

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA
(a company limited by guarantee and not having share capital)
For the year ended 31 March 2022



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

Company Number SC149069

Charity Number SC022315

Directors' Report, Strategic Report and Financial Statements

For the year ended 31 March 2022

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Directors' Report – including Strategic Report

1. References and administrative details

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

Scottish charity number: SC022315 Company registration number: SC149069

Principal and registered office

160 Dundee Street
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Chief Executive

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Company Secretary

Julie Drummond

Solicitor

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Auditor

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Directors

David McClements (Convener)
Mary-Frances Morris (Vice Convener)
Tracey Ward (Vice Convener)
Bernard O'Hagan (Treasurer)
Lorraine Mann (Honorary Secretary)
Joanna Boddy
Tom Carroll
Keith Chapman
Caroline Crawford
Jayne Pashley
Geoff Orry – appointed 10.11.21
Thea Laurie – appointed 10.11.21
Dianne Howieson – resigned 27.7.21
Diane Goldberg – resigned 12.8.21
Archie Noone (Vice Convener) – deceased 13.10.21
Pamela Brankin – resigned 10.11.21

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 2021) and the Rules of the Organisation (last amended January 2022).

In the early part of the financial year we started the gradual process of opening back up some of our local services, this included our front-line services such as day services, small-scale community groups, Dementia Advisors and Link Workers. These activities were limited and continue to be delivered in line with the relevant COVID-19 guidance and practices. As we progressed towards the end of April 2021 all of local Dementia Resources had reopened and the majority of our face-to-face service provision was back in place albeit in most cases on smaller scale. The majority of staff continued to work from home, and this continued to be the default position in line with guidance until the end of the year. Changes in guidance meant that we were able to move forward with a return to office-based working and at this point we moved towards a blended hybrid model of working, which will be the main model of operating moving forward. All of the staff who had volunteered to use the Government's Job Retention Scheme returned to work in October and this allowed further progress to be made in remobilising our services.

The implications of the pandemic continued to impact on all of our fundraising events and activities, although we did start to see an increased level of in-person events towards the end of the year. The scale of these events did not compensate for the overall loss of this activity and we are grateful for the ongoing support of our many committed supporters who have supported us during this time through on-line activities and events.

The trustees have monitored the income and expenditure closely and approved several measures to mitigate the ongoing impact of COVID-19 on the charity's free reserves, including additional restructuring within the Senior Management Team. We have continued to conduct monthly Board meetings online with a face-to-face meetings being held From the end of April 2022.

The Directors of the Company, in this Report referred to as "the Directors", are elected from the membership for three-year terms of office by the members at the Annual General Meeting (AGM). The office bearers of the organisation are elected from and by the Directors. Alzheimer Scotland has a membership base as at March 2022 of 8,773 (8,877 members - 2020/21). The Board of Directors (who are also the Trustees of Alzheimer Scotland for the purposes of charity law) established a Nominations Committee back in 2016/17 for the purpose of recruiting new Trustees, and this worked successfully with two new trustees recruited to the Board during 2021/22. Member's contribution on winding up is £1.

Each year there is an induction and training session for new and continuing Directors. Each Director receives a Directors handbook. Throughout the year Directors are encouraged to visit services and attend conferences organised by Alzheimer Scotland as well as spend time with the Senior Team 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 the Senior Team. The Senior Team comprises of the Chief Executive, Director of Policy and Practice and an Executive Lead Finance, Executive Lead People, Wellbeing and Facilities, Executive Lead Policy and Campaigns, Executive Lead Post Diagnostic Support and National Nurse Consultant, Executive Lead Localities, Executive Lead Stakeholder Engagement,

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Executive Lead Brain Health, Deputy Director of Development and Company Secretary/ Executive Support Lead.

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

The Board meets monthly, with the exception of July and November, to oversee day-to-day management. The Board comprises the five office bearers and nine other members of the Board. The Chief Executive attends all Board meetings. The other Directors/Executive Leads and Heads of Department attend as and when required.

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

3. Objectives and activities

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

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

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

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

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

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In order to achieve these aims, Alzheimer Scotland seeks local authority funding and public donations mainly for local and where appropriate national services. Alzheimer Scotland fundraises to be able to campaign, raise awareness, support research, develop innovative approaches to supporting people with dementia and their carers and fill the gap in funding short-falls. Alzheimer Scotland works closely with people with dementia and their carers in order to ensure that the voice of those with lived experience is listened to and plays a meaningful part in our campaigns, policy development and practice as well as leading the engagement of this voice at a national and local level. The two main groups who lead this work for us are the Scottish Dementia Working Group and the National Dementia Carers Action Network. We also operate in partnership with national and local government and other relevant organisations in order to meet our objectives.

At 31 March 2022, Alzheimer Scotland had 365 staff (411 – 2020/21) - the average number of full time equivalent employees during the year was 139 (139 – 2020/21) - and 521 active volunteers (766 – 2020/21) operating in 69 sites throughout Scotland. Alzheimer Scotland's commitment to working with volunteers throughout the organisation is a strength because of the wide-ranging experience and knowledge they bring to governance, service provision and fundraising.

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

4. Mission

Our mission is to make sure nobody faces dementia alone. With the introduction of our work on brain health and dementia prevention and with the increased level of activity in research we have added to this core mission the concept of working together to Prevent, Care and Cure Dementia and moving forward this will become an additional feature of our mission statement and message.

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), Scottish Government, other funding partners and the local communities in which we work.

5. Strategy Update

5.1 Achievements and performance

As we emerged from the pandemic, we reassessed the existing strategic plan and agreed that the main themes and focus of the plan were still valid. The current plan runs to the end of October 2022 and we will use the period post April 2022 to complete the existing objectives. We continue to make considerable progress towards creating a robust and influential platform in our mission of making sure no one faces dementia alone. This has included progress in terms of our policy work, campaigns, awareness raising, Dementia Nurse Consultants, service provision (including Link Workers, Dementia Advisors, Dementia Resource Centres (DRCs) and Community Support), research and fundraising.

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

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

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- Nobody on their own - We will continue to make sure nobody faces dementia alone and through our Locality Pathway (a diagram on how help can be provided at each step of the pathway) we will be there for the people we support every step of the way.
- Innovation - We will search for, test and apply the most innovative practice and technologies in all our localities throughout Scotland.
- Engagement - We will have the highest possible level of staff and volunteer engagement and ensure every person has an effective voice in the organisation and experiences fair work.
- Collective Voice - We will develop and lead the local and national collective movement and collective voice to ensure our vision for transformation is delivered throughout Scotland.
- Recognition - We will ensure that the majority of people in Scotland know who we are, what we do, what we stand for and how to support us.
- Delivering - We will make sure that every penny we receive makes a difference and every person who supports us knows it.
- Growing - We will continue to grow our supporter base, extend our reach and invest in delivering our Locality Pathway in each area.
- Protecting Rights - We will bring an end to the inequality and injustice of people with advanced dementia paying for care.
- Prevention - We will lead the development and implementation of a brain health and dementia prevention strategy for Scotland, combined with the development of the Scottish Dementia Informatics Partnership.
- Research - We will ensure Scotland has the highest percentage of its population signed up to dementia research and that they are the best characterised cohort of participants anywhere in the world.
- Collaboration - We will take forward the work of the organisation both internally and externally based on the highest possible level of effective collaboration and engagement.
- International - We will be an internationally recognised centre of excellence in policy and practice.
- Efficiency - We will have the most efficient, effective and safe central operations. Ensuring our financial, technology and property management is of the highest possible quality.
- Quality - we will be able to evidence the effectiveness and quality of all that we do in all areas of our work and practice.

Progress against the Strategic Plan is reported to the Board every 6 months. The Strategic Plan for 2019-22 was approved at the October 2019 Board meeting and reapproved to continue to September 2022 when a new plan for the period 2022-2025 will be implemented.

5.2 Risk Management

Effective risk management is at the heart of the successful delivery of our strategy and for protecting the future sustainability of Alzheimer Scotland. We continue to prepare for the challenging financial climate by ensuring that all our systems and processes are effective and efficient in supporting the delivery of our strategy. That said we have as a charity, like all other charities throughout the country, have been affected by the impact of COVID-19 and has left a significant scar on the finances of the charity. Through the objectives of our Strategic Plan we have achieved significant efficiency savings in everything we procure and commission, as well as minimising all our non-essential costs. We have been able to protect the level, quality and scale of our frontline operations by reducing and controlling all other expenditure and introducing flexible methods of support.

