <b>£</b>           | <b>£</b>           | <b>£</b>         |
| Public funding          | 7,471,159                                 | 0                        | 20,862             | 356,848            | 7,848,869        |
| Service user income     | 351,239                                   | 0                        | 0                  | 0                  | 351,239          |
| Other charitable income | 245,267                                   | 57,097                   | 46,100             | 11,418             | 359,882          |
| <b>Total</b>            | <b>8,067,665</b>                          | <b>57,097</b>            | <b>66,962</b>      | <b>368,266</b>     | <b>8,559,990</b> |



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**Public funding included the following Government grants:**

|   | 2021             | 2020           |
|---|------------------|----------------|
|   | £                | £              |
| The Coronavirus Job Retention Scheme                            | 1,024,544        | 0              |
| TEC - Development   | 458,565          | 314,769        |
| Brain Health  | 200,000          | 0              |
| Dementia Nurses   | 170,862          | 170,862        |
| Section 10 - AHP Project  | 167,710          | 189,848        |
| Section 10 - Scottish Dementia Working Group and Carers Network | 167,000          | 167,000        |
| Section 10 - Active Voices                                      | 50,000           | 0              |
| Section 10 - Counselling  | 23,017           | 0              |
| Section 10 - Policy Advisor/Diagnosis project                   | 27,000           | 26,040         |
| Demetia Dog   | 25,037           | 0              |
| Covid Grant - Wellbeing   | 128,369          | 0              |
| Covid Grant - Communities Recovery                              | 25,000           | 0              |
| Meaningful Contact  | 17,471           | 0              |
| <b>Total</b>  | <b>2,484,574</b> | <b>868,519</b> |

**7. Raising funds**

| 2021               | Activities<br>undertaken<br>directly<br>£ | Support<br>costs<br>(Note 9)<br>£ | Total<br>£     |
|--------------------|---|-----------------------------------|----------------|
| Fundraising costs  | 112,856                                   | 9,150                             | 122,006        |
| Trading activities | 78,666                                    | 0                                 | 78,666         |
| <b>Total</b>       | <b>191,522</b>                            | <b>9,150</b>                      | <b>200,672</b> |

| 2020               | Activities<br>undertaken<br>directly<br>£ | Support<br>costs<br>(Note 9)<br>£ | Total<br>£     |
|--------------------|---|-----------------------------------|----------------|
| Fundraising costs  | 217,110                                   | 17,604                            | 234,714        |
| Trading activities | 142,703                                   | 0                                 | 142,703        |
| <b>Total</b>       | <b>359,813</b>                            | <b>17,604</b>                     | <b>377,417</b> |

Types of activities undertaken to generate funds were trust applications, events, appeals and shops. Support costs are calculated at 7.5% of fundraised costs. This is the percentage calculated to cover national office support functions including Human Resources, IT, Finance and Governance costs.

**8. Charitable activities**

| 2021                               | Activities<br>undertaken<br>directly<br>£ | Support<br>Costs<br>(Note 9)<br>£ | Total<br>£        |
|------------------------------------|---|-----------------------------------|-------------------|
| Provision of care related services | 11,717,745                                | 947,404                           | 12,665,149        |
| Awareness raising                  | 300,764                                   | 24,386                            | 325,150           |
| Campaigning                        | 83,062                                    | 6,735                             | 89,797            |
| Involvement                        | 288,115                                   | 23,361                            | 311,476           |
| Research                           | 242,870                                   | 0                                 | 242,870           |
| <b>Total</b>                       | <b>12,632,556</b>                         | <b>1,001,886</b>                  | <b>13,634,442</b> |

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| <b>2020</b>                        | <b>Activities<br/>undertaken<br/>directly</b> | <b>Support<br/>Costs<br/>(Note 9)</b> | <b>Total</b>      |
|------------------------------------|---|---------------------------------------|-------------------|
|                                    | £   | £                                     | £                 |
| Provision of care related services | 13,976,765                                    | 1,133,252                             | 15,110,017        |
| Awareness raising                  | 102,261                                       | 8,291                                 | 110,552           |
| Campaigning                        | 153,381                                       | 12,436                                | 165,817           |
| Involvement                        | 290,301                                       | 23,539                                | 313,840           |
| Research                           | 255,281                                       | 0                                     | 255,281           |
| <b>Total</b>                       | <b>14,777,989</b>                             | <b>1,177,518</b>                      | <b>15,955,507</b> |

Operating lease rentals of £277,624 (2020 £277,624) are included in activities undertaken directly.

