



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

Company Number SC149069

Charity Number SC022315

Directors' Report, Strategic Report and Financial Statements

For the year ended 31 March 2016

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA
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1. Directors' Report

References and administrative details

Alzheimer Scotland - Action on Dementia is the registered name of the organisation. Operationally, the organisation is known as Alzheimer Scotland.

Scottish charity number: SC022315 Company registration number: 149069

Principal and registered office

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EDINBURGH
EH3 7RN

Chief Executive

Henry Simmons

Company Secretary

Kevin Craik

Solicitor

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Directors

John Laurie (Convener)
Ian Bell (Treasurer)
Arlene Chalmers (Secretary)
David McClements (Vice Convener)

Barbara Barnes
Douglas Philips
Patricia Laughlin
Noni Cobban (re-elected November 2015)
Jim Fry (re-elected November 2015)
Henry Rankin

Dianne Howieson
Alan Jacques
John Starr
Christine McGregor
Mary-Frances Morris
Diane Goldberg (appointed November 2015)

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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 2015).

The Directors of the Company 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 the Directors by the membership. Alzheimer Scotland has increased its membership to 7,886 (7,424 members - 2014/15). During 2016/17, the Board of Directors will establish a Nominations Committee for the purpose of recruiting new Trustees, with the aim of ensuring that a broad mix of skills and backgrounds is selected.

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.

Alzheimer Scotland is an active member of 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, except in 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 and the other Executive Directors attend Board meetings.

The Board regularly review the most significant financial risks to the organisation. The main areas of concern continue to be the impact of the economic downturn on public sector budgets and potential reductions in funding for our commissioned services and on our fundraised income.

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3. Objectives and activities

The objectives of Alzheimer Scotland, which are included 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 objects related to the organisation.

These objects 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 public funding for local services. We fundraise in order to be able to campaign, raise awareness, support research, develop innovative approaches to supporting people with dementia and their carers and fill the gap of 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 31st March 2016, Alzheimer Scotland had 1,004 staff (1,113 - 2014/15) average number of full time equivalent employees during the year was 455 (466 - 2014/15) and 801 (750 - 2014/15) active volunteers operating in 60 sites throughout Scotland. Alzheimer Scotland's commitment to using volunteers throughout the organisation is a strength because of the wide-ranging experience and knowledge they bring to governance, service provision and fundraising.

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4. Mission

Our mission is to make sure no one goes through 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. Strategic Report

Achievements and performance

Again this has been another successful year for the organisation, with substantial progress towards creating a strong and stable platform in our mission of making sure no one goes through dementia alone. In particular, we have made good progress in terms of our policy work, campaigns, awareness raising, dementia nurses, service provision (including Link Workers, Dementia Advisors, Dementia Resource Centres [DRC] and Home Support), research and fundraising.

The key financial and operational performance indicators monitored by management include internal quality ratings, Care Inspectorate gradings, customer satisfaction survey results, social media presence and a reduction in staff turnover and sickness.

After the successful 2010-13 Strategic Plan, the new plan for 2013-16 was rolled out in October 2013 with seventy objectives under the following ten themes:

1. Raising awareness
2. Influencing change and promoting rights
3. Sustaining and developing local services
4. Increasing reach and local presence
5. Improving practice and service quality
6. Investing in our people
7. Research and collaboration
8. Efficiency and effectiveness
9. Raising funds and increasing support
10. Developing innovations and creating new opportunities

We reported progress to September 2015 to the Board and are very pleased to report that 95% of our objectives are either achieved or progressing, with only 5% having been delayed. We are over two years through the Plan and are well on track to meet the objectives during 2016.

Risk Management

We continue to prepare for the challenging financial climate by ensuring that all our systems and processes are effective and efficient to support the delivery of our strategy. One of the main

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objectives of our strategic plan is to achieve significant efficiency savings in everything we procure and commission, as well as bearing down on all our non-essential costs. Our aim will be to protect the level, quality and scale of our frontline operations by reducing and controlling all other expenditure.

Reputational risk continues to be another critical area. We rely on all our staff delivering a high quality of service at all times to minimise risk as much as possible, as well as our internal procedures in regard to our registered care, support services provision and administrative functions. We have a good external indicator of the success of high quality in our Care Inspectorate grades, which continue to be very good. The Directors have in place procedures for review and assessment of the business, compliance and environment risks which may impact upon the activities of Alzheimer Scotland and the achievement of our aims and objectives.

These procedures include an annual 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.

Review and assessment includes:

- 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 a number of key risks and agreeing strategies to mitigate and/or obviate each risk;
- Reporting to management and the Board about how those risks are managed, and monitoring of our potential exposure.

Staff

Alzheimer Scotland is committed to employment policies which follow best practice and the principle of equal opportunities to create a working environment where staff are treated with dignity and respect, free from unlawful discrimination, victimisation or harassment on the grounds of colour, race, nationality or ethnic origin, religion, age, sex, marital status, gender reassignment, sexual orientation or disability of any kind. Should an existing employee suffer a disability, it is Alzheimer Scotland's policy to take all reasonable steps to accommodate that disability and to assist the employee to continue their career with the organisation in their role or, where possible, in an alternative position.

We are continuing to use the Promoting Excellence Framework as a benchmark for all our staff. We have not yet achieved our goal of ensuring that as a minimum all our staff are trained to dementia skilled level, though we are making good progress towards it. We will make further investments in this programme and continue to ensure that staff skills are maintained through a range of development programmes and training to build capabilities in our people and through a performance appraisal system, which identifies the necessary training needs.

Our achievements are only possible with the support of the trained and talented people who work for Alzheimer Scotland and we remain committed to a policy of recruitment and promotion on the basis of aptitude without negative discrimination of any kind. Our staff continue to deliver a high quality of support and commitment to people with dementia, their families and carers. Supporting our frontline staff to do the best job they can continues to be the central focus of all our managers and support services.

We continue to build on the important role of the Staff Representative Group and now have representatives from many localities. The aim of this group is to ensure that we listen and respond to

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the views of staff, which is especially important for us given the dispersed nature of our activities and locations.

Volunteering

We are extremely proud to have over 800 volunteers supporting many areas of our work throughout the country; this includes a wide range of roles from our 24 hour/7 days a week helpline; our football reminiscence projects, volunteers at our shops, gardens, events and fundraising teams. The only area that we avoid bringing in volunteers is in place of paid staff roles. We do not include any economic value in terms of the hours donated in these accounts, but quite simply we would not be able to provide many of our services without the support and commitment of these individuals.

Policy and Campaigns 2015 – 2016

The major milestone this year has been the publication of the Advanced Dementia Practice Model in November 2015. This was the culmination of two years' work including research and extensive information gathering, involving people with dementia, their family members and carers, individual professionals and partner organisations. This is the 'final piece of the jigsaw' of Alzheimer Scotland's vision for transforming the lives of people with dementia. We can now present a comprehensive set of policy recommendations about how people with dementia should be supported, from before they are diagnosed to the end of life, in every setting.

The transition to integrated Health and Social Care Partnerships (HSCP) has dominated our strategic decisions about how we best take forward our public policy priorities. More decisions will now be taken by the new Integrated Joint Boards (IJB) and their officials, and the Policy Team has been working with Heads of Operations (HoO) and Policy & Engagement Managers (PEM) to make sure that we are in the best position possible to engage with the new bodies' decision making and implementation. The priority in this work has been the development of local involvement networks to make sure that decision makers are informed by the experiences of people with dementia, their families and carers. In addition, we have been working with the Scottish Dementia Working Group (SDWG) and National Dementia Carers Action Network (NDCAN) to strengthen our involvement and ensure meaningful and better coordinated engagement between the national groups and the developing local networks. This is a work in progress and will, if anything, be an even stronger focus of the Policy Team's work over the coming year.