Other risks that we face include:

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

Financial risk – We focus on maintaining sufficient funds to meet our charitable objectives. We carefully monitor this risk through a system of financial reporting that compares actual results against the monthly budget. Our investments and reserves policies are set to ensure that we have the ability to cope with variations in income and retain adequate liquidity to meet liabilities as they arise. Credit risk on amounts owed through incoming resources is low.

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

Information Security – This item is ever higher on the risk programme of many organisations. It is vitally important that we defend our IT systems from malicious attacks and protect the personal data we hold from unauthorised access and misuse. We have invested heavily in additional protection measures and continue to use external IT security consultants to help ensure that the organisation remains secure. Policies and procedures are also in place for protecting data within the working environment. The organisation was also awarded the Cyber Essentials badge in March 2018; this was retested in March 2019, March 2020, March 2021 and will be sought again during 2022 and on all occasions has been retained.

Organisational Change and Sustainability – This item is key to delivering our strategy and business plans in a measured and successful manner and has been closely monitored throughout the pandemic.

Strategic Risk – This item is relevant to the external environment in which we operate. That environment continues to present uncertainties arising from the challenges and major changes facing social care partners, especially around funding. We manage the impact of these risks through our strategic plan and performance processes. Our current plan runs to Sept 2022, our new plan will reflect any changes to the external environment.

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

These procedures include an annual written Risk Management Review, which is discussed and approved by the Board. “Risk and Governance” also forms a regular item in the Chief Executive’s monthly reports to the Board.

The Risk Management review and assessment include:

- Classifying and understanding the risks to which the organisation is potentially exposed;
- Identification and assessment of actual specific risks and the potential exposure in terms of probability and financial/operational impact;

- Selecting several key risks and agreeing strategies to mitigate and/or obviate each risk;
- Reporting to Executive Directors and the Board about how those risks are managed and monitoring of our potential exposure.

6. Directors' Report

6.1 Localities - Geraldine Ditta and Maureen Taggart

With the pandemic enduring for longer than was anticipated, the priority in localities throughout 2021 remained the response to COVID-19; reassuring people Alzheimer Scotland were still there for them. We remobilised face-to-face support with safe measures in place following guidance from Scottish Government, Health Protection Scotland, and other statutory bodies, as well as offering a blended approach with digital options to increase choice and flexibility. A critical element of our remobilisation was sharing information and involving the people we supported. There were no formal complaints received about any of the measures in place. Cases of COVID-19 in colleagues were managed safely on an individual basis with no reportable outbreaks at any time. Minimal cases in those individuals supported occurred later in 2021 following the emergence of the Omicron variant, however cases were contained without further spread in the associated service.

During the pandemic, we shared regular day care reports with Scottish Government to support local decision making, and experienced challenges or resistance to day care services re-opening. Health and Social Care Partnerships (HSCP), alongside Public Health colleagues, utilised a variety of remobilisation approaches which proved complex and time consuming, however it was not unsurmountable, with most day care services open by August 2021. Some day care services were not re-opened due to other reasons; some services in shared premises were not deemed COVID-safe venues by Scottish Government, Public Health and the Care Inspectorate. Now operating at full capacity, the Croftspar supported living service has ensured tenants have remained safely in their own homes at a time when other housing options, such as residential and care homes, have proved of substantially greater risk.

The Shared Information System (SIS) is now well embedded into practice for all Day Care teams, Dementia Advisors and Community Activity Organisers. SIS is now being incorporated into the Croftspar service, bringing data gathered from Day Care, Local Investment and Croftspar Services, in to one place. 6,647 enquiries were received in localities, an increase of just under 500 enquiries from the previous year, and peaked during June, August and November 2021. As anticipated, the majority of enquiries received were from carers at 72% (4,746), mainly relating to the carer role, carer stress, emotional support, and coping with stress and distress. This data demonstrates the continued significant needs of carers during this period. 4% (244) of enquiries came directly from people living with dementia, primarily seeking information about our services; this number was lower than the previous year, however, were consistent with a quarter of those who contacted us seeking emotional support. The remaining enquiries came from other stakeholders including Health and Social Care Professionals (952) and other voluntary organisations (439).

In agreement with the Care Inspectorate in 2020, we established a service for wellbeing home visits as an interim measure whilst day care services were closed; this ended in July 2021. 3300 face-to-face supports were delivered through wellbeing home visits, reopening day care services, re-establishing Dementia Advisor Home visits, and other face-to-face meetings with Dementia Advisors; just under 500 of these face-to-face meetings took place in Dementia Resource Centres from July 2021 which is an average of four face-to-face meetings per month, per Dementia Advisor. 403 online surgeries also took place. Almost 20,000 supportive telephone calls were made, averaging over 1,600 each month, almost 800 per locality. Taking forward a blended model of

support once guidance allowed, 500 digital online groups and over 600 in-person community groups were facilitated, supporting 2,221 people living with dementia and carers. These included dementia cafes, doggy bingo, art, gardening plus carer support groups, and carer education. Our relationship with the Care Inspectorate has been maintained throughout with regular calls and updates. They were supportive of the interim wellbeing home visits and held the new model of day care in high regard, sharing it with colleagues as an example of excellent practice.

The support we have been offering has been described as a lifeline by many families and in some cases has prevented crisis, emotional distress, and loneliness. People attending services have told us what a difference the support makes.

6.2 Dementia Nurse Consultant and Post-Diagnostic Support – Maureen Taggart

Plans to reshape the Leadership and Management for Post Diagnostic Support (PDS) to maintain quality and expansion of the service have been progressed. A National PDS team is now in place comprising an Executive Lead for Post Diagnostic Support, an Associate Executive Lead, four Post Diagnostic Support Leads and 75 Post Diagnostic Support Link Workers. A further Lead will be appointed as we recruit additional PDS Link Workers.

Alzheimer Scotland's 75 PDS Link Workers have provided support to 5,055 people across 16 localities from April 2021 to March 2022. The average number of people receiving PDS per month was 3,691. The PDS Link Workers have continued to deliver a blended approach to PDS using digital platforms such as 'Teams' and 'Go To' for Post Diagnostic Peer Support, Carers Support and face-to-face contact. Home visits were maintained using safe systems of working and risk assessment criteria which was regularly reviewed in line with Scottish Government guidance, as well as Alzheimer Scotland's own guidance, to ensure the safety of our staff, people with dementia and their family and carers.

Over the last year, the PDS Link Workers made 93,780 contacts, including 7,300 face-to-face visits, 32,408 emails, 3,813 referrals to other professionals (Allied Health Professionals, Social Work, Community Psychiatric Nurses etc), 2,123 people with dementia attending digital and in-person peer support groups, and 2,869 carers attending digital and in-person support groups. Delivering our 5 Pillar Model has been challenging, particularly for the Community Connection and Peer Support, which are key pillars for ensuring every person receives high quality PDS to build a better resilience and enable a period of supported self-management, helps avoid crisis, and the need for formal health and social care services. However, we know a substantial number of people have not benefited fully from all the 5 Pillar PDS during the pandemic and will therefore require an extended period of support beyond one year.

PDS Leads and the Associate Executive Lead have provided excellent support to PDS Link Workers across our localities, developing a programme of monthly Continuing Professional Development sessions for PDS Link Workers. Six sessions have been delivered to date and will continue. Alongside those, the Leads are continuing with 6/8 weekly support and development of one-to-one or small group sessions, proactive caseloads management support and supervision, and annual appraisals which are around 60%.

We have developed high quality reporting and evaluation tools to evidence the value and quality of our PDS and strengthen our partnerships with Health and Social Care Partnerships (HSCP) with the aim of retaining and securing further funding.

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The Quality Improvement Framework developed by Alzheimer Scotland and Healthcare Improvement Scotland was tested across eight localities, developing improvement plans as identified. Plans are in place to deliver this in our other eight localities in 2022.