### 9. Analysis of support costs

| <b>2021</b>          | <b>Fundraising<br/>incl.<br/>shops</b> | <b>Provision<br/>of care<br/>related<br/>services</b> | <b>Awareness<br/>Raising</b> | <b>Campaigning</b> | <b>Involvement</b> | <b>2021<br/>Total<br/>(Note 7&amp;8)</b> |
|----------------------|--|---|------------------------------|--------------------|--------------------|--|
|                      | £                                      | £   | £                            | £                  | £                  | £  |
| <b>Support cost</b>  |  |   |                              |                    |                    |  |
| Governance (note 10) | 239                                    | 24,921  | 641                          | 178                | 615                | 25,594                                   |
| Management           | 847                                    | 87,742  | 2,257                        | 624                | 2,164              | 93,634                                   |
| Finance              | 2,667                                  | 276,072   | 7,107                        | 1,962              | 6,807              | 294,615                                  |
| IT                   | 3,971                                  | 411,056   | 10,581                       | 2,922              | 10,135             | 439,282                                  |
| Human resources      | 1,426                                  | 147,613   | 3,800                        | 1,049              | 3,640              | 157,528                                  |
| <b>Total</b>         | <b>9,150</b>                           | <b>947,404</b>  | <b>24,386</b>                | <b>6,735</b>       | <b>23,361</b>      | <b>1,011,036</b>                         |

| <b>2020</b>          | <b>Fundraising<br/>incl.<br/>shops</b> | <b>Provision<br/>of care<br/>related<br/>services</b> | <b>Awareness<br/>Raising</b> | <b>Campaigning</b> | <b>Involvement</b> | <b>2020<br/>Total<br/>(Note 7&amp;8)</b> |
|----------------------|--|---|------------------------------|--------------------|--------------------|--|
|                      | £                                      | £   | £                            | £                  | £                  | £  |
| <b>Support cost</b>  |  |   |                              |                    |                    |  |
| Governance (note 10) | 1,139                                  | 45,608  | 375                          | 594                | 954                | 48,670                                   |
| Management           | 2,261                                  | 149,331   | 1,087                        | 1,626              | 3,101              | 157,406                                  |
| Finance              | 4,998                                  | 330,141   | 2,403                        | 3,595              | 6,855              | 347,992                                  |
| IT                   | 5,884                                  | 388,708   | 2,829                        | 4,232              | 8,072              | 409,725                                  |
| Human resources      | 3,322                                  | 219,464   | 1,597                        | 2,389              | 4,557              | 231,329                                  |
| <b>Total</b>         | <b>17,604</b>                          | <b>1,133,252</b>                                      | <b>8,291</b>                 | <b>12,436</b>      | <b>23,539</b>      | <b>1,195,122</b>                         |

Support costs were apportioned on the basis of the total of direct expenditure, except research which was excluded from the apportionment because research comprises large sums with negligible support costs.

### 10. Governance costs

| <b>Governance costs</b>                                  | <b>2021</b>   | <b>2020</b>   |
|--|---------------|---------------|
|  | £             | £             |
| Audit fees   | 22,380        | 22,380        |
| Non-audit fees for tax compliance                        | 765           | 26            |
| Directors' indemnity insurance                           | 3,329         | 3,199         |
| Directors' meetings and other costs (includes AGM costs) | 120           | 23,065        |
| <b>Total</b>   | <b>25,594</b> | <b>48,670</b> |

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Within Directors' meetings and other costs, no members of the Board received travel and subsistence expenses (2020 - 5 members received £747). The organisation has put in place qualifying third-party indemnity provisions for all of the directors of the Group.

### 11. Staff payroll costs and numbers

| Staff payroll costs and numbers                           | 2021             | 2020              |
|---|------------------|-------------------|
|   | £                | £                 |
| Wages and salaries  | 8,446,281        | 9,302,039         |
| Social security costs                                     | 685,078          | 734,851           |
| Pension costs   | 415,764          | 457,660           |
| Redundancy and termination                                | 353,336          | 51,980            |
| <b>Total</b>  | <b>9,900,459</b> | <b>10,546,530</b> |
| Number of employees earning between £60,000 and £70,000   | 1                | 1                 |
| Number of employees earning between £70,000 and £80,000   | 2                | 2                 |
| Number of employees earning between £80,000 and £90,000   | 0                | 0                 |
| Number of employees earning between £90,000 and £100,000  | 0                | 1                 |
| Number of employees earning between £100,000 and £110,000 | 1                | 0                 |
| <b>Total number of employees</b>                          | <b>411</b>       | <b>512</b>        |
| Support staff   | 208              | 229               |
| Administration staff                                      | 70               | 116               |
| <b>Average number of full time of employees</b>           | <b>278</b>       | <b>345</b>        |

### 12. Key Management Remuneration and Related parties

The total amount of the five key management personnel is £479,560 (2020: £452,907).