We have continued to work with Focus on Dementia (this is a collaborative improvement programme between involving health and social care organisations, including Scottish Government, Healthcare Improvement Scotland and ourselves, where the key areas of work include PDS, the testing of the 8 pillars model, Dementia in Acute Care and specialist dementia units.) to drive improvements in post diagnostic support (PDS); our contribution includes the part-time secondment of our Policy Officer to the Focus on Dementia team to help develop this and the 8 Pillars testing programme. While this improvement work is progressing well, there remain widespread issues about the short term funding of Link Workers, significant waiting lists for PDS, variations in quality and referral which depend, in some areas, on where a person lives. The Policy Team has worked alongside local colleagues to support and make the case for continued funding of high quality PDS which can deliver better individual outcomes for people with dementia and prevent or delay costly crisis interventions. This demonstrates how important effective local engagement is in influencing IJBs to ensure delivery of the Scottish Government's national policy commitments.

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The 8 Pillars test sites are now in the evaluation phase of the process. Great progress has been made in different ways at each of the five sites in better integrating and coordinating the services that are available to support people with dementia. However, it is evident that systemic barriers remain to fully empowering professionals to take on the role of Dementia Practice Coordinator, able to support the person with dementia and their family. We are working with the external evaluators so that their report – due for publication in August 2016 – as far as possible identifies these issues, but in the meantime continue to work with the range of relevant stakeholders to promote the evidence-based Dementia Practice Coordinator approach as a crucial role, linking the needs identified in both the 8 Pillars and Advanced Dementia Practice Model.

Between November 2015 and January 2016 the Policy Team worked, once again, in partnership with the Scottish Government to plan and facilitate a series of national dialogue events to inform Scotland's third National Dementia Strategy. We worked with our PEMs, the SDWG and NDCAN to ensure the involvement of people with dementia and carers in the dialogue events, through our local and national involvement groups and networks. Early this year the Scottish Government circulated a draft proposal setting out the key priorities for the third Strategy, which will be published in the autumn of 2016. This includes a commitment to test the advanced dementia practice model and pilot the shift of PDS to primary care. Overall, the proposed Strategy carries on the existing strategy commitments but within the context of integration of adult health and social care.

Our national Nurse Consultants have been working to support delivery within key areas of the National Dementia Strategy, including work to renew the Memorandum of Agreement with Health Boards to fund and retain the Alzheimer Scotland Dementia Nurse Consultants. This has progressed well and we expect that by April 2016 all Health Boards will have signed a Memorandum of Agreement keeping the national Nurse Consultants in their role for the foreseeable future.

Our national Nurse Consultants have played a significant role in supporting the Alzheimer Scotland Dementia Nurse Consultants, the Dementia Champions programme, and the ten key actions to support improvement in acute hospital care. In addition, we have taken forward a bespoke area of work to support Commitment 11 of the National Dementia Strategy, that is to deliver improvement in specialist dementia care units. This involves developing a model of safe transition for those who do not require to be in those environments and a model of high quality specialist dementia care. This work is well underway and the preliminary findings of our national Nurse Consultant's visits to Boards will be reported in May 2016.

The development of Alzheimer Scotland's Allied Health Professional (AHP) practice placement and internship programme has strengthened our relationships with the universities that deliver AHP education, giving many able students valuable insight into working with people with dementia and providing skilled support to groups and services across Alzheimer Scotland. We have also hugely strengthened the contribution of AHP practitioners to the development of policy and practice.

We continued to work with NHS Health Scotland and many other partners to explore the different issues faced by people with dementia, carers and family members who may encounter extra barriers to accessing support or services due to their ethnic background, religion, sexual identity, learning disability, age or other issues. A series of recommendations has been presented to inform the next National Dementia Strategy. Our own Quality & Workforce Development (QWD) Team are taking this forward within Alzheimer Scotland, to make sure that we are as inclusive an organisation as we should be.

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Alzheimer Scotland's international reputation for public policy engagement has brought an increasing interest from across the globe. During 2015/16 we hosted visitors from Japan, Cyprus, Netherlands and several delegations from municipalities in Denmark.

The Policy Team has also been involved in other areas of public policy, including: continued involvement in the Convention of Scottish Local Authorities' (COSLA) non-residential care charging review group; blue badge reform; Scottish Council for Voluntary Organisations (SCVO) (the Head of Policy has been elected as Chair); responding to several consultations. This last area included key consultations such as the review of the Adults with Incapacity (Scotland) Act 2000, the Scottish Government's draft delivery plan on the Convention on the Rights of Persons with Disabilities, and the Carers Bill. We also publish our monthly (internal) public policy updates for colleagues across the organisation to keep them informed of our work and developments in the wider policy landscape in Scotland. In March 2016, we launched our Scottish Parliamentary Elections election pledge, seeking the support of candidates so that we can follow up with those elected candidates who supported the pledge to continue to support our priorities.

Service development

We have continued to develop and implement the new management structure in Operations. Last year, there was recognition of the pressure on managers due to Alzheimer Scotland's national policy role and the growing perception of the organisation as partner, contributor and critical friend as well as service provider. Further to this, thirty-eight localities are now in place. However, work on developing relationships with HSPCs and IJBs has had to adopt the pace of each locality area and therefore has been variable in terms of progress.

We continue to focus on high-quality dementia practice in our service delivery, ensure capacity within localities to reinforce the local nature of the organisation, be represented at a strategic level, work with members and involve people with dementia and carers. Last year we created a new role with the appointment of six Deputy Regional Managers, responsible for membership, recruitment and engagement, local strategic fundraising, representation, policy development and supporting and working with Branches. The job title has since changed to "Policy and Engagement Manager" (PEM), in an effort to better describe and support their function, as well reflecting the move away from regions towards localities. We are now working to ensure consistency of approach and the post holders continue to be guided and supported in translating national policy to localities.

The QWD Team have continued to develop their work programme and embed the LAUNCH! induction, which has been very well received by staff and managers. The LAUNCH! Framework went live on the organisation's intranet and brought together quality, health and safety and workforce development so that staff have a one stop resource for policy, practice and professional development expectations and opportunities. It has highlighted some IT learning needs which are being looked at.

The QWD Team continue to strengthen Alzheimer Scotland's focus on outcomes and upskilling staff groups. Excellent work has taken place with further developing our Link Workers and Service Managers, including the development of a course accredited by the Institute of Leadership and Management. Similar work is planned with Dementia Advisors and Day Care Community Activity Organisers.

The Scottish Government's post-diagnostic Health Efficiency Access Treatment (HEAT) target came into effect from April 2013, and we have seen further growth in our PDS work as local partnerships continued to choose to develop their post-diagnostic work in partnership with us. We presently have

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65 dementia Link Workers and this taskforce continues to require substantial locality and service management time, as well as considerable input from senior management and the QWD Team. We recorded 2,903 referrals to our Link Workers in 2015-16 – a 37% increase from the previous year. We continue to work to make as many posts as possible more financially secure.

Our 1:1 specialist support services declined during the year by 14%. The total support hours we provided fell by 14%. Block and spot-purchased hours were down 15%, along with a decrease in self-commissioned support, though this continues to account for 76% of the support we provide. The balance of support purchased, using either people's own resources or using self-directed support (SDS) payments is shifting. Growth in private purchase fell by 31% in the year. However, the growth in SDS is accelerating, up 26% on last year, although SDS still accounts for only 10% of the overall hours we provide. Day care provision was also lower than the previous year, with a weekly average of 886 sessions used (down 1.5%). We supported an average of 1,662 (1,648 last year) people per week in our 1:1 and day services this year.