The feasibility and usability of a PDS Single Quality Questionnaire, which asked people with dementia and carers a single quality question to determine the difference that PDS has made to them and how helpful this service has been, was tested with the aim of becoming a universal question built into the evaluation methods. This was a collaboration between Focus on Dementia, Alzheimer Scotland, Inverclyde Health and Social Care Partnership and Inverclyde Dementia Reference Group.

In November 2021 the Scottish Government announced a total of £3.5m would be awarded to HSCP's to deliver additional PDS to each new person diagnosed for a minimum of one year. Conversations and negotiations have been held between Alzheimer Scotland and our HSCPs, with additional funding being secured in 10 areas.

Alzheimer Scotland have a strong collaborative partnership with the National Education for Scotland and together are reviewing the 'Promoting Excellence in Supporting People Through a Dementia Diagnosis' training and facilitators toolkit. Once this review is complete, we will train PDS Link Workers on the refreshed training programme. It is anticipated the training will commence mid- to late-May which will indeed be timely with recruitment in this area.

A recent review of the Anticipatory Care Plans by Scottish Government has led to our PDS Link Workers in the Edinburgh HSCP to carry out a 'test of change'. This uses the Personal Outcome Plans of people with dementia and their carers, who have given permission to upload Plans to the Key Information System (KIS), allowing timely interventions as necessary. The KIS is accessed by GPs, NHS24, Acute General Hospitals and Scottish Ambulance Service.

Significant progress was achieved with Cohesion Medical. In partnership with the Executive Lead, PDS Leads and a cohort of Link Workers, the 5 Pillar PDS Digital Platform and Digital Wallet was completed with a live pilot in Lanarkshire and Highlands. Additional training and development sessions have been led by the Cohesion Medical Team with the PDS Link Workers in Highlands, and a further development day is planned with any areas of concern being addressed at this time. We have received expressions of interest from three Health Boards to test the platform for use.

6.3 Policy & Research Directorate – Jim Pearson

The past two years have been among the most challenging periods many of us have experienced. For people with lived experience, this prolonged period has been traumatic, and we have heard first-hand from the tens of thousands of families we have supported, of the devastating impact this pandemic has had on their lives. Our focus has been on the impact of the COVID-19 pandemic on people with dementia, their families and carers, and influencing the future of dementia policy and practice.

Alzheimer Scotland has campaigned vigorously throughout the pandemic, not only to respond to the emerging crisis people with dementia and carers have been experiencing, but to transform Scotland's health and social care system beyond the pandemic. In June 2021, we published an updated version of 'COVID-19: the hidden impact: A report on the impact of the COVID-19 pandemic on people with dementia and carers living at home'. This report set out the evidence about the impact of the pandemic and the unintended harms to their health and wellbeing through the public health restrictions which were in place to prevent the spread of infection. The report also set out the urgency to address these harms by responding to the increased levels of need through

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

At our Annual Conference in September, we set out a model which demonstrated the shared vision for transformation which has underpinned Scotland's national dementia strategies over the past 12 years. This shared vision is reinforced by evidence-based models of practice developed by Alzheimer Scotland and informed by people with lived experience. It sets out the seven key areas of transformation and redesign needed to promote brain health and reduce the incidence of dementia through prevention, and ensure people living with dementia, their families and carers have consistent access to the highest quality of person-centred support from diagnosis to end of life and in every setting. It sets out an approach for the timely, skilled, and well-coordinated support throughout the illness which is essential if we are to avoid the human, societal and financial cost of crisis driven care that too many people currently experience. Alongside this, we set out key recommendations to support this model. These are:

1. Establish a dedicated Dementia Directorate with an agreed national vision of the seven key areas of transformation and redesign set out in the model
2. Continued investment in brain health and prevention
3. Increase funding and guarantee access to Post Diagnostic Support Link Workers
4. Develop and introduce the role of Dementia Practice Coordinators
5. Develop advanced dementia care and specialist teams
6. Develop a new model of innovative specialist dementia units
7. Continue to deliver Promoting Excellence, extend Dementia Champions, and sustain Dementia Nurse and Allied Health Professional Consultants

Following the publication of the 'COVID-19: the hidden impact' report, we worked with Convention of Scottish Local Authorities (COSLA), Health and Social Care Partnerships, and the Scottish Government, to explore the current gaps in, and barriers to, the delivery of post diagnostic support (PDS), including the additional demand arising from the disruption to diagnosis during the pandemic. We continued to make the case for national investment in PDS to close the existing gaps and ensure that there was sufficient capacity to deliver the highest quality PDS to every person. This campaign has been successful with a positive outcome; following a commitment set out in the Programme for Government for additional funding to increase capacity to deliver on the PDS guarantee, an additional ring fenced £7m over two years has been allocated to Scotland's Integration Joint Boards, and have indicated, but not confirmed, that this will continue beyond the initial two years.

Throughout this year we have continued to campaign for Fair Dementia Care for People with Advanced Dementia, ensuring they have equal access to the health and nursing care they need in advanced illness, and ending the inequality they face in paying for what should be free health care. Our campaign for the Scottish Parliamentary Elections on 6 May 2021, focussed on the glaring inequities faced by people with advanced dementia as highlighted in our Delivering Fair Dementia Care Report 2019, and subsequent campaign where we sought to build political support from each of the main parties to deliver Fair Dementia Care. Three of the main opposition parties supported the campaign and made manifesto commitments to address the inequities built into the current legislative framework for social care charging.

The Scottish Government have committed to delivering the recommendations of the Independent Review of Adult Social Care, specifically to establish a new National Care Service, abolishing all non-residential social care charges and increasing free personal and nursing care payments to

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almost double the current levels; that appears to be closely in line with our Fair Dementia Care campaign. While we welcome these recommendations, it is likely that the implementation will take several years, and we will continue to press to end this inequality now on the basis that people with advanced dementia do not have that time to wait. This campaign remains a top priority, and in 2022 we have been exploring how the current legal responsibility to provide free healthcare is being met by current policies. We have obtained a legal opinion relating to this and are considering how we take this forward in 2022/23. We submitted a response to the recent first phase consultation on the National Care Service. We hosted eight engagement events with 92 participants between August and October 2021, including 30 of our frontline staff from across Scotland who work directly with people with dementia and carers. We also drew on the results of COVID-19 Experience Surveys in 2020, each representing the views of 1,000 people with lived experience who are supported by Alzheimer Scotland. Our response is supportive of the recommendations to establish a National Care Service. A key exception is the recommendations relating to paying for care which we have consistently stated doesn't address the inequalities we have highlighted in the Fair Dementia Care campaign. Our response also reasserts that we cannot wait several years for the improvements that the National Care Service is expected to bring. It restates the seven key areas of transformation set out in the shared vision and the recommendations we have made to ensure these seven key areas, which are already key commitments of Scotland's national dementia policy, are delivered now

We published the Scottish Brain Health and Dementia Research Strategy, developed by Alzheimer Scotland, Scottish Dementia Research Consortium, and Brain Health Scotland. The strategy is endorsed by a range of national organisations including NHS Research Scotland, which aims to create an environment that promotes the conditions for the highest quality of brain health and dementia research in Scotland, and the rapid implementation of research into practice by defining key areas with strategic actions. The recommendations made in the strategy also lay the groundwork to engage more people in research activity across Scotland. This strategy serves as a framework from which organisations will be able to build their own action plans for delivery, through the creation of brain health and dementia research boards, locally and nationally. A key element is to establish an oversight board for implementation which will bring together supporting organisations and local influencers, Chaired by Former First Minister, Henry McLeish.

We successfully secured Scottish Government funding to address significant emerging needs throughout this pandemic. Since February 2021, two new teams were established including a new national counselling service for those who are experiencing loss, bereavement, stress and distress, and a new Action on Rights Team to offer emotional and practical support on the care home visiting guidance to empower families and carers to have informed discussions on visiting arrangements to help avoid or resolve conflict. These teams build on the existing work of our Dementia Helpline, Dementia Advisers, PDS Link Workers, and other locality colleagues in supporting people with dementia, carers and families with complex and challenging issues in stressful circumstances.