These management personnel are the Executive Directors who are authorised by the Board to make decisions on the day to day running of the organisation. This includes financial, staffing and operational decisions. The remuneration of the charity's key management is set, monitored and reviewed by a Remuneration Committee, subject to final Board approval. The overall pay award budget for the key management posts will take into account factors such as external benchmarking, performance of individual role holders and other factors such as affordability, etc.

No trustees received any remuneration from the company during the year (2020 - £nil).

Russel + Aitken received £2,990 (2020 - £2,608) for legal advice given during the year at their standard price. David McClements, a member of Board is also a member of Russel + Aitken.

June Carroll through her company Saol Nua, married to Tom Carroll a member of the Board, received no payment (2020 £24,502) for consultancy relating to merchandising and marketing.

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**13. Tangible fixed assets**

| Group  | Freehold property  | Leasehold property | Motor vehicles   | Fixtures & Fittings | Total              |
|--|--------------------|--------------------|------------------|---------------------|--------------------|
|  | £                  | £                  | £                | £                   | £                  |
| <b>Cost</b>  |                    |                    |                  |                     |                    |
| At beginning of the year                           | 7,468,680          | 173,329            | 288,950          | 3,114,669           | 11,045,628         |
| Additions  | 435                | 0                  | 0                | 357,895             | 358,330            |
| Disposals  | 0                  | 0                  | (15,915)         | 0                   | (15,915)           |
| <b>At end of the year</b>                          | <b>7,469,115</b>   | <b>173,329</b>     | <b>273,035</b>   | <b>3,472,564</b>    | <b>11,388,043</b>  |
| <b>Depreciation</b>                                |                    |                    |                  |                     |                    |
| At beginning of the year                           | (1,333,986)        | (125,665)          | (247,456)        | (2,081,680)         | (3,788,787)        |
| Depreciation                                       | (149,382)          | (4,333)            | (16,458)         | (394,228)           | (564,401)          |
| Disposals  | 0                  | 0                  | 15,915           | 0                   | 15,915             |
| <b>At end of the year</b>                          | <b>(1,483,368)</b> | <b>(129,998)</b>   | <b>(247,999)</b> | <b>(2,475,908)</b>  | <b>(4,337,273)</b> |
| <b>Net book value at the beginning of the year</b> | <b>6,134,694</b>   | <b>47,664</b>      | <b>41,494</b>    | <b>1,032,989</b>    | <b>7,256,841</b>   |
| <b>Net book value at end of the year</b>           | <b>5,985,747</b>   | <b>43,331</b>      | <b>25,036</b>    | <b>996,656</b>      | <b>7,050,770</b>   |
| <b>Company</b>                                     |                    |                    |                  |                     |                    |
|  | Freehold property  | Leasehold property | Motor vehicles   | Fixtures & Fittings | Total              |
|  | £                  | £                  | £                | £                   | £                  |
| <b>Cost</b>  |                    |                    |                  |                     |                    |
| At beginning of the year                           | 7,468,680          | 173,329            | 288,950          | 3,090,516           | 11,021,475         |
| Additions  | 435                | 0                  | 0                | 357,846             | 358,330            |
| Disposals  | 0                  | 0                  | (15,915)         | 0                   | (15,915)           |
| <b>At end of the year</b>                          | <b>7,469,115</b>   | <b>173,329</b>     | <b>273,035</b>   | <b>3,448,362</b>    | <b>11,363,841</b>  |
| <b>Depreciation</b>                                |                    |                    |                  |                     |                    |
| At beginning of the year                           | (1,333,986)        | (125,665)          | (247,456)        | (2,080,160)         | (3,787,267)        |
| Depreciation                                       | (149,382)          | (4,333)            | (16,458)         | (389,535)           | (559,709)          |
| Disposals  | 0                  | 0                  | 15,915           | 0                   | 15,915             |
| <b>At end of the year</b>                          | <b>(1,483,368)</b> | <b>(129,998)</b>   | <b>(247,999)</b> | <b>(2,469,695)</b>  | <b>(4,331,061)</b> |
| <b>Net book value at the beginning of the year</b> | <b>6,134,694</b>   | <b>47,664</b>      | <b>41,494</b>    | <b>1,010,356</b>    | <b>7,234,208</b>   |
| <b>Net book value at end of the year</b>           | <b>5,985,747</b>   | <b>43,331</b>      | <b>25,036</b>    | <b>978,667</b>      | <b>7,032,780</b>   |