Our services continued to be very positively graded by the Care Inspectorate. Nineteen services were inspected, with seventeen receiving a full inspection and two a validation inspection. For the services that received a full inspection, 64% of grades received were 5 (very good) and 19% 6 (excellent), compared with 65% of 5s and 12% of 6s for the twenty-three services inspected the previous year. 47% of services saw an improvement in one or more of their grades, 35% remained the same and 18% saw a drop in one or more of their grades. The services that received a validation inspection were not graded.

Local Authorities (LAs) are continuing to develop framework tenders in order to establish a list of providers' people can choose from under the new Self-Directed Support Act, where the LA assess the level of need but people can choose their own services and/or from providers the LA may use when choosing services on people's behalf. Last year we decided not to bid for a tender from Falkirk Council, as one of the tender requirements was to undertake 15 minute visits - and these do not form part of the specialist support we provide to people with dementia. Equally with East Dunbartonshire Council, we decided not to bid for a component that was non-dementia specific. We do continue to provide support in these areas, although the level of hours provided has reduced. We are also awaiting decisions from other LA areas about their plans as they are reviewing present provision in their areas.

We opened new DRCs in Helensburgh, Arbroath, Aberdeen, Tain, Dingwall and on Shetland and we purchased a further two properties that will be completed in summer 2016. We are continuing to look at development and the most efficient and positive uses for these hubs.

Development

We had the opportunity to bid for funding from the Technology Enabled Care (TEC) fund, in which we were successful. In Year 1, we embedded the TEC conversation across our organisation. We have a working group of Link Workers who are producing TEC guidance. We have been instrumental in developing the Technology Charter for People Living with Dementia in Scotland for people living with dementia. We have promoted the TEC work widely at all our events in the last year, and will have a session at the year's Dementia Awareness Week (DAW) 2016 conference to share our TEC story. We have set up a testing network in our Ayr DRC, where we have a variety of products on display and where we can send others to be tested on request. We have expanded our national Dementia Circle project by including TEC in five of our DRCs and continue to build on this. We have just completed filming our series of technology videos for people living with dementia so as to make information more accessible; at present these are hosted on YouTube, with the aim to have these on our own website

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by the end of June 2016. We have built some very robust partnerships and hope to continue to build on all this work, as we have been awarded funding for another two years.

We have been developing a new initiative called Purple Alert. The purpose of a Purple Alert system would be to enable Alzheimer Scotland and its partners to immediately alert local communities and people to be on the lookout for the person who is missing. Our vision is that this will be hosted on a sub-branded website which will have four functions:

- It will be the place where anyone wishing to be a supporter can sign up;
- It will be the place where people with dementia and those legally empowered on their behalf can register to be part of the scheme;
- It will host information on what is available in your area and what products are on offer;
- It will also host any national resource, such as a National GPS scheme that we might develop depending on further exploratory work in this area.

The proposal is to develop Purple Alert as an emergency message, issued by the carers and loved ones, when a person living with dementia is missing and when the police fear the person is in danger or at risk. We are going through a rigorous test phase at present, and hope to have permissions to go live by the end of June 2016.

We have been working hard on trying to build a business case and funding to extend our Dementia Dog work. The Dementia Dog team believe that there are significant opportunities to build on the learning from Phase 1 of the project and develop a wider range of ways that people with dementia and their carers can have regular and positive interaction with a dog.

We were also acutely aware that we did not capture all the associated research/evaluation data related to Phase 1; we have secured some research funding from the Alzheimer Scotland Research Fund and are looking at the effects of the dog reducing stress, both for the person living with dementia and their carer and the impact on the progression of the dementia. We have also worked with our Australian partners to incorporate our missing data into their evaluation and they are happy to share their work with us on a continuing basis.

Phase 2 will focus on developing the assistance opportunity, funding for which is being sought from the Life Changes Trust. The Dementia Dog team will also seek funding to develop the non-assistance dog elements of its work, but this will come in Phase 3 which is not expected to start until well into 2017. If successful in obtaining funding, our team propose to carry out the following work over the next three years:

- Continue to provide aftercare support to the existing assistance dog teams. We will continue to document progress and understand the issues arising for the people we support as a way of better understanding how to develop the service.
- Place a further eight assistance dogs and build opportunities for the dogs to play a wider role in the community if appropriate. This will build on the existing model whereby there is a partner 'carer' to support the person with dementia.
- Continue to support research and evaluation within every element of the project. This will include both the issues relating to the health and wellbeing of both the person with dementia and their carer, as well as the economic benefits that could accrue from dogs working in these settings.

Since the design of the Kilmarnock DRC, we have been using the same template to draw on for the next phase of Dementia Resource Centres (DRCs). However, we always engage with key staff and users of the building to ensure we have a local feel and reflect the local priorities for use. There are a couple of basic approaches that influence our thinking. People with dementia using the services

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delivered from the DRC will range from those living very well with their illness to those needing considerable support; it is a sliding scale so we need to ensure our design reflects this diverse need.

The challenges that people living with dementia have with their environments are similar to all of us, but exaggerated. Confusing and stressful environments are much more so for people living with dementia. There is a fine balance between stressful environments and stimulating environments (this is the same for all people). Older people with dementia often have other physical challenges (poor vision, impaired mobility, poor hearing) and this can exacerbate stress. Dogmatic 'rules' about light levels, or contrast, or colour psychology must always be subject to good contextual thinking, including physical and cultural influences. Good design for people living with dementia is no more about 'box ticking' than good design for healthy people. The finishes that we have used also help us to achieve an internal brand ensuring a consistency of approach across Scotland and achieving a sense of familiarity and good practice.

Communications & Marketing

We hosted and facilitated a large number of events and conferences throughout the year, including our Annual Conference during DAW in June 2015. The theme of the 2015 conference was 'Global to local' and Scottish, United Kingdom (UK) and international speakers came together to share insights and developments with 450 delegates.

In addition, we hosted the Scottish Dementia Awards with our partners at NHS Health Scotland, NHS Education for Scotland (NES) and the Scottish Social Services Council (SSSC), plus our own Staff, Volunteers and Members' conference and the organisation's AGM. In the autumn and winter we managed five dementia dialogue events, working with Scottish Government, to capture thoughts and advice on the previous dementia strategy and to feed into the development of the next three year strategy, scheduled for autumn 2016.

Our annual Christmas lecture was presented by Professor Craig Ritchie, with a focus on risk reduction and prevention. An audience of over 300 joined us at the Hub in Edinburgh.

During the year we also hosted two national Members' Advisory Forum (MAF) events in Edinburgh and Glasgow, engaging members and seeking their thoughts, advice and experience on key topics. These were supported by local engagement and reference group events across the country, managed by PEMs. Membership of the organisation rose to just under 8,000.

DAW ran from 1st-7th June 2015, with a theme of 'Let's talk about dementia'. We had run a 'Let's talk about dementia' campaign earlier in the year and during the awareness week we brought it back to life to encourage people to have those sometimes difficult first conversations. There were over 200 local events during the week, staged by staff, members, volunteers and our health and social care partners.

Our online/digital presence continued to develop throughout the year. In particular, engagement on social media developed exponentially. By the end of March 2016 we had over 13,500 Twitter and Facebook followers. Since 2013, Facebook following has increased by 353% and Twitter by 180%.