We provided a robust response to the Ministry of Justice's Consultation document in March 2022, proposing a Modern Bill of Rights to replace the existing Human Rights Act 1998. The Policy and Campaigns team worked alongside Scottish Dementia Working Group (SDWG) and National Dementia Carers Action Network (NDCAN), to respond to this critical consultation which proposes to replace the existing provisions of The Act which has significant consequences on the devolved administrations, particularly the Scottish Parliament. Furthermore, it impacts on much of Alzheimer Scotland's work to transform how we view and respond to dementia within Scotland. All of our models of practice are rooted in a Human Rights approach, as is the current dementia policy and practice in Scotland. These proposed changes may undermine the existing protections enshrined in Scottish legal provisions, as well as the enjoyment and fulfilment of the human rights of every person living with dementia, their families and carers. This Bill is included in the UK Government's

Legislate programme for the current Parliament. We will continue to engage with this debate and work alongside other human rights-based organisations to make the case against these retrograde and divisive proposals.

6.4 Communications and Campaigns – Marri Welsh

Our Annual Conference took place on 21 September 2021 which was also World Alzheimer's Day. This was an online event streamed via the Edinburgh International Conference Centre (EICC). Our Chief Executive opened proceedings with a keynote speech on Alzheimer Scotland's strategic direction and vision for change, followed by Scotland's Dementia Awards and the Lifetime Achievement Award for Archie Noone. The next session saw people with lived experience put forward their questions in our 'What Matters to You?' panel discussion including the Minister for Mental Wellbeing and Social Care, Kevin Stewart, and Scotland's National Clinical Director, Professor Jason Leitch. The afternoon session saw presentations on drug discovery and research, brain health and prevention, the formal launch of the UK's first Virtual Resource Centre, and the popular 'Doggy Bingo' session. On the days following the conference, we held 'follow on sessions', a series of workshops, webinars and drop-in sessions on a range of subjects including brain health, the Dementia Champions programme, Post Diagnostic Support (PDS), and Dementia Friends. The feedback received was very positive, with many appreciating the online event without travel difficulties.

We have 8,773 active members, and our Dementia in Scotland magazine continues to be one of the main opportunities to communicate with our members. In April 2021, a special edition of the Dementia in Scotland magazine was published with a single focus on 'Fair Dementia Care', and our December 2021 edition cover story featured our winter campaign.

Dementia Awareness Week (DAW) is our annual opportunity to share a focused overview of our work and encourage people to support us in making sure nobody faces dementia alone. This year's DAW explored 'hidden voices, hidden impact, hidden cost' and we published our updated 'COVID-19: the hidden impact' Report which set out evidence from those with lived experience on the devastating impact of the pandemic, and the unintended harms to their health and wellbeing caused by the measures intended to keep them safe. Our forget-me-not campaign asked people to write a pledge on a flower graphic and post on social media; we were delighted to see the variety of pictures from school children through to NHS staff, proudly holding up their pledges. We asked people to download our Purple Alert app, sign up to Join Dementia Research, enrol in Brain Health Scotland's online course, join our enews, share their stories with us, follow us on social media, become a Dementia Friend, and donate. Our daily themes covered research and prevention, innovation, campaigning for change, and keeping connected. We shared stories and blogs from some of the amazing people we support, and from Alzheimer Scotland frontline staff. We heard about the impact of receiving PDS, the difference that our Helpline staff and volunteers make to the lives of callers, and the importance of digital connection throughout the pandemic. We were overwhelmed by the support that we received, from people holding their own fundraising events, to buildings being lit up purple for the week, Llama's sporting our tartan scarves, and even live streaming of the 'Night Fever' exhibition from the V&A Museum in Dundee. A DAW enews special went out to 22,759 recipients on 31 May. The headline content was based around DAW, but also featured the 'Paying for Care' podcast, the social media survey, and an update on the Promoting Excellence Framework. The results of the enews were 8,020 unique opens, 15,270 overall opens (people opening more than once). The website DAW page resulted in 20,684 views, Twitter Profile visits were 3,866, mentions 806, followers +37 (23,588k total), DAW 2021 summary 97 tweets, 509 retweets, 242,900 impressions, 37 new followers, 1,111 likes, and 1,635 engagements.

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On our intranet site 'ALIS,' we hosted a COVID-19 central resource area for staff to access updates, policies and procedures, advice and guidance. Our Chief Executive continued to host all-staff Microsoft Teams calls, which later moved to a fortnightly basis. A variety of staff members provided updates on departmental or locality work, and on occasion presentations from external stakeholders. Calls were recorded and hosted on ALIS for staff to access if unable to attend live.

We issued monthly enews bulletins, distributed to around 22,000 recipients. There has been a slight, but steady, increase in the percentage of recipients opening bulletins. Traffic to the website has remained steady, with the 'Finding Support' pages remaining the most frequently visited area.

All our social media channels all show growth this year. Twitter and Facebook both had a small growth of 2% (24,000 followers) and 3% (28,429 followers) respectively. There is a move away from people making "page likes" on Facebook (as seen platform wide), but our engagement rate is staying double the industry benchmark (8.3% vs 4.1%). Our strongest growth area was seen on Instagram and LinkedIn with 10 % (3610 followers) and 14% (3774 followers) respectively.

6.5 Brain Health Scotland update – Anna Borthwick

Brain Health Scotland (BHS) was established in 2020, to reduce the incidence of dementia in Scotland and have made excellent progress in achieving key objectives and will bring much of our foundational planning work to fruition this year. In December 2021, we published The Brain Health Scotland Strategy 2021, which outlines how we will fulfil our key objectives, including plans that work across public health, targeted populations and personalised medicine.

BHS has built a strong foundation of outreach and engagement. We have launched two free, online learning courses, 'Understanding Brain Health' and 'Sport and Exercise for Brain Health,' with an uptake of over 4500 people so far across the world. Our free, online brain health check-up quiz, launched in March 2022, has an uptake of over 2500 people. We have presented at more than 33 conferences and 13 international events; BHS hosted the first Brain Health Symposium at the Alzheimer Europe Conference 2021, and will also feature in two symposia at the Alzheimer's Disease International Conference in June 2022. We secured a partnership to provide digital and print resources across all Glasgow community libraries, gyms and museums, in partnership with Glasgow Life which will also be a key feature of a public engagement campaign in Buchanan Galleries and Central Station as part of the 'Summer of the Brain' project being led by the Glasgow Convention Bureau. We conducted two Ipsos/Mori polls to measure Scottish attitudes to brain health (2020), and prevalence of risk factors (2021). The results showed that whilst Scottish people are as concerned about their brain health as they are about heart disease or cancer, a quarter could not name a single action they could take, or avoid, to protect their brain. Further, our 2021 risk factor poll found that on average, Scots are living with at least three risk factors for brain disease in later life. The top five most common risk factors in the Scottish population were being overweight (55%), not getting enough sleep (54%), exposure to air pollution (53%), feeling stressed (38%), and being socially isolated (32%). Later this year, BHS will launch its primary schools programme, 'Brain Health Stars', developed in partnership with Education Scotland, teachers, parents and children, and will be available to all primary schools in Scotland.

We have developed an evidence-based clinical pathway and operational plan for Brain Health Services across Scotland. We are making excellent progress in establishing demonstrator sites for these new clinics, initially working with NHS Grampian, Lothian and Fife. The rationale and clinical requirements for these services is outlined in The Scottish Model for Brain Health, a peer-reviewed article published in the Journal of the Prevention of Alzheimer's Disease (JPAD) in December 2021. This paper has been accessed 1,287 times to date, and the accompanying video viewed more than 4,400 times. We are also

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developing, in partnership with the Royal College of Physicians of Edinburgh and NHS NES, a suite of training materials for health professionals.

We continue to work with Join Dementia Research to build recruitment campaigns that boost participation across Scotland. This will be a key focus of our brain health hubs and will feature predominantly in our work with the Scottish Health Promotion Managers, targeting the health equality gap. Whilst investment has been a challenge throughout the COVID-19 pandemic, we have secured additional funding to support our brain health work. In 2022, Brodies LLP committed £20,000 to support our primary school programme, which will enable creation of educational resources for teachers, children and families across Scotland. In July 2020, we secured £99,000 funding from Biogen to support research into existing memory services and have since conducted a scoping exercise of existing clinical services for the early diagnosis of dementia in Scotland, identifying gaps, barriers and opportunities in current delivery models. In 2021, Biogen awarded a further £134,000 for a two-year pilot on the implementation of biomarker testing in Brain Health Clinics across Scotland. However, due to delays with the demonstrator site, and readiness of the NHS to approve innovation projects, we are exploring the possibility of a redesigned project testing attitudes and expectations for new diagnostic tools amongst clinicians, patients and the wider population; this progress, and the unique partnership between the Scottish Government, Alzheimer Scotland, and the NHS, has gathered significant interest from parties around the world in the research, healthcare, and policymaking arenas.