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**14. Investments - funds**

| Investments – funds (Group and Company) | 2021<br>£        | 2020<br>£        |
|---|------------------|------------------|
| <b>Market value:</b>                    |                  |                  |
| At 1 April 2020                         | 1,915,090        | 2,328,813        |
| Purchase of investments at cost         | 99,918           | 0                |
| Disposals at opening book value         | (170,700)        | (304,028)        |
| Movement in market value                | 392,413          | (109,909)        |
| Management fees                         | (218)            | (214)            |
|   | 2,236,503        | 1,915,090        |
| Cash held for investment                | 73               | 57,265           |
| <b>At 31 March 2021</b>                 | <b>2,236,576</b> | <b>1,972,355</b> |
| <b>Represented by:</b>                  |                  |                  |
| Listed equities                         | 2,236,503        | 1,915,090        |
| Cash held for investment purposes       | 73               | 57,265           |
|   | <b>2,236,576</b> | <b>1,972,355</b> |
| Fixed income                            | 249,729          | 262,113          |
| UK equities                             | 620,485          | 532,091          |
| Global equities                         | 991,164          | 756,265          |
| Property                                | 54,294           | 61,866           |
| Alternative investments                 | 179,962          | 189,992          |
|   | 2,095,634        | 1,802,327        |
| Liquid investments                      | 140,869          | 112,763          |
| Cash                                    | 73               | 57,265           |
| <b>At 31 March 2021</b>                 | <b>2,236,576</b> | <b>1,972,355</b> |
| <b>Investments held at cost:</b>        |                  |                  |
| Listed equities                         | 2,236,503        | 1,920,282        |
| Cash held for investment purposes       | 73               | 57,265           |
|   | <b>2,236,576</b> | <b>1,977,547</b> |

Listed investments included in the fund are overseas investments of £1,375,449 (61.5%) (2020: £1,157,772 58.7%).

Investments are held within Sarasin Endowment Fund Class A INC.

The Directors consider the value of the investments to be supported by their underlying assets, as appropriate.

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**15. Investments – subsidiary and associate undertakings**

| 2021                              | Group<br>£ | Company<br>£ |
|-----------------------------------|------------|--------------|
| At 1 April 2020                   | 147,931    | 126,000      |
| Share of the surplus of associate | 10,162     | 0            |
| Write off investment in associate | (158,093)  | (125,000)    |
| <b>At 31 March 2021</b>           | <b>0</b>   | <b>1,000</b> |

| 2020                       | Group<br>£     | Company<br>£   |
|----------------------------|----------------|----------------|
| At 1 April 2019            | 149,069        | 126,000        |
| Share of loss of associate | (1,138)        | 0              |
| <b>At 31 March 2020</b>    | <b>147,931</b> | <b>126,000</b> |

Caledonia Social Care is performing well and inline with the original intention to step back from the investment at an appropriate time the Board discussed and agreed to proceed with withdrawing in March 2021. The writing off our investment and any share of prior year results have been accounted for in the year ending 2021.

Details of the subsidiary undertakings at the balance sheet date are as follows:

| Subsidiary   | Principal activity                       | Class of Share | Holding % | Aggregate capital and reserves<br>£ |
|--|--|----------------|-----------|-------------------------------------|
| Dementia Scotland Limited<br>160 Dundee Street, Edinburgh,<br>Scotland, EH11 1DQ<br>SC296817 | Retail & Events<br>(minimum sponsorship) | Ordinary       | 100       | 1,000                               |
| <b>Dementia Scotland Limited - Summary of Results</b>  |  |                |           | <b>2021</b>                         |
|  |  |                |           | <b>£</b>                            |
| Turnover   |  |                |           | 82,214                              |
| Operating expenses – operations  |  |                |           | (78,666)                            |
| Operating expenses - audit fees  |  |                |           | (4,965)                             |
| Distribution to Alzheimer Scotland - Action on Dementia                                      |  |                |           | (583)                               |
|  |  |                |           | <b>0</b>                            |
| <b>Net assets</b>  |  |                |           | <b>1,000</b>                        |

**16. Debtors**

| Amounts due within one year | Group            |                  | Company          |                  |
|-----------------------------|------------------|------------------|------------------|------------------|
|                             | 2021<br>£        | 2020<br>£        | 2021<br>£        | 2020<br>£        |
| Service debtors             | 346,637          | 402,231          | 341,147          | 399,926          |
| Other debtors               | 1,679,775        | 1,228,668        | 1,708,858        | 1,270,392        |
| Prepayments                 | 214,462          | 330,500          | 191,844          | 293,601          |
| <b>Total</b>                | <b>2,240,874</b> | <b>1,961,399</b> | <b>2,241,849</b> | <b>1,963,919</b> |