We continued to promote the 24/7, 365 day a year free phone Helpline through our information and marketing materials, in particular by Helpline cards and leaflets being placed in various health service premises, community centres, libraries and pharmacies. We also continued to promote the Helpline

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through our magazine, Dementia in Scotland. The Helpline team also recently produced a carer's card in conjunction with NDCAN. In addition, we are also increasing the online presence of the Helpline through social media and website updates.

During the year we continued to work closely with local and national media titles, responding to requests for comment and also generating proactive content to submit to titles so as to increase awareness and promote our work. The PR Manager continued to support SDWG and NDCAN with media training and we also introduced social media training into this mix. The PR Manager also engaged more research ambassadors to enable us to offer a wider pool of commentators when we are approached by the media about press stories. Having access to key specialists, for example in research, means we are able to offer fresh voices and variation in response, which is appealing to media titles. We were also able to work with a number of celebrities during the year to help promote our Memory Walks and the winter 'Challenge Dementia' Campaign.

The Marketing Team worked closely with Fundraising colleagues during the winter to develop the 'Challenge Dementia' campaign. The campaign promoted increased awareness of the benefits of undertaking physical and mental activities and also had a strong fundraising "ask" in order to support our vital work.

We continued to work with many of the universities around Scotland, including the University of West of Scotland, where the Alzheimer Scotland Centre for Policy and Practice is based, and at the University of Edinburgh through the Alzheimer Scotland Dementia Research Centre located there. In addition we continued to provide bursary support for study programmes at the Universities of Edinburgh and Stirling, and at Queen Margaret University. During the year we also developed a strategic partnership with Queen Margaret University, led by our AHP Consultant.

Fundraising

Our fundraising income this year reflects the tremendous commitment of our supporters, volunteers and colleagues who have worked extremely hard to bring in the vital funds needed to support our important work.

The end of the large scale Lloyds Bank partnership has meant that our Corporate Team has had to cultivate new opportunities whilst managing and maximising opportunities with existing partners. The team worked on 25 different corporate partnerships this year, including our Scottish-led partnership with Scotmid which has raised £132,000 in its first six months. The partnership is ongoing and Scotmid staff have been thoroughly engaged with fundraising, from bake sales to cycle rides. Dementia Friends learning, made available to staff of our corporate partners, has been a prominent aspect of the support the Corporate Team are able to offer corporate partners and has proved of a real benefit in building relations with partners.

Sainsbury's Bank raised around £50,000 and got wholeheartedly behind our fundraising at every level of their organisation, from the Senior executive team to the Account and Customer staff. The bank was recognised at the Edinburgh Chamber of Commerce Business Awards when they received an award for Outstanding Social Responsibility for their partnership with us, which has seen over a quarter of their workforce attend our face to face Dementia Friends learning sessions.

The Wheatley Group raised £18,000 and pledged to continue the partnership beyond the initial agreed one year period. Rangers Charity Foundation also got behind the work of Alzheimer Scotland and helped raise awareness across their media platforms of our Helpline and Football Memories programme, as well as committing to a donation of £25,000. Other corporate partners that began

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working with us this year include Flight Centre, BNP Paribas, and BAM Construction. HSBC Bank began a new partnership with us, and the fundraising momentum is growing amongst all their workforces who, like many of our partners, are receiving Dementia Friends learning sessions as part of the partnership.

We are grateful to the Life Changes Trust, which awarded two grants totalling £210,000 over five years to our befriending projects in Glasgow and Lanarkshire. The Trust has also continued its support of Dementia Friendly Dumfries & Galloway and our allotment in West Dunbartonshire. The Big Lottery Fund awarded £50,000 through the Young Start Fund towards the Forget Me Not Project in Glasgow and West Lothian. The ScottishPower Foundation awarded us a grant of £35,000 for Dementia Friends Scotland in the spring of 2016 and we are delighted to be working in partnership with the Foundation to increase the profile of Dementia Friends Scotland and recruit more Dementia Friends. Additionally, the Co-op Local Fund awarded numerous grants towards community-based services in locations all over Scotland. More than seventy other charitable trusts and foundations awarded us grants during the year, making a very significant contribution to our funds.

We are extremely grateful to everyone who attended our gala events as well as those who volunteered on our event committees, our sponsors, our suppliers and in-kind supporters, and the venues which hosted them. These events have raised just under £90,000 towards our work.

More people are taking on sponsored events such as marathons and cycles. The Edinburgh Marathon Festival alone raised over £120,000. In addition, growing numbers of supporters are raising money for us by organising their own events and fundraising activities and we are working hard to provide them with high quality support in their local areas. DAW 2015 was a catalyst for extensive fundraising in local communities and we thank all the community groups, businesses and individuals who got involved. We are looking forward to building on this success in DAW 2016.

In the spring of 2016 we launched our 'Challenge Dementia' fundraising campaign with a series of radio and social media activity, securing extensive media coverage and recruiting new supporters to take on a range of challenges from bake sales to head shaves. 'Challenge Dementia' will continue as our fundraising theme in the coming year.

We held our second Memory Walk series and raised just under £200,000, nearly doubling the 2014 total. Colleagues from across the organisation once again worked together to achieve the huge task of planning, promoting and delivering the series. Most importantly, supporters all over the country took part and raised vital funds which will be used to sustain key local services like Dementia Cafés and activity groups. We are determined to continue the growth of Memory Walks in the coming years and have a number of exciting plans for 2016.

We have received over £300,000 from gifts made in memory of a loved one, as well as many gifts in celebration of weddings, birthdays, anniversaries and other special occasions. We are deeply honoured to be the recipients of these gifts. We are very grateful for all the donors who have given gifts, and especially grateful to our regular donors who give by direct debit or payroll giving. These areas of giving continue to grow and are immensely valuable to us. Gifts in wills increased significantly this year. This is one of our most important sources of income, which makes much of the work we do possible, and these gifts are received with our most sincere thanks and gratitude.

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Financial review

We ended the financial year with a smaller than predicted deficit of £25,130. The main reason for the reduction in the predicted deficit was the large increase in the legacies received during the year.

The statement of financial activities shows that total income of £19,123,910 was down by 0.9% (£19,288,707 - 2014/15), and total expenditure of £19,090,790 was down by 1.5% (£19,379,404 - 2014/15). Net losses on investment were £58,250 (gain of £52,479 - 2014/15). This gives us the net expenditure deficit of £25,130 (deficit of £38,218 - 2014/15).

Fixed assets increased by 18% from £6,135,140 to £7,222,647, mainly as a result of the purchase of new properties in Glasgow and Stranraer and the refurbishment of properties in Aberdeen, Tain and Arbroath (all being used as a DRC), less overall depreciation. The provision of these new properties has increased our reach and commitment in local communities and has allowed us to expand our service provision. They will additionally provide long-term savings as compared to rental costs. Details of fixed assets are shown in Note 12 to the financial statements.

The group (being Alzheimer Scotland and Dementia Scotland Limited) has General Funds of £11,213,199 (£4,573,807 - 2014/15), Designated Reserves are now zero as these Reserves have been transferred either to cover expenditure or into General Funds (£6,457,600 - 2014/15) and Investment Funds of £1,036,158 (£1,059,202 - 2014/15 - Note 19).

The general funds relate to services, branches and national office. Each service aims to have around twelve weeks' running costs as cash reserves, which makes both the unrestricted and restricted income funds greater than the £4.4million required. The notional twelve weeks running costs is to allow in the event of having to close all services and projects, that we have 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 reserves of £1,101,695. This includes restricted income funds of £109,490, the restricted legacy reserve of £647,235 and the research reserve of £336,111. Restricted reserves must be used for the purpose or area for which they were given, and the group seeks opportunities to use these reserves, where appropriate, in agreement with the providers.