Global momentum is growing around the brain health movement, and as a result, the work of Brain Health Scotland and Alzheimer Scotland has gathered much interest from partners in the global pharmaceutical and life sciences industries. The Davos Alzheimer Collaborative (DAC), aim to combat the Alzheimer's crisis by linking, scaling, and building on existing efforts across every sector globally through several key initiatives, built on the scientific and business input of hundreds of experts. In addition to Global Cohorts and Clinical Trials, the DAC group leads a Healthcare System Preparedness workstream, and has invited Scotland (through Alzheimer Scotland) to be part of a 'flagship' programme of six nations around the world that will be test beds for healthcare innovation. DAC is committed to introducing new forms of early and more accurate testing that will transform the way brain and cognitive health are evaluated in clinic; a blood test which detects and measures amyloid levels and subsequent potential risk of Alzheimer's Disease, and an enhanced digital cognitive test providing clinicians with a better understanding of potential cognitive issues earlier and more accurately than is currently possible. These tests fit well with the current pathway that is being developed and we have secured an agreement that Alzheimer Scotland will act as a broker for this initiative, being funded by DAC, to set up agreements with the health boards running demonstrator sites to use these tests.

6.6 People, Wellbeing & Facilities – Kenny Nicholson

The past 12 months has continued to be dominated by the people and HR challenges presented by the ongoing pandemic situation and, in particular, the Omicron variant that impacted in Autumn 2021. It is with great delight that as the worst of the pandemic appears to be passing and services are returning to something nearer normality, that we begin to re-establish our approach to support our people, their development and wellbeing. There has been a continued focus throughout the year on the people related issues that have arisen as a consequence of the pandemic and all the ongoing changes in the Scottish Government's guidance on restrictions in the workplace.

Understandably, and in this context, much of the activity over the past year has been focussed on the challenges of the pandemic and has been largely reactive to the situation we have faced as a whole. The HR Team were closely involved in overseeing the management of the UK Government's Job Retention Scheme where, at it's peak, 147 colleagues agreed to be placed on furlough leave during

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the worst period of the lockdown. Following a gradual and managed return over subsequent months, and as services began to re-open, the remaining 60 colleagues who remained on furlough leave at the end of the scheme returned on 1 October 2021. The positive impact on the Charity's financial position as a result of colleagues agreeing to be furloughed through the worst of the pandemic period has been widely acknowledged and appreciated.

As part of the process of welcoming the safe return of furloughed colleagues back to work, a programme was developed and delivered providing a detailed overview and key updates to each individual on measures and guidance related to safe working and control of risk related to COVID-19. The HR Team also remained available to any colleague who had any individual concerns or questions and information made available on health and wellbeing resource that were available including information about ongoing access to external support to individuals through our employee assistance partner – PAM Assist.

There have been a number of key changes in staffing structures including the creation of a more flexible and streamlined senior team where a number of previously separate functions and responsibilities have been brought together within the new Executive Lead structure, responsible for all core functions and localities activities and services.

The impact of the pandemic and the government's advice to remain working at home throughout most of the past 12 months has led to the Charity embracing the concept of a hybrid working approach wherever possible. A guiding set of principles has been developed that underpin our approach to hybrid working and places an emphasis upon maintaining and supporting frontline services and meeting business needs, whilst at the same time enabling a hybrid arrangement of home and office based working. As the new working arrangements continue to bed in, and as restrictions continued to be lifted from Spring 2022, the plan is to review the hybrid working approach and to establish a clear operating structure and working arrangements within which hybrid and flexible working can be further developed and embedded over the longer term.

The significant amount of work, support and guidance provided by the Health, Safety & Wellbeing Lead and HR colleagues, as well as the implementation of safe measures of work in localities and frontline services has had a positive impact in managing attendance throughout the pandemic period and key services have continued to operate successfully. The ongoing exceptional circumstances and challenges presented by the pandemic continue to mean that comparative trends and patterns in regard to absence remains difficult to draw when looking at employee data over similar periods in previous years. Nonetheless, day to day operational activity continues in supporting processes to manage absence and maintain support, where required, through HR and Health Safety advice, occupational health referral and support and access to the employee assistance programme (PAM Assist). Robust testing and extensive internal health and hygiene measures within our day care and other services have successfully helped managed and control the potential for more widespread absences due to COVID-19 within our key frontline services.

Looking ahead into the post-pandemic employment environment, a key part of our strategy will be to further develop our commitment to our people and continue to embed the dimensions of the Fair Work Framework. The Framework will help underpin and structure our approach to develop and implement all of our people related initiatives and commitment to Respect, Opportunity, Effective Voice, Security and Fulfilment in our employment. Through the Framework, and with a clear focus on increasing awareness and ability for people to understand and enable their Effective Voice, we will continue our transition back towards a more stabilised, secure and safe work environment, giving people more choice, influence and control in the way they manage work life balance and take care of their wellbeing.

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A key part of looking ahead will be our continued commitment to developing our people as part of our wider approach to managing the post pandemic transition within the workplace and our commitment to Fair Work. Our new Lead for Learning & Development together with HR Team colleagues are refreshing our approach to learning and development opportunities for our people with a new focus on developing and delivering programmes that embrace a blended learning approach that makes best use of digital facilities as well as online facilitated sessions.

Information and Cyber Security is identified within the Risk Register with a high inherent risk score. It remains vitally important that we defend our IT systems from malicious attacks and protect the personal data we hold from unauthorised access and misuse. For several months the IT team have worked through a strategy to bolster cyber defences and support from across the organisation in embracing and implementing this strategy has been greatly appreciated. The Charity has invested a Managed Detection and Response service which constantly scans our networks and devices for vulnerabilities and suspicious activity. This service also gives the Charity access to a 24/7 team of Cyber Security specialists who will alert us within minutes of the detection of any critical risks. We have also invested in a tool which prevents data loss through email, and we are currently exploring Disaster Recovery solutions and process to ensure maximum business continuity if a cyber-attack is ever successful. Colleagues across the organisation have engaged with Information Security training, new guidance and the new Multi-Factor Authentication process.

Developed with the vision of a digital representation of our physical Dementia Resource Centres (DRCs), the Virtual Resource Centre (VRC) - vrc.alzscot.org - has come to fruition over the last 12 months. The VRC includes a series of rooms hosting information and activities using the same principles as our physical DRCs, using 3d models of the furniture, light, layout and signage to create a continuous user experience. The VRC has been built with the donations of families and supporters. It is open 24/7 and is accessible from anywhere in the world on most devices through a web browser. Many aspects of design and navigation have been refined with valuable feedback from members of the Scottish Dementia Working Group (SDWG) and other people living with dementia. Many colleagues, individuals and partner organisations have contributed with recorded content to create a comprehensive catalogue of resources. Further developments to expand the offering within the VRC around video conferencing and hosting live national activity groups are under way. A positive outcome has been reached with our partners, Virtual Health Shed, clarifying ownership of Intellectual Property by Alzheimer Scotland and a larger percentage of income from licencing the development of other "Virtual Resource Centres" across the charity and other sectors.

The appointment of our new Head of Property Services in recent months has been timely as our locality services, dementia resource centres and other building assets return to full use following the lifting of pandemic restrictions. Ensuring our buildings and premises are safe, compliant and fit for purpose has been a significant focus of activity over recent months.