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**17. Creditors: amounts falling due within one year**

|                                       | Notes | Group            |                  | Company          |                  |
|---------------------------------------|-------|------------------|------------------|------------------|------------------|
|                                       |       | 2021             | 2020             | 2021             | 2020             |
|                                       |       | £                | £                | £                | £                |
| Deferred income                       | 18    | 374,901          | 308,674          | 371,293          | 291,393          |
| Trade creditors                       |       | 179,887          | 377,488          | 176,843          | 369,162          |
| Accruals                              |       | 491,973          | 404,468          | 485,350          | 398,237          |
| Other creditors                       |       | 183,831          | 193,267          | 179,958          | 201,389          |
| Pension costs                         |       | 48,274           | 54,509           | 48,137           | 54,375           |
| Social security costs and other taxes |       | 158,599          | 186,791          | 157,786          | 185,890          |
| <b>Total</b>                          |       | <b>1,437,465</b> | <b>1,525,197</b> | <b>1,419,367</b> | <b>1,500,446</b> |

**18. Deferred income**

|   | Group<br>2021  | Group<br>2020  | Company<br>2021 | Company<br>2020 |
|---|----------------|----------------|-----------------|-----------------|
|   | £              | £              | £               | £               |
| Balance brought forward                                       | 308,674        | 311,982        | 291,393         | 301,540         |
| Deferred income receivable                                    | 374,901        | 308,674        | 371,293         | 291,393         |
| Deferred income released to statement of financial activities | (308,674)      | (311,982)      | (291,393)       | (301,540)       |
| <b>Balance carried forward</b>                                | <b>374,901</b> | <b>308,674</b> | <b>371,293</b>  | <b>291,393</b>  |

Deferred income comprises payments received in advance of the expenditure made of before any performance conditions attached to the items of income have been met. The amounts below mostly refer to payments in advance for our AHP project, Dementia Nurse Consultants and other smaller grants, all of which will be utilised within 12 months.

**19. Financial Instruments**

|   | Group<br>2021 | Group<br>2020 | Company<br>2021 | Company<br>2020 |
|---|---------------|---------------|-----------------|-----------------|
|   | £             | £             | £               | £               |
| <b>Financial Assets</b>                                     |               |               |                 |                 |
| Financial Assets at fair value through income & expenditure | 2,236,576     | 2,120,286     | 2,237,576       | 2,098,355       |
| Financial assets measures at amortised cost                 | 8,433,036     | 7,020,376     | 8,454,546       | 7,054,157       |
| <b>Financial Liabilities</b>                                |               |               |                 |                 |
| Financial Liabilities measured at amortised cost            | 903,965       | 1,029,732     | 890,288         | 1,023,163       |

Financial assets and liabilities are initially measured at transaction price (including transaction costs). The Group only has financial assets and liabilities of a kind that qualify as basic financial instruments.

Financial assets at fair value include investments held with Sarasin, cash held for investment purposes (note 14) and Investments in subsidiary and associate undertakings (note 15).

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Financial assets measured at amortised cost include cash at bank and in hand, loans to associates, service debtors and other debtors. Financial liabilities measured at amortised cost is measured at initial recognition less any repayments of the principal and these include trade creditors, other creditors, amounts due to associated undertakings, accruals and pension contributions.

**20. Restricted funds**

| 2021   | Notes | Fund balances brought forward | Income           | Expenditure        | Transfers        | Fund balances carried forward |
|--|-------|-------------------------------|------------------|--------------------|------------------|-------------------------------|
|  |       | £                             | £                | £                  | £                | £                             |
| Income funds:                                      |       |                               |                  |                    |                  |                               |
| National Office                                    | a     | 87,375                        | 2,486,837        | (1,276,972)        | (1,134,799)      | 162,441                       |
| Services   | b     | 0                             | 6,893,826        | (6,977,544)        | 83,718           | 0                             |
| Life Changes Trust - Befriending and peer support  | c     | 0                             | 3,750            | (16,126)           | 12,376           | 0                             |
| Life Changes Trust - Dementia friendly communities | d     | 0                             | 3,750            | (7,154)            | 3,404            | 0                             |
| Life Changes Trust - Dementia dog                  | e     | 0                             | 38,545           | (76,357)           | 37,812           | 0                             |
| Celtic Football Club – Befriending project         | f     | 19,220                        | 0                | (21,673)           | 2,453            | 0                             |
|  |       | <b>106,595</b>                | <b>9,426,708</b> | <b>(8,375,826)</b> | <b>(995,036)</b> | <b>162,441</b>                |
| Other funds:                                       |       |                               |                  |                    |                  |                               |
| Restricted legacy reserve                          | g     | 1,648,539                     | 15,013           | (28,000)           | 0                | 1,635,552                     |
| Research reserve                                   | h     | 0                             | 59,032           | (180,000)          | 120,968          | 0                             |
|  |       | <b>1,648,539</b>              | <b>74,045</b>    | <b>(208,000)</b>   | <b>120,968</b>   | <b>1,635,552</b>              |
| <b>Total company and group restricted funds</b>    |       | <b>1,755,134</b>              | <b>9,500,753</b> | <b>(8,583,826)</b> | <b>874,068</b>   | <b>1,797,993</b>              |