The endowment fund of £122,108 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 reserves are now £13,473,160 (-0.01% drop on 2014/15), £5,214,355 of which is net current assets. The proportion of total reserves that is unrestricted is 90% (90% 2014/15).

The principal funding sources for Alzheimer Scotland are Local Authorities (44%), NHS Boards (8%), Scottish Government and specific grants (4%), fundraising, trusts and donations (24%), legacies (10%), private individual payments for SDS and home private purchase (5%) and other (5%).

Most of the organisation's expenditure is spent on care related services at 93.49%, support costs accounts for 6.51% - which includes Governance of 0.28%, fundraising 2.83%, campaigning 0.73%, research 1.78%, involvement 0.87% and awareness raising 0.02%.

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The organisation's banking policy is to minimise risk by holding liquid reserves in interest-bearing bank accounts. The organisation's investment policy was extended so as to invest through external fund managers Sarasin. £1 million was placed with them in 2014/15 which will help secure future growth and better returns than are presently enjoyed by holding cash in low interest rate accounts. This investment is closely monitored by the FAC at all their meetings; in addition, the investment managers will meet with the FAC and then separately with the Board on an annual basis to discuss the investments and markets in general. During the year Sarasin reinvested £43,809 into the funds, making our listed equities balance £1,043,809.

The investment income in 2015/16 of £67,658 (2014/15 £56,011) comprises interest earned £32,452 and £35,206 income from our investments with Sarasin.

Future plans

In recent years, the national investment in dementia education and training for the broad base of social and health care service providers has led to a significant improvement in the level of dementia knowledge and skill within many existing and new organisations. Alzheimer Scotland has made an important contribution to this work through our involvement with the development of the Promoting Excellence Framework and the Chief Executive's ongoing role as chair of the NES and SSSC Dementia Programme Board that has been leading this work since 2010. This means that there are now many more providers able to deliver a well informed and skilled quality of support to people with dementia. Many of these organisations benefit from large volumes of scale as a result of having a wide generic level of provision.

Our challenge is that as we achieve and celebrate our long standing aim of improving services and standards of care it does have an impact on the nature of our own service provision, in particular for those registered as recipients of home care or care at home. We are solely a dementia specific service provider and as such we do not have large economies of scale in all our localities and so we are less able to absorb fluctuations and, in particular, reductions in contracted provision of our services.

During the year a number of our localities experienced reductions in demand for this type of service, and in some areas the new form of contracting via Framework Agreements added pressure to our already small volumes. Accordingly this year we will need to redesign a number of our home care and care at home services which as a result of these changes and new added cost pressures, have incurred greater than expected losses. We will start this process in April 2016 and work with each locality to redesign the local service structure in order to ensure it is fit for purpose and as financially robust as is possible.

We will also undertake a review of the long term implications of our ability to sustain the delivery of these forms of service that experience a high level of fluctuations, and consider what alternative options there might be for maintaining and providing services of this nature in the future.

As we redesign and review these options, we will also improve and invest in the quality of our other core service provision, in particular our day services and the community support activities that we provide in our DRCs. We aim to ensure that the highest level of therapeutic intervention and practice as is possible is delivered in each of these services, and that the high quality nature of these services will create an ongoing demand from commissioners and people with dementia and their families.

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As already noted in the report, we have worked in partnership with a number of organisations and the Scottish Government to introduce and test our main models of transforming the health and social care experience of people with dementia and their families, as part of the National Dementia Strategies. Our main objective now will be to ensure that these national commitments are delivered locally through the new IJBs. Our local staff will work closely with our members and supporters in each locality and ensure that the voice of people with dementia, their families and our local activists is organised and can become a powerful local voice of support and, where necessary, challenge. In this climate where there are serious funding pressures throughout the health and social care system, we will align our policy focus to build strong local arguments for full implementation of the priority areas of the National Dementia Strategies.

During 2014-15 we consolidated our new rebranding and this has been exceptionally well received. We have made further investments in bringing together our Communications, Marketing and Fundraising Teams and we will embark upon an ambitious programme to use as many alternative forms of social media and digital-based campaigns as possible. We will maintain our aim of ensuring that the people who support us have a strong sense of return within their localities and we will continue to improve communication with our membership fundraisers, supporters and volunteers.

These vital funds have enabled us to make substantial investments in our Dementia Nurse programme, Dementia Advisors, Dementia Helpline, Dementia Research Centres and in recent months our main area of engagement, our Dementia Friends programme.

This initiative is attracting huge interest and many members of the public in Scotland have already signed up to become Dementia Friends. This programme is fully funded by Alzheimer Scotland, unlike the situation in England, and we are extremely pleased to see such a positive response to it in Scotland. We hope to build on our Dementia Friends and encourage people to engage with individuals living with dementia and their carers in their local communities, but also to help support the work and mission of the organisation in the broader context of policy.

We have also maintained our commitment to research and continue to support the Alzheimer Scotland Research Centre at the University of Edinburgh and the Alzheimer Scotland Centre for Policy & Practice at the University of the West of Scotland. We have built strong partnerships and developed strategic alliance with Queen Margaret University and continue to maintain high levels of engagement with other institutions such as the Universities of Stirling and Glasgow and Caledonian University.

We have maintained our funding for the Scottish Dementia Research Consortium and towards the end of the year we launched the Scottish-side of the 'Join Dementia Research' initiative. We were delighted to be a key partner in this UK-wide initiative which brings together the three main Alzheimer charities in order to recruit and support the evolution and development of dementia research throughout the UK.

Going concern

After making appropriate enquires, the Board confirms that it has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly it continues to adopt the going concern basis in preparing the financial statements.

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Statement of Directors' responsibilities

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

Charity and company law requires 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 group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group and charity 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.

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Auditor

BDO LLP has expressed its willingness to continue in office as auditor of the company. The Finance Audit Committee has reviewed and affirmed the effectiveness of the external auditor. A resolution will be proposed at the next AGM for their reappointment.

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



.....
Hon. Secretary and Director

Arlene Chalmers

Edinburgh 26th August 2016

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND DIRECTORS OF ALZHEIMER SCOTLAND – ACTION ON DEMENTIA

We have audited the financial statements of Alzheimer Scotland- Action on Dementia for the year ended 31 March 2016 which comprise the Consolidated Statement of Financial Activities, Consolidated and Company Balance Sheets, the Consolidated Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of director and auditor

As explained more fully in the Statement of Directors' Responsibilities, the directors (who are also the trustees of the charitable company for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

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

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2016 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matter prescribed by the Companies Act 2006

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

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Matters on which we are required to report by exception

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

- the parent charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records or 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.



Barbara Southern, Senior Statutory Auditor

for and on behalf of BDO LLP, Statutory Auditor

Edinburgh

United Kingdom

Date: 7 September 2016

BDO LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

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

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For the year ended 31 March 2016

**Consolidated Statement of Financial Activities
Incorporating income and expenditure account**

For the year ended 31 March 2016

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2016 Total £	2015 Total £
Income and endowments from						
Donations and legacies	2,3	5,914,463	342,710	0	6,257,173	5,804,115
Other trading activities	2,4	142,465	326,773	0	469,238	508,430
Income from charitable activities	2,5	1,226,955	11,102,886	0	12,329,841	12,920,151
Income from investments	2	60,820	6,081	757	67,658	56,011
Total income		7,344,703	11,778,450	757	19,123,910	19,288,707
Expenditure on						
Raising funds	2,6	(538,230)	(1,111)	0	(539,341)	(536,475)
Charitable activities	2,7	(4,197,410)	(14,354,039)	0	(18,551,449)	(18,842,929)
Total expenditure		(4,735,640)	(14,355,150)	0	(19,090,790)	(19,379,404)
Net gains/(losses) on investments	2,13	(58,250)	0	0	(58,250)	52,479
Net income/(expenditure)		2,550,813	(2,576,700)	757	(25,130)	(38,218)
Transfers between funds	2,19,20	(2,392,065)	2,392,065	0	0	0
Net movement in funds		158,748	(184,635)	757	(25,130)	(38,218)
Reconciliation of funds						
Total funds brought forward		12,090,609	1,286,330	121,351	13,498,290	13,536,508
Total funds carried forward	2,19-21	12,249,357	1,101,695	122,108	13,473,160	13,498,290

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

All results reflect continuing operations.