Health and Safety continues to be a high priority for the Charity and has remained at the forefront of our planning and activity as we have navigated our way through the challenges of the pandemic over the past two years. The Health, Safety & Wellbeing Lead has worked closely with the senior team, Localities and HR colleagues throughout the pandemic and brought the assurance of a professional, responsive and highly valued support to ensure all our offices and local services have remained as safe as possible for employees, volunteers, and those accessing Alzheimer Scotland services. Comprehensive operational procedures detailing appropriate control measures and health guidance related to our response to the pandemic and other health & safety risks are in place. These procedures set out best practice and standards to be followed and are audited periodically to ensure they continue to be current and compliant. Health & Safety training is on-going via the Digital Lounge platform and

through external providers for mandatory in-person training. Another round of Institution of Occupational Safety and Health (IOSH) and Health Managing Safely training for Locality Leaders has been arranged and will commence shortly.

6.7 Stakeholder Engagement – Kirsty Stewart

£5.2 million (fundraised income and legacies analysis below) was raised in 2021/22. This is a fantastic achievement and testimony to the enduring support from our loyal supporters who have continued to help us through what has become a prolonged period of enduring restrictions, when it comes to raising voluntary income during a pandemic. Without this continued financial support, Alzheimer Scotland would not have been able to continue provide the vital support to those who need it so much, in a year when isolation has become increasingly detrimental and paramount.

Every donation we receive makes a difference and we have continued to ensure best practice in every aspect of our fundraising work. We do not operate door-to-door fundraising, nor do we do on-street canvassing and we do not use call centres or issue cold-call mailings. All senior fundraising staff are members of the Institute of Fundraising and adhere to their practices and policies. We received no complaints in relation to our fundraising practices during 2021/22.

2021/22 continued to challenge the Stakeholder Engagement Team, with reduced capacity for the first six months of the financial year, and continued restrictions within locality and corporate fundraising arenas. Despite these difficult circumstances, the events function has thrived, with the new format of virtual events, and the team has evolved well into diversifying the organisations fundraising portfolio.

The COVID-19 restrictions continued to have an impact on this income stream, as most businesses continued to work from home and were predominately still dealing with the impact of COVID-19 restrictions on their business operations. Despite these challenging circumstances the Stakeholder Engagement Team has been able to prosper and develop various new strategic partnerships. We have been working with Braehead Shopping Centre to support them to become a Dementia Friendly shopping centre and deliver a three-year partnership of various fundraising activities. The team have successfully replicated this model in other shopping centres across the central belt, such as Silverburn and St Enochs. Other new partnerships we are delighted to announce are with Fosters Funerals, the V&A Dundee, Nationwide, John Lewis Contact Centre and Glasgow Life.

A special thanks goes out to Santander, with 2021 culminating in the conclusion of a three-year partnership. Santander colleagues raised an incredible £63,000 during the partnership. This is a phenomenal achievement especially given the circumstances of the past two years and we are extremely grateful.

In addition, deserved and notable thanks are owed to our partners Mckesson who raised £20,814, ARRAN Sense of Scotland who raised £11,700 and Brodies LLP who contributed £25,000 to fund our pilot education programme for Brain Health.

We are incredibly grateful to all our generous corporate partners, sponsors and donors across the country who have reached out and supported us during this uniquely challenging time.

Our in-house Do it for Dementia virtual series continued to welcome supporters across an array of challenge types. We successfully diversified the campaign with the introduction of the 90K Step Challenge, utilising Facebook Challenges for the first time; £19,906 was raised from the four-week January campaign, with a 19:1 return on investment.

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The team were delighted to be able to welcome back the return of mass gathering events, towards the latter half of the financial year; Loch Ness Marathon (October) Supernova Kelpies 5K Run and the Inverness Half Marathon (March). In addition, the team secured a three-year partnership with GSi Events to become their Premier Affiliate Charity across their full portfolio of events, which is a fantastic platform to raise the profile of Alzheimer Scotland amongst a key stakeholder group.

Memory Walk 2021 was delivered for a second year in its new 'Your Walk, Your Way' format, raising £131,459 which resulted in an increased income of 82% compared to the previous year. 40% of participants had taken part previously, creating a successful balance between new and existing supporters.

We saw a reduction in the level of income in this area which is proportionate to the closure/reduced capacity of all our Dementia Resource Centres, along with reduced numbers of colleagues out and about within our local communities. Whilst the team trialling previous fundraising methods that had been abstained from e.g. postal mailings, the return on investment, both in terms of brand presence and monetary value, is not the same and it is inevitable that this income stream will see a drop in donations until doors can full open back up again. As a more sustainable approach to these turbulent times, the team have begun work to build a network of local volunteers that will be able to support this income stream and diversify the organisations reliance on staff members to raise pennies for this income stream.

The latter half of this financial year has seen the foundations for a modest major gift programme be put in place, along with identifying and researching prospective major donors and the team are developing this income stream for the financial year ahead.

From September 2021, the Alzheimer Scotland Ambassador Programme launched internally, including a detailed year one strategy, with processes and procedures mapped out, including due diligence, ethical screening and Terms of Reference. We have secured six new Ambassadors – the former First Minister, Henry McLeish; Dr Willie Stewart of the University of Glasgow/NHS; Professor Martin Rossor of UCL; Professor Tara Spires-Jones of the University of Edinburgh; Mark Hateley the former Rangers and England football star with familial lived-experience; Elaine Hopley, an endurance athlete who will complete an ambitious fundraising challenge for Alzheimer Scotland in 2023 and Kaye Nicolson of STV. Our Ambassador programme continues to be embedded throughout the organisation and plans are in place for them to support us in our awareness raising and fundraising endeavors throughout this new financial year, including social media, events and major donors.

The number of gifts left in the wills of our very generous supporters continue to increase. In 2021/22 we received 64 legacy notifications compared to 38 notifications received in 2020/21.

6.8 Innovations & Development – Joyce Gray

We continued to innovate and support our communities through our digital innovation and service operation. As our services slowly opened, we continued to support through our digital sessions. We were also able to support 412 families by requesting devices and connection through the national Connecting Scotland funding program. Connecting Scotland was launched in response to the pandemic, to provide digital devices, data, training, and support to get online to those who need it most.

We have expanded our Dementia Advisor role through the pilot role of Digital DA in Edinburgh, this role has been a huge success, with over 100 referrals in the first 10 months, supporting families to engage in a digital solution based on a very personalised assessment, this project has been so

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successful that it has been awarded another years funding, and we are going to replicate this role in other areas to ensure we have an access to this type of service across Scotland.

We sought to establish the foundations and progress the Virtual Resource Centre, the team have added to the gallery and reception spaces, and we now have a functioning living room and kitchen area. The living room has a wealth of curated content that can be accessed at any point in the day if you have a digital device and connection. We continue to seek the support of those with lived experience to ensure that all the features and navigation is intuitive and user friendly.

We are fully committed to ensuring that digital remains at the core of our operational activities and we will continue to support all our operational teams, with tested products and digital services that can be offered to their array of supports. ADAM (About Digital & Me) continues to be at the core of these digital services that we can provide; the code and ownership for ADAM now rests solely with Alzheimer Scotland, and we are working with a new developer to address some of the design and technical issues, but at present we still have a very useful product to support families to make choices in a very bewildering digital landscape.

When we first scoped Purple Alert between 2015-2017, we looked at the whole spectrum of services and products which were available for missing people, worldwide. These included services such as Silver Alert, Amber Alert, and products such as GPS trackers. It soon became apparent that a mobile app was the best solution for Scotland and Purple Alert was born. It has been a huge success. Purple Alert 2 launched in 2020 has now 3,500 downloads and we have had 35 Purple Alerts where potentially a life has been saved, which we are extremely proud of. Our partner connections remain at the heart of Purple Alert, and we now have our first formal partnership with Police Scotland.

In Edinburgh in the last year, 120 people living with dementia went missing, but we only had three Purple Alerts activated (in that area). This is concrete evidence that we were not reaching many of our potential demographic in that area and supports. Police Scotland identified that we could be working in closer partnership to ensure families get expert support. Police Scotland have a similar partnership with Barnardo's who support young people who go missing in Edinburgh. With support from the RS McDonald Trust we have funding to provide a return discussion with everyone who goes missing supporting their families into other supports or some possible other digital solutions. We have a formal evaluation taking place with Edinburgh University which will be published in March 2023.

Our Dementia Dog project continues to grow from strength to strength, we have a new family dog program supported by a £300,000 grant from Pets at Home which has allowed us to recruit another Community dog trainer and we have a new Community Dog added to our dog family.