2021 Notes:

- a. Income from Local authorities and Scottish Government restricted to various projects includes SDS work, AHP post and Internships, Dementia dialogue and Section 10 grant relating to Social work.
- b. Income from Local authorities, Health boards and Scottish Government restricted to core service delivery. The transferred amount to unrestricted funds is the surplus as a result of the Coronavirus Job Retention scheme payments received, having reviewed rules of the organisation and the scheme we are satisfied this is appropriate.
- c. Life changes trust – Befriending and peer support 5 year project based in Glasgow.
- d. Life changes trust – Befriending and peer support 5 year project based in Lanarkshire.
- e. Life changes trust – Dementia dogs 3 year assistance dog project, nationwide
- f. Celtic football club – Dementia befriending 2 year project in Glasgow.
- g. Restricted legacy reserve income is from bequests that specify an area or purpose for the donations to be spent.
- h. Research reserve income is where bequests and donations specify to fund research into dementia.

Income funds include funds received through local authorities which must be spent in accordance with the conditions imposed by the relevant authority. The transfers column shows the charity moving its own funds from one heading to another so that funds are available where needed to meet charitable and other expenditure; this includes transfers between unrestricted and restricted funds and includes; internal funding



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relating to any service development plans, transferred to cover redesign of services, reserves covering all our fixed assets and internal rents paid by services housed within owned properties. The subsidiary companies have no restricted funds.

**20. Restricted Funds  
continued**

**2020**

|   | Notes | Fund<br>balances<br>brought<br>forward<br>£ | Income<br>£      | Expenditure<br>£   | Transfers<br>£   | Fund<br>balances<br>carried<br>forward<br>£ |
|---|-------|---|------------------|--------------------|------------------|---|
| Income funds:   |       |   |                  |                    |                  |   |
| National Office                                       | a     | 66,158                                      | 949,094          | (1,174,585)        | 246,708          | 87,375                                      |
| Services  | b     | 28,149                                      | 6,985,969        | (8,359,987)        | 1,345,869        | 0   |
| Life Changes Trust - Befriending<br>and peer support  | c     | 0   | 11,450           | (26,983)           | 15,533           | 0   |
| Life Changes Trust - Dementia<br>friendly communities | d     | 0   | 18,745           | (21,380)           | 2,635            | 0   |
| Life Changes Trust - Dementia<br>dog                  | e     | 35,084                                      | 60,182           | (101,712)          | 6,446            | 0   |
| Post Code Lottery - Befriending<br>project            | f     | 17,150                                      | 12,500           | (29,054)           | (596)            | 0   |
| Celtic Football Club – Befriending<br>project         | g     | 1,169                                       | 58,635           | (40,584)           | 0                | 19,220                                      |
|   |       | <b>147,710</b>                              | <b>8,096,575</b> | <b>(9,754,285)</b> | <b>1,616,595</b> | <b>106,595</b>                              |
| Other funds:  |       |   |                  |                    |                  |   |
| Restricted legacy reserve                             | h     | 1,025,510                                   | 631,357          | (8,328)            | 0                | 1,648,539                                   |
| Research reserve                                      | i     | 0   | 106,127          | (171,962)          | 65,835           | 0   |
|   |       | <b>1,025,510</b>                            | <b>737,484</b>   | <b>(180,290)</b>   | <b>65,835</b>    | <b>1,648,539</b>                            |
| <b>Total company and group<br/>restricted funds</b>   |       | <b>1,173,220</b>                            | <b>8,834,059</b> | <b>(9,934,575)</b> | <b>1,682,430</b> | <b>1,755,134</b>                            |