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Consolidated and Company Balance Sheets

At 31 March 2016

	Notes	Group		Company	
		2016 £	2015 £	2016 £	2015 £
Fixed assets					
Tangible assets	12	7,222,647	6,135,140	7,222,647	6,135,140
Investments	13	1,036,158	1,059,202	1,036,158	1,059,202
Investments in subsidiary undertakings	14	0	0	1,000	1,000
Total fixed assets		8,258,805	7,194,342	8,259,805	7,195,342
Current assets					
Debtors	15	1,918,884	2,189,129	1,941,612	2,250,623
Cash at bank and in hand		5,290,497	6,540,853	5,261,624	6,468,249
Total current assets		7,209,381	8,729,982	7,203,236	8,718,872
Liabilities					
Creditors: amounts falling due within one year	16	(1,995,026)	(2,426,034)	(1,974,034)	(2,415,924)
Net current assets		5,214,355	6,303,948	5,229,202	6,302,948
Total assets less current liabilities		13,473,160	13,498,290	13,489,007	13,498,290
The funds of the Charity					
Restricted income funds	20	1,101,695	1,286,330	1,101,695	1,286,330
Endowment funds	21	122,108	121,351	122,108	121,351
Total restricted funds		1,223,803	1,407,681	1,223,803	1,407,681
Unrestricted funds	19	12,249,357	5,633,009	12,265,204	5,633,009
Designated funds	19	0	6,457,600	0	6,457,600
Total unrestricted funds		12,249,357	12,090,609	12,265,204	12,090,609
Total Charity funds		13,473,160	13,498,290	13,489,007	13,498,290

The financial statements were authorised and approved by the directors on 26th August 2016 and were signed on its behalf:



Treasurer and Director

Ian Bell

Company registration number SC149069

Charity number SC022315



Hon. Secretary and Director

Arlene Chalmers

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Consolidated statement of Cash Flows

For the year ended 31 March 2016

	2016	2015
	£	£
Cash flows from operating activities		
Net income/(expenditure) for the reporting period (as per statement of financial activities)	(25,130)	(90,697)
Depreciation charges	433,198	365,229
(Increase)/decrease in debtors	270,245	20,895
Increase/(decrease) in creditors	(442,558)	(145,495)
Losses/(gains) on investments	58,250	3,268
Dividends, interest and rents from investments	(67,658)	(56,011)
Net cash provided by (used in) operating activities	226,347	97,189
Cash flows from investing activities		
Proceeds from sale of fixed assets	0	200
Purchase of fixed assets	(1,509,155)	(930,602)
Proceeds from sale of investments	0	0
Purchase of investments	(43,809)	(1,000,000)
Dividends, interest and rents from investments	67,658	59,015
Purchase of fixed term deposits	(14,344)	(16,037)
Net cash provided by (used in) investing activities	(1,499,650)	(1,887,424)
(Decrease)/Increase in cash and cash equivalents	(1,273,303)	(1,790,235)
Cash and cash equivalents at start of year	4,033,441	5,823,676
Cash and cash equivalents at end of year	2,760,138	4,033,441
Analysis of cash and cash equivalents		
	2016	2015
	£	£
Cash in hand – bank	1,760,116	3,024,816
Cash held in by investment manager	22	8,625
Notice deposits (less than 3 months)	1,000,000	1,000,000
Total for cash flow purposes	2,760,138	4,033,441
(a)		
Term deposits	2,530,381	2,516,037
Less cash held by investment manager	(22)	(8,625)
Total Cash at bank and in hand	5,290,498	6,540,853

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For the year ended 31 March 2016

1. 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 2015) – (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.

These accounts are the first financial statements prepared under FRS102 and the information on the first time adoption of FRS102 is given in Note 26.

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 1(u) 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 and its subsidiary 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. No separate Statement of Financial Activities has been presented for the company alone, as permitted by section 408 of the Companies Act 2006.

Alzheimer Scotland – Action on Dementia constitutes a public benefit entity as defined by FRS 102.

(b) Parent company result

The deficit for the year of the company is £25,130 (2014/15 deficit £38,218).

(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 received.

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 incoming resources 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) 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 resources expended in the Statement of Financial Activities on the basis of resources used.

(h) Allocation of resources expended

Raising funds include the costs incurred in generating voluntary income, 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.

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Charitable activities expenditure enables Alzheimer Scotland 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 Director's 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.

- (i) Operating leases
Operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.
- (j) Tangible fixed assets
All fixed assets costing over £5,000 (2014/15 £5,000) including VAT are capitalised and depreciated.
- (k) 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.
- (l) Fund accounting
The general reserve comprises accumulated unrestricted surpluses and deficits. Restricted 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.
- (m) 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.
- (n) 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
- (o) 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.
- (p) Value added tax
The company is not registered for VAT and accordingly expenditure includes value added tax where applicable.
- (q) Financial instruments policy
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 18.

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(r) Going Concern

The organisation has strong reserves of over £13.4m, which includes cash and debtors exceeding £7.2m. The trustees are of the view that the future plans of the organisation are sound and measures taken subsequent to the year-end to reduce operating costs have secured the long-term future of the organisation and that on this basis the charity is a going concern.

(s) Holiday pay

In applying FRS 102, the accounting policies now require the recognition of a liability for unpaid 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.

(t) Termination benefits

Alzheimer Scotland accepts that there are occasions when it may be necessary to make staff redundant and 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.

(u) 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 leases entered into by the group either as a lessor or a lessee are operating or lease or finance leases, this depends on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

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 12)

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 a number of factors. In re-assessing asset lives, factors such as technological innovation and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

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2. SOFA prior year comparison disclosure

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2015 Total £
Income and endowments from				
Donations and legacies	5,398,483	405,632	0	5,804,115
Other trading activities	384,382	124,048	0	508,430
Income from charitable activities	1,345,849	11,574,302	0	12,920,151
Income from investments	50,534	4,715	762	56,011
Total income	7,179,248	12,108,697	762	19,288,707

Expenditure on				
Raising funds	(522,528)	(13,947)	0	(536,475)
Charitable activities	(4,664,356)	(14,178,573)	0	(18,842,929)
Total expenditure	(5,186,884)	(14,192,520)	0	(19,379,404)

Net gains/(losses) on investments	52,479	0	0	52,479
Net income/(expenditure)	2,044,843	(2,083,823)	762	(38,218)

Transfers between funds	(2,401,525)	2,401,525	0	0
Net movement in funds	(356,682)	317,702	762	(38,218)

Reconciliation of funds				
Total funds brought forward	12,447,291	968,628	120,589	13,536,508
Total funds carried forward	12,090,609	1,286,330	121,351	13,498,290

3. Donations and legacies

	2016 £	2015 £
Donations	3,914,223	4,049,601
Legacies	1,875,364	1,402,700
Trust grants	467,586	351,814
Total	6,257,173	5,804,115