7. Financial review – Liz Roxburgh

We ended the financial year with a surplus of £1,535,338 (2020/21 surplus £1,294,573).

The Statement of Financial Activities shows that total annual income of £14,373,222 was down by 2.4% (£14,728,589 – 2020/21), and total expenditure of £12,884,680 was down by 6.9% (£13,835,114 – 2020/21). Net gain on investments is £46,796 (gain of £401,098 – 2020/21). This gives us the net surplus of £1,535,338 (surplus of £1,294,573 – 2020/21).

Tangible assets reduced by 6.6% from £7,050,770 to £6,585,859, Details of fixed assets are shown in Note 13 to the financial statements.

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The Group (being the charitable company, namely Alzheimer Scotland – Action on Dementia and our trading subsidiary, Dementia Scotland Limited) has free reserves of £6,987,175 (£5,307,379 – 2020/21).

The free reserves relate to services, branches and national office. Each service aims to have around twelve weeks' running costs as cash reserves, which means the unrestricted funds balance is more than the £3 million required. The Board of Directors considers the key measure of sustainability for Alzheimer Scotland to be the current and future liquidity cover, rather than the surplus or loss accounting position. Directors have decided that at all times we should maintain cash and readily realisable assets sufficient to fund twelve weeks of cash outflow. The twelve weeks' running costs is to allow, in the event of having to close all services and projects, for having sufficient funds to ensure a safe closure in terms of Care Inspectorate and staff notice periods.

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

The Group has restricted funds of £2,032,781 (£1,797,993 - 2020/21). This includes restricted income funds of £289,269 and the restricted legacy reserve of £1,654,668. Restricted funds must be used for the purpose or area for which they were given, and the group seeks opportunities to use these funds, where appropriate, in agreement with the providers.

The endowment fund of £104,213 (£104,073 – 2020/21) is the Michael Clutterbuck Bequest. Under the terms of the bequest, the group retains the capital of £100,000 and when sufficient interest accumulates, spends the interest on innovative home support services.

Total funds are now £18,032,717 (£16,497,379 – 2020/21) (9.3% increase on 2020/21), £9,101,269 of which are net current assets. The proportion of total reserves that is unrestricted is 88.1% (88.5% 2020/21).

The principal funding sources for Alzheimer Scotland are Local Authorities (38%), NHS Boards (11%), Scottish Government and specific grants (11%), fundraising, trusts and donations (21%), legacies (15%) project and consultancy income (2%), investment income (1%) and gain on disposal (1%).

Most of the organisation's charitable expenditure is spent on care related services at 91.97%. The other 8.03% is split as follows: fundraising 1.72%, campaigning 0.86%, research 0.43%, involvement 2.45% and awareness raising 2.57%. Support costs included in the above is 7.41% of total expenditure and includes governance of 0.20%.

The organisation's banking policy is to minimise risk by holding liquid reserves in interest bearing bank accounts. In 2014/15 The organisation's investment policy was extended so as to invest through external fund managers Sarasin, this will help secure future growth and better returns than are presently enjoyed by holding cash in low interest rate accounts. These investments are closely monitored by the Finance Audit Committee (FAC) at all their meetings; in addition, the investment managers meet with the FAC and then separately with the Board on an annual basis to discuss the investments and markets in general. The year-end listed equities balance is £2,345,588 (£2,236,503 – 2020/21).

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The investment income of £74,976 (£77,029 – 2020/21) comprises bank interest of £12,760 and £62,216 income from our investments with Sarasin.

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

- Armaments
- Tobacco
- Alcohol
- Gambling
- Pornography

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

8. Future Plans

The past two years have been some of the most difficult for the dementia community, and as we slowly move out of the pandemic, Alzheimer Scotland continues to focus on all we can do to support people living with dementia and their families and carers.

Moving forward, Alzheimer Scotland's main themes will be Prevent, Care and Cure. These three themes will form the basis of our vision moving forward and recovering from the enormous impact of the pandemic in the hope that we can Prevent, Care and Cure dementia together.

Our work on the Prevent theme has been greatly enhanced by the development of our Brain Health Scotland initiative. We will begin to merge brain health support and interventions into the core of our front-line support, and we will formally launch our first new Brain Health & Dementia Resource Centre in Alloa. The Centre will provide support for people living with dementia and their families and carers, and anyone interested in finding out more about brain health. We know so much more nowadays about what impacts brain health and we know our risk of developing the diseases which can lead to dementia is driven by many different factors. Some of these things we can't change, such as our family history, but many of things we and indeed society can, such as the lifestyle circumstances people find themselves in. The Centre will have a drop in facility for people to find out more about reducing risks and getting support. Our mission is to inspire and empower people to protect their brain health and reduce the risk of diseases that lead to dementia. Alzheimer Scotland has 22 Dementia Resource Centres across Scotland, the Alloa Centre is the first to introduce a brain health hub, and we will expand this into all of our centres in the near future.

The core of our work is and will always be Care, that includes providing as much front line support and services that we can within our resources in order to make sure no one faces dementia alone. Alongside this we will never falter in our campaigning and influencing work to ensure meaningful improvements, equality and changes across all of health and social care services and indeed society in general for the benefit of people with dementia and their families and carers. There is no question the needs of people with dementia and their families and carers have greatly increased because of the pandemic and the social care crisis. We know through our frontline staff and helpline team the severity of the pressures people are living with, both in terms of waiting for a dementia diagnosis and subsequently receiving post diagnostic support, and for families and carers looking for assessments, reassessments and home care packages.

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A timely diagnosis of dementia and the support which follows that is clearly vitally important, which is why the news that Scottish Government has increased their investment into Post Diagnostic Support was so welcomed. Post Diagnostic Support enables people to live well with dementia and maintain independence for as long as possible. After over ten years of demonstrating the effectiveness of our post diagnostic Five Pillar model we are pleased that at long last from this summer the additional investment should provide an adequate level of Link Workers to make sure that every person receiving a diagnosis is provided with this vital form of support.

This is a good place to start but so much more needs to be done in order to help support people through this crisis and that is why we will be calling for any person who is waiting for care services, supports or assessments to be offered as a result of a lack of staff or care services to be offered a flexible direct payments. One that will enable them to offset the additional pressures of caring by being able to flexibly use this money in other areas of their life such as with shopping, cleaning, respite and short breaks. We know how well this can work through our recent Time for You Fund, which was funded by the Scottish Government. We want to see this scaled up and offered as a positive option in each local area until such times as we get through this social care crisis.

Our final theme is Cure, in recent years we have worked with and supported an exceptional group of academics and research institutions through the Scottish Dementia Research Consortium and through directly funding two research centres. The consortium provides a level of collaboration on all aspects of brain health and dementia research that is world leading and we aim to build on this. Our funding has also supported an Alzheimer Scotland Brain Tissue bank in Edinburgh, this bank has been instrumental in numerous research projects and we want to continue to grow this and work with the significant brain tissue experts throughout Scotland.

In these difficult and challenging times we need to be optimistic and hopefully of finding new drugs, new treatments and new approaches to improving care practices. Research is that beacon of hope, that is why this year we will launch a new and innovative research fellowship programme, one that will be driven and rather uniquely decided upon by people with dementia and their families. We are extremely pleased and proud that our partners in the Scottish Dementia Working Group and the National Dementia Carers Group will lend their depth of experience and understanding to lead us in this quest for hope and ultimately a cure.

9. Going concern

In March 2022 the Executive Team presented a budget to the Finance Audit Committee highlighting a deficit of £1,247,044 for 2022/23. In order to assess the level of headroom in the liquidity, we performed stress testing analysis on the forecasts until 2023/24. Two scenarios were prepared to assess the further reduction in income which would result in reserves falling below Reserves policy (being 12 weeks of costs) and also for all liquid resources to be exhausted. The first of these would require total income for 2024 to be at 100% of 2022 and the second would require total income for 2024 to be at 54% of income for 2022. In the stress testing we did not adjust our expenditure inline with any income reduction, we would for instance not continue to invest in new property in year 2024 as planned if income levels dropped.

The Directors have reviewed the financial position, the financial forecasts and the results of the stress testing, all of which cover the 3 years to March 2025, taking into account the levels of investments, reserves and cash, and the systems of financial control and risk management. As a result of this, the Directors believe that we are well placed to manage financial and operational risks successfully.