2020 Notes:

- a. Income from Local authorities and Scottish Government restricted to various projects includes SDS work, AHP post and Internships, Dementia dialogue and Section 10 grant relating to Social work.
- b. Income from Local authorities, Health boards and Scottish Government restricted to core service delivery.
- c. Life changes trust – Befriending and peer support 5 year project based in Glasgow.
- d. Life changes trust – Befriending and peer support 5 year project based in Lanarkshire.
- e. Life changes trust – Dementia dogs 3 year assistance dog project, nationwide
- f. Post code lottery – Dementia befriending 2 year project in Fife and Lothians.
- g. Celtic football club – Dementia befriending 2 year project in Glasgow.
- h. Restricted legacy reserve income is from bequests that specify an area or purpose for the donations to be spent.
- i. Research reserve income is where bequests and donations specify to fund research into dementia.

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## 21. Endowment fund

|  | Group and Company |                |
|--|-------------------|----------------|
|  | 2021<br>£         | 2020<br>£      |
| <b>The Michael Clutterbuck Bequest</b> |                   |                |
| Opening Balance                        | 103,901           | 103,368        |
| Interest                               | 172               | 533            |
|  | 104,073           | 103,901        |
| Expenditure                            | 0                 | 0              |
| <b>Closing balance</b>                 | <b>104,073</b>    | <b>103,901</b> |

The Michael Clutterbuck Bequest was established to fund initiatives providing nursing or home care for people with Alzheimer's disease. The Bequest is not accessible as general revenue for Alzheimer Scotland – Action on Dementia the sum of £100,000 is to be retained.

## 22. Unrestricted Funds

| 2021  | Fund<br>balances<br>brought<br>forward<br>£ | Income<br>£      | Expenditure<br>£   | Investment<br>(loss)/gain<br>£ | Transfers<br>£     | Fund<br>balances<br>carried<br>forward<br>£ |
|---|---|------------------|--------------------|--------------------------------|--------------------|---|
| General funds   | 13,320,840                                  | 5,133,288        | (5,134,564)        | 401,098                        | 874,651            | 14,595,313                                  |
| <b>Total company<br/>unrestricted funds</b>                   | <b>13,320,840</b>                           | <b>5,133,288</b> | <b>(51,34,564)</b> | <b>401,098</b>                 | <b>874,651</b>     | <b>14,595,313</b>                           |
| loss account reserves   | 0   | 84,214           | (83,631)           | 0                              | (583)              | 0   |
| Share of surplus of<br>associate                              | 22,931                                      | 10,162           | 0                  | 0                              | 0                  | 33,093                                      |
| Write off of associate  | 0   | 0                | (33,093)           | 0                              | 0                  | (33,093)                                    |
| <b>Total group<br/>unrestricted funds</b>                     | <b>13,343,771</b>                           | <b>5,227,664</b> | <b>(5,218,195)</b> | <b>401,098</b>                 | <b>874,068</b>     | <b>14,595,313</b>                           |
| 2020  | Fund<br>balances<br>brought<br>forward<br>£ | Income<br>£      | Expenditure<br>£   | Investment<br>(loss)/gain<br>£ | Transfers<br>£     | Fund<br>balances<br>carried<br>forward<br>£ |
| General funds   | 13,394,242                                  | 7,936,753        | (6,250,512)        | (81,937)                       | (1,677,706)        | 13,320,840                                  |
| <b>Total company<br/>unrestricted funds</b>                   | <b>13,394,242</b>                           | <b>7,936,753</b> | <b>(6,250,512)</b> | <b>(81,937)</b>                | <b>(1,677,706)</b> | <b>13,320,840</b>                           |
| Subsidiary undertaking<br>profit and<br>loss account reserves | 0   | 152,561          | (147,837)          | 0                              | (4,724)            | 0   |
| Share of losses of<br>associate                               | 24,069                                      | 0                | (1,138)            | 0                              | 0                  | 22,931                                      |
| <b>Total group<br/>unrestricted funds</b>                     | <b>13,418,311</b>                           | <b>8,089,314</b> | <b>(6,399,487)</b> | <b>(81,937)</b>                | <b>(1,682,430)</b> | <b>13,343,771</b>                           |

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The Board of Alzheimer Scotland – Action on Dementia established a legacy policy to ensure that the most efficient use is made of legacy income.

The transfers column shows the charity moving its own funds from one heading to another so that funds are available where needed to meet charitable and other expenditure; this includes transfers between unrestricted and restricted funds and includes; internal funding relating to any service development plans, transferred to cover redesign of services, reserves covering all our fixed assets and internal rents paid by services housed within owned properties.