4. Other trading activities

	2016 £	2015 £
Other trading activities		
Events	224,474	192,917
Appeals and direct marketing	3,125	84,004
Merchandise sales	11,554	73,165
Dementia Scotland including shops	230,085	158,344
Total	469,238	508,430

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5. Income from charitable activities

	Provision of care related services	Awareness raising	Campaigning	Involvement	2016 Total	2015 Total
	£	£	£	£	£	£
Public funding	10,573,590	30,000	292,178	207,118	11,102,886	11,574,302
Service user income	1,124,936	0	0	0	1,124,936	1,245,893
Other charitable income	20,627	16,032	57,855	7,505	102,019	99,956
Total	11,719,153	46,032	350,033	214,623	12,329,841	12,920,151

Public funding included the following Scottish Government grants:

	2016	2015
	£	£
Dementia Nurses Funding	196,983	153,492
AHP Project	187,665	209,982
Section 10, Social Work (Scotland) Act 1968	100,000	100,000
National Dementia Programme – JIT	78,968	67,591
Promoting Excellence Funding	25,000	30,000
Dementia Dialogue events	30,000	0
TEC funding – Development	50,000	0
Focus on Dementia - Policy	14,905	0
Section 16 Scottish Government HL	7,640	7,640
Stress Reduction – Development	5,000	0
Shifting the Paradigm	4,262	0
NHS Scotland Event	1,800	0
Self-Directed Support Project Funding	0	90,833
Dementia Strategy Dialogue – Champions	0	3,700
Information Leaflet	0	2,072
Total	702,223	665,310

6. Raising funds

	Activities undertaken directly	Support costs	2016 Total	2015 Total
	£	£	£	£
Fundraising costs	274,965	22,294	297,259	446,763
Trading activities	242,082	0	242,082	87,810
Investment management costs	0	0	0	1,902
Total	517,047	22,294	539,341	536,475

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.

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7. Charitable activities

	Activities Undertaken directly £	Support Costs (Note 8) £	2016 Total £	2015 Total £
Provision of care related services	16,556,859	1,342,448	17,899,307	18,169,612
Awareness raising	4,372	354	4,726	30,553
Campaigning	129,661	10,513	140,174	254,963
Involvement	154,120	12,496	166,616	154,976
Research	340,626	0	340,626	232,825
Total	17,185,638	1,365,811	18,551,449	18,842,929

Operating lease rentals of £61,563 (2015 £83,933) are included in activities undertaken directly.

8. Analysis of support costs

	Fundraising inc shops £	Provision of care related services £	Awareness Raising £	Campaigning £	Involvement £	2016 Total £	2015 Total £
Support cost							
Governance	1,271	51,575	87	725	438	54,096	67,010
Management	3,847	236,202	48	1,791	2,206	244,094	188,494
Finance	6,927	425,325	88	3,225	3,973	439,538	512,058
IT	6,119	375,742	78	2,849	3,510	388,298	354,511
Human resources	4,130	253,604	53	1,923	2,369	262,079	307,192
Total	22,294	1,342,448	354	10,513	12,496	1,388,105	1,429,265

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.

9. Governance costs

Governance costs	2016 £	2015 £
Audit fees	19,798	22,260
Non audit fees	138	3,304
Directors' indemnity insurance	1,748	1,903
Directors' meetings and other costs (includes AGM costs)	32,412	39,543
Total	54,096	67,010

Within Directors' meetings and other costs, 7 members of the Board received travel and subsistence expenses of £6,273 (2015 - 7 members received £5,348). The organisation has put in place qualifying third party indemnity provisions for all of the directors of the Group.

10. Staff payroll costs and numbers

Staff payroll costs and numbers	2016 £	2015 £
Wages and salaries	11,823,322	11,811,587
Social security costs	798,461	782,540
Pension costs	512,142	502,586
Redundancy and termination	164,666	62,855

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Staff payroll costs and numbers continued

Total	13,298,591	13,159,568
Number of employees earning between £60,000 and £70,000	2	2
Number of employees earning between £70,000 and £80,000	0	0
Number of employees earning between £80,000 and £90,000	1	1

The average number of full time equivalent employees during the year was 455, which comprised 345 support staff and 101 administrative staff (2015: 358 support staff, 108 administrative - 466).

11. Key Management and Related parties

The total amount of the five key management personnel is £337,785 (2015 - £295,026).

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 considered and agreed 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 (2015 - £nil).

David McClements, a member of Board and a member of Russell + Aitken, which received £5,032 (2015 £5,996) for legal advice given during the year at their standard price.

Douglas Philips, a member of Board, received £49,372 not in relation to trusteeship duties, but in relation to his consultancy on the Focus on Dementia project (2015 - £60,677).

12. Tangible fixed assets

Group and Company	Freehold property £	Leasehold property £	Motor vehicles £	Fixtures & Fittings £	Total £
Cost					
At beginning of the year	6,149,362	173,329	212,746	1,444,811	7,980,248
Additions	1,047,568	0	46,995	426,142	1,520,705
Disposals	0	0	0	0	0
At end of the year	7,196,930	173,329	259,741	1,870,953	9,500,953
Depreciation					
At beginning of the year	(806,811)	(103,999)	(193,932)	(740,366)	(1,845,108)
Depreciation	(135,095)	(4,333)	(21,690)	(272,080)	(433,199)
Disposals	0	0	0	0	0
At end of the year	(941,906)	(108,332)	(215,622)	(1,012,446)	(2,278,307)
Netbook value at the beginning of the year	5,342,551	69,330	18,814	704,445	6,135,140
Netbook value at end of the year	6,255,024	64,997	44,119	858,507	7,222,647

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13. Investments - funds

Investments – funds	2016 £	2015 £
Market value:		
At 1 April 2015	1,050,577	0
Purchase of investments at cost	43,809	1,000,000
Disposals at opening book value	0	0
	1,094,386	1,000,000
Movement in market value	(58,250)	52,479
Management fees	0	(1,902)
Cash held for investment	22	8,625
At 31 March 2016	1,036,158	1,059,202
Represented by:		
Listed equities	1,036,136	1,050,577
Cash held for investment purposes	22	8,625
	1,036,158	1,059,202
Fixed income	373,272	371,633
UK equities	196,608	224,093
Global equities	319,040	321,177
Property	54,265	49,644
Alternative investments	51,842	61,418
	995,027	1,027,965
Liquid investments	41,109	22,612
Cash	22	8,625
At 31 March 2016	1,036,158	1,059,202
Historical cost:		
Listed equities	1,043,809	1,000,000
Cash held for investment purposes	22	8625
	1,043,831	1,008,625

Listed investments include overseas investments of £434,150 (41.9%) (2015: £450,161, 42.5%). No individual holding was found to represent in excess of 5% of the market value of Alzheimer Scotland's portfolio.

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

14. Investments - subsidiary undertakings

	Group £	Company £
At 1 April 2015	0	1,000
Disposals	0	0
At 31 March 2016	0	1,000

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

	Principal activity	Class of Share	Holding %	Aggregate capital and reserves £	Loss for year £
Dementia Scotland Limited	Retail & Events (minimum sponsorship)	Ordinary	100	1,000	15,847
Dementia Scotland Limited - Summary of Results				2016	2015
				£	£
Turnover				230,084	137,291
Operating expenses – operations				(242,082)	(68,907)
Operating expenses - audit fees				(3,850)	(3,600)
Gift to Alzheimer Scotland - Action on Dementia				0	(64,784)
				(15,847)	0
Net assets				(14,847)	1,000

Alzheimer Scotland Renfrew Shop Limited - Summary of Results				2016	2015
				£	£
Turnover				0	21,053
Operating expenses – operations				0	(18,903)
Operating expenses - audit fees				0	(1,020)
Interest receivable				0	0
Gift to Alzheimer Scotland - Action on Dementia				0	(149)
Profit for the period				0	981
Net assets				0	0

Alzheimer Scotland Renfrew Shop Limited was dissolved in October 2015. Renfrew shop and other trading activities have been combined into Dementia Scotland Limited during 2015.