**23. Analysis of assets and liabilities among funds**

|  | General<br>Funds  | Restricted<br>Funds | Endowment<br>Funds | Total<br>Funds    |
|--|-------------------|---------------------|--------------------|-------------------|
|  | £                 | £                   | £                  | £                 |
| <b>2021</b>  |                   |                     |                    |                   |
| <b>Group</b>   |                   |                     |                    |                   |
| Tangible fixed assets                                  | 7,050,770         | 0                   | 0                  | 7,050,770         |
| Investments – Sarasin                                  | 2,236,576         | 0                   | 0                  | 2,236,576         |
| Investments – subsidiary and<br>associate undertakings | 0                 | 0                   | 0                  | 0                 |
| Net current assets                                     | 5,307,967         | 1,797,993           | 104,073            | 7,210,033         |
| <b>Total</b>   | <b>14,595,313</b> | <b>1,797,933</b>    | <b>104,073</b>     | <b>16,497,379</b> |
| <b>Company</b>   |                   |                     |                    |                   |
| Tangible fixed assets                                  | 7,032,780         | 0                   | 0                  | 7,032,780         |
| Investments – Sarasin                                  | 2,236,576         | 0                   | 0                  | 2,236,576         |
| Investments – subsidiary and<br>associate undertakings | 1,000             | 0                   | 0                  | 1,000             |
| Net current assets                                     | 5,324,957         | 1,797,993           | 104,073            | 7,227,023         |
| <b>Total</b>   | <b>14,595,313</b> | <b>1,797,993</b>    | <b>104,073</b>     | <b>16,497,379</b> |
| <b>2020</b>  |                   |                     |                    |                   |
| <b>Group</b>   |                   |                     |                    |                   |
| Tangible fixed assets                                  | 7,256,841         | 0                   | 0                  | 7,256,841         |
| Investments – Sarasin                                  | 1,972,355         | 0                   | 0                  | 1,972,355         |
| Investments – subsidiary and<br>associate undertakings | 147,931           | 0                   | 0                  | 147,931           |
| Net current assets                                     | 3,966,644         | 1,755,134           | 103,901            | 5,825,679         |
| <b>Total</b>   | <b>13,343,771</b> | <b>1,755,134</b>    | <b>103,901</b>     | <b>15,202,806</b> |
| <b>Company</b>   |                   |                     |                    |                   |
| Tangible fixed assets                                  | 7,234,208         | 0                   | 0                  | 7,234,208         |
| Investments – Sarasin                                  | 1,972,355         | 0                   | 0                  | 1,972,355         |
| Investments – subsidiary and<br>associate undertakings | 126,000           | 0                   | 0                  | 126,000           |
| Net current assets                                     | 3,988,277         | 1,755,134           | 103,901            | 5,847,312         |
| <b>Total</b>   | <b>13,320,840</b> | <b>1,755,134</b>    | <b>103,901</b>     | <b>15,179,875</b> |

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**24. Pension and retirement benefits**

The company operates two pension schemes both of which are NEST Compliant. The first is a defined contribution group personal pension scheme. As the pension scheme is a defined contribution money purchase scheme, no liabilities for pensions arise for the company or group. The second scheme is one that all staff can access for auto-enrolment purposes.

The assets of these schemes are held separately from those of the company in independently administered funds.

The contribution for the year amounted to £415,062 (2020 - £457,659).

**25. Operating lease commitments**

|   | Group                    |                          | Company                  |                          |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
|   | Land & buildings<br>2021 | Land & buildings<br>2020 | Land & buildings<br>2021 | Land & buildings<br>2020 |
|   | £                        | £                        | £                        | £                        |
| The company had total commitments under non-cancellable leases expiring as follows. |                          |                          |                          |                          |
| Within one year   | 199,248                  | 240,487                  | 178,648                  | 219,887                  |
| 2-5 years   | 98,750                   | 269,997                  | 52,750                   | 203,397                  |
| Over 5 years  | 0                        | 0                        | 0                        | 0                        |
| <b>Total</b>  | <b>297,998</b>           | <b>510,484</b>           | <b>231,398</b>           | <b>423,284</b>           |

Operating lease expense charged to the SOFA for the year amounted to £298,268 (2020 - £293,424)

**26. Net debt reconciliation**

| Group                     | 1 April<br>2020  | Cashflows      | 31 March<br>2021 |
|---------------------------|------------------|----------------|------------------|
| Cash and cash equivalents | 3,864,649        | 352,297        | 4,216,946        |
| <b>Net debt</b>           | <b>3,864,649</b> | <b>352,297</b> | <b>4,216,946</b> |