15. Debtors

	Group		Company	
	2016	2015	2016	2015
	£	£	£	£
Service debtors	869,252	771,013	869,252	771,013
Other Debtors	745,268	1,217,396	852,268	1,343,990
Prepayments	304,364	200,720	247,092	135,620
Total	1,918,884	2,189,129	1,941,612	2,250,623

16. Creditors: amounts falling due within one year

	Notes	Group		Company	
		2016	2015	2016	2015
		£	£	£	£
Deferred income	17	730,653	780,941	722,341	701,386
Trade creditors		253,054	556,079	249,812	428,658
Accruals		679,567	820,140	672,871	1,017,006
Other creditors		63,927	17,851	62,901	17,851
Pension costs		52,521	52,191	52,484	52,191
Social security costs and other taxes		215,304	198,832	213,625	198,832
Total		1,995,026	2,426,034	1,974,034	2,415,924

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17. Deferred income

	Group 2016 £	Group 2015 £	Company 2016 £	Company 2015 £
Balance brought forward	780,941	1,074,801	701,386	1,074,801
Deferred income receivable	730,653	780,941	722,341	701,386
Deferred income released to statement of financial activities	(780,941)	(1,074,801)	(701,386)	(1,074,801)
Balance carried forward	730,653	780,941	722,341	701,386

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.

18. Financial Instruments

	2016 £	2015 £
Financial Assets		
Financial Assets at fair value through income & expenditure	1,036,158	1,059,202
Financial assets measures at amortised cost	6,905,017	8,529,262
Financial Liabilities		
Financial Liabilities measured at amortised cost	1,049,069	1,446,261

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

19. Unrestricted Funds

	Notes	Fund balances brought forward £	Income £	Expenditure £	Transfers £	Fund balances carried forward £
General funds		5,633,009	7,056,368	(3,846,080)	3,421,907	12,265,204
Designated funds:						
Service Development Fund	a	155,010	0	(14)	(154,996)	0
Fixed Assets	b	6,135,140	0	(433,199)	(5,701,941)	0
Property management reserve	c	167,450	0	(210,415)	42,965	0
Total Designated funds:		6,457,600	0	(643,628)	(5,813,972)	0
Total company unrestricted funds		12,090,609	7,056,368	(4,489,708)	(2,392,065)	12,265,204
Subsidiary undertaking profit and loss account reserves		0	230,085	(245,932)	0	(15,847)
Total group unrestricted funds		12,090,609	7,286,453	(4,735,640)	(2,392,065)	12,249,357

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

The transfers column shows the organisation 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.

Notes:

- a. Internal funding relating to any service development plans, transferred to cover redesign of services.
- b. Reserves covering all our fixed assets.
- c. Internal rents paid by services housed within owned properties.

Going forward Designated Funds will no longer identified separately from General Funds.

20. Restricted funds

	Notes	Fund balances brought forward £	Income £	Expenditure £	Transfers £	Fund balances carried forward £
Income funds:						
National Office	a	0	749,888	(527,259)	(227,629)	(5,000)
Life Changes Trust - Alzheimer Europe	b	0	43,645	(43,645)	0	0
Services	c	60,237	10,337,278	(13,101,162)	2,703,647	0
Dementia Initiative	d	134,361	20,000	(111,927)	0	42,434
Life Changes Trust - Dementia friendly communities	e	0	21,309	(10,613)	0	10,696
Life Changes Trust - Befriending and peer support	f	0	17,229	(41,839)	24,610	0
Life Changes Trust - Befriending and peer support	g	0	15,000	(1,845)	0	13,155
Life Changes Trust - Dementia friendly communities	h	0	139,248	(91,491)	448	48,205
Services - Comic Relief Lanarkshire remember well	i	8,843	2,313	(11,878)	722	0
		203,441	11,345,910	(13,941,659)	2,501,798	109,490
Other funds:						
Restricted legacy reserve	j	431,282	286,063	(165)	(69,945)	647,235
Research reserve	k	648,444	68,809	(341,005)	(40,137)	336,111
Short Break reserve	l	0	38,998	(38,416)	349	931
Dementia Dogs reserve	m	3,163	38,670	(33,905)	0	7,928
		1,082,889	432,540	(413,491)	(109,733)	992,205
Total company and group restricted funds		1,286,330	11,778,450	(14,355,150)	2,392,065	1,101,695

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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. Life changes trust - Alzheimer Europe/Dementia awareness grant.
- c. Income from Local authorities, Health boards and Scottish Government restricted to core service delivery.
- d. Dementia initiative funded by NHD Highland based in Aberdeen.
- e. Life changes trust - Dementia friendly community 2 year project based in West Dunbartonshire.
- f. Life changes trust – Befriending and peer support 5 year project based in Glasgow.
- g. Life changes trust – Befriending and peer support 5 year project based in Lanarkshire.
- h. Life changes trust - Dementia friendly community 2 year project based in Dumfries.
- i. Income from Comic Relief restricted to Lanarkshire Remember Well project.
- j. Restricted legacy reserve income is from bequests that specify an area or purpose for the donations to be spent.
- k. Research reserve income is where bequests and donations specify to fund research into dementia.
- l. Short Break reserve income is received to fund short breaks for service users and their carers.
- m. Dementia Dogs reserve income is restricted to fund the Dementia dog initiative.

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 organisation 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.

The subsidiary companies have no restricted funds.

21. Endowment fund

	Group and Company	
	2016	2015
	£	£
The Michael Clutterbuck Bequest		
Opening Balance	121,351	120,589
Interest	757	762
	122,108	121,351
Expenditure	0	0
Closing balance	122,108	121,351

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

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22. Analysis of assets and liabilities among funds

	General Funds	Designated Funds	Restricted Funds	Endowment Funds	Total Funds
	£	£	£	£	£
Company					
Tangible fixed assets	7,222,647	0	0	0	7,222,647
Investments	1,037,158	0	0	0	1,037,158
Net current assets	4,005,399	0	1,101,695	122,108	5,229,202
Total	12,265,204	0	1,101,695	122,108	13,489,007
Group					
Tangible fixed assets	7,222,647	0	0	0	7,222,647
Investments	1,036,158	0	0	0	1,036,158
Net current assets	3,990,552	0	1,101,695	122,108	5,214,355
Total	12,249,357	0	1,101,695	122,108	13,473,160

23. 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 £512,142 (2015 - £502,586).

24. Operating lease commitments

	Group		Company	
	Land & buildings	Land & buildings	Land & buildings	Land & buildings
	2016	2015	2016	2015
	£	£	£	£
The company had total commitments under non-cancellable leases expiring as follows.				
Within one year	71,082	107,341	66,082	79,651
2-5 years	107,678	153,512	97,178	125,512
Over 5 years	0	0	0	0
Total	178,760	260,853	163,260	205,163
Operating lease expense charged to the SOFA for the year amounted to £61,563 (2015 - £83,933)				

25. Post Balance Sheet Events

Alzheimer Scotland sold the property in St Leonard Street, Edinburgh for £88,000 during May 2016. In June 2016 a further trading subsidiary company was established, Caledonia Social Care and this will commence trading later in 2016/17.

26. Transition to FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS102 and have not impacted on equity or income or expenditure, the date of transition was 1 April 2014.