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

10. Statement of Directors' responsibilities

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

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

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

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

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

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

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

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

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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



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Convener and Director
David McClements,
Edinburgh

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA
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For the year ended 31 March 2022

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

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 31 March 2022 and of the Group's incoming resources and application of resources and the Parent Charitable Company's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006.

We have audited the financial statements of Alzheimer Scotland – Action on Dementia ("the Parent Charitable Company") and its subsidiaries ("the Group") for the year ended 31 March 2022 which comprise the consolidated statement of financial activities, the consolidated and company balance sheet, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

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

Independence

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

Conclusions related to going concern

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

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

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

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Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon.

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

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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

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

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

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

- proper and adequate accounting records have not been kept by the Parent Charitable Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Charitable Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

The procedures we designed and executed included:

- performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of those charged with governance and reviewing documentation for indications of non-compliance with laws and regulations;
- assessing whether the accounting policies, treatments and presentation adopted in the financial statements is in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice) and whether there are instances of potential bias in areas with significant degrees of judgement such as the assessment of the entities ability to continue as a going concern;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business;
- vouching balances and reconciling items in management's key control account reconciliations to supporting documentation as at 31 March 2022; and

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- carrying out detailed testing, on a sample basis, of material transactions, financial statement categories and balances to appropriate documentary evidence to verify the completeness, occurrence and accuracy of the reported financial statements.

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

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

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

Use of our report

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

DocuSigned by:

Martin Gill

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Martin Gill (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
Edinburgh
Date 03 October 2022

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

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

For the year ended 31 March 2022

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2022 Total £	2021 Total £
Income and endowments from						
Donations and legacies	4	4,986,221	167,735	0	5,153,956	5,044,491
Other trading activities	5	87,769	0	0	87,769	86,886
Income from charitable activities	6	153,096	8,829,365	0	8,982,461	9,508,807
Income from investments		72,422	2,414	140	74,976	77,029
Share of gain of associate	15	0	0	0	0	10,162
Other (gain on disposal of tangible assets)		74,060	0	0	74,060	1,214
Total income		5,373,568	8,999,514	140	14,373,222	14,728,589
Expenditure on						
Raising funds	7	(222,430)	0	0	(222,430)	(200,672)
Charitable activities	8	(4,401,124)	(8,261,126)	0	(12,662,250)	(13,634,442)
Total expenditure		(4,623,554)	(8,261,126)	0	(12,884,680)	(13,835,114)
Net gains/(loss) on investments		46,796	0	0	46,796	401,098
Net income/(expenditure)		796,810	738,388	140	1,535,338	1,294,573
Transfers between funds	20,22	503,600	(503,600)	0	0	0
Net movement in funds		1,300,410	234,788	140	1,535,338	1,294,573
Reconciliation of funds						
Total funds brought forward		14,595,313	1,797,993	104,073	16,497,379	15,202,806
Total funds carried forward	20-23	15,895,723	2,032,781	104,213	18,032,717	16,497,379

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

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

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

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Consolidated and Company Balance Sheets

At 31 March 2022

		Group		Company	
		2022	2021	2022	2021
	Notes	£	£	£	£
Fixed assets					
Tangible assets	13	6,585,859	7,050,770	6,572,887	7,032,780
Investments	14	2,345,589	2,236,576	2,345,589	2,236,576
Investments in subsidiary and associate undertakings	15	0	0	1,000	1,000
Total fixed assets		8,931,448	9,287,346	8,919,476	9,270,356
Current assets					
Debtors: amounts due within one year	16	1,719,866	2,240,874	1,735,848	2,241,849
Cash at bank and in hand		9,510,786	6,406,624	9,503,917	6,404,541
Total current assets		11,230,652	8,647,498	11,239,765	8,646,390
Liabilities					
Creditors: amounts falling due within one year	17	(2,129,384)	(1,437,465)	(2,115,349)	(1,419,367)
Net current assets		9,101,268	7,210,033	9,124,416	7,227,023
Total assets less current liabilities		18,032,717	16,497,379	18,043,893	16,497,379
Funds					
Restricted income funds	20	2,032,781	1,797,993	2,032,781	1,797,993
Endowment funds	21	104,213	104,073	104,213	104,073
Total restricted funds		2,136,994	1,902,066	2,136,994	1,902,066
Unrestricted funds	22	15,895,723	14,595,313	15,906,899	14,595,313
Total unrestricted funds		15,895,723	14,595,313	15,906,899	14,595,313
Total Funds		18,032,717	16,497,379	18,043,893	16,497,379

The surplus for the year of the charitable company being the parent company is £1,546,514 (2020/21 surplus £1,284,411).

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

The financial statements were authorised and approved by the Directors on 30th September 2022 and were signed on their behalf:



Bernard O'Hagan
Treasurer and Director



David McClements
Convenor and Director

Company registration number SC149069
Charity number SC022315

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Consolidated statement of Cash Flows
For the year ended 31 March 2022

	2022	2021
	£	£
Cash flows from operating activities		
Net income for the reporting period (as per statement of financial activities)	1,535,338	1,294,573
Depreciation charges	544,940	564,401
Decrease/(increase) in debtors	521,008	(279,475)
Increase/(decrease)/ in creditors	679,729	(98,326)
(Gains)/ losses on investments	(46,796)	(401,098)
Share of (Surplus)/loss of associates	0	(10,162)
Gain on disposal of fixed assets	(74,060)	(1,214)
Dividends, interest and rents from investments	(74,976)	(77,029)
Net cash provided by operating activities	3,085,182	991,670
Cash flows from investing activities		
Proceeds from sale of fixed assets	192,084	0
Purchase of fixed assets	(198,054)	(355,376)
Proceeds from sale of investments	31	188,456
Purchase of investments	(50,132)	(99,918)
Dividends and interest from investments	74,976	77,029
Write off investment in associates	0	158,093
Reduction in fixed term deposits	(710,160)	(607,658)
Net cash provided (used in)/by investing activities	(691,255)	(639,373)
Increase in cash and cash equivalents	2,393,927	352,297
Cash and cash equivalents at start of year	4,216,949	3,864,649
Cash and cash equivalents at end of year	6,610,876	4,216,949
Analysis of cash and cash equivalents		
	2022	2021
	£	£
Cash in hand – bank	5,160,875	3,466,873
Cash held by investment manager	1	73
Notice deposits (less than 3 months)	1,450,000	750,000
Total for cash flow purposes	6,610,876	4,216,949
Term deposits	2,899,911	2,189,751
Less cash held by investment manager	(1)	(73)
Total cash at bank and in hand	9,510,786	6,406,624

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Notes to the Financial Statements

1. General information

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

2. Accounting policies

(a) Basis of accounting

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

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

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

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

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

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

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

(b) Going Concern

In March 2022 the Executive Team presented a budget to the Finance Audit Committee highlighting a deficit of £1,247,044 for 2022/23. In order to assess the level of headroom in the liquidity, we performed stress testing analysis on the forecasts until 2023/24. Two scenarios were prepared to assess the further reduction in income which would result in reserves falling below Reserves policy (being 12 weeks of costs) and also for all liquid resources to be exhausted. The first of these would require total income for 2023 to be at 100% of 2022 and the second would require total income for 2023 to be at 54% of income for 2021. However we did not reduce the expenditure in line with any reducing income in this testing.

In general terms the 2022/23 budget highlights that our liquid reserves will drop by £372,000 and it is clear from the Balance Sheet that we have a good level of cash available to cover this estimated shortfall.

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For the year ended 31 March 2022

The Directors have reviewed the financial position, the financial forecasts and the results of the stress testing, all of which cover the 3 years to March 2025, taking into account the levels of investments, reserves and cash, and the systems of financial control and risk management. As a result of this, the Directors believe that we are well placed to manage financial and operational risks successfully.

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

(c) Public funding and trust grants

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

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

(d) Donations and legacies

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

(e) Membership subscriptions

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

(f) Donated goods/services

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

(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 expenditure in the Statement of Financial Activities on the basis of resources used.

(h) Allocation of expenditure

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

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

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

(i) Operating leases

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

(j) Tangible fixed assets

All fixed assets costing over £5,000 (2020-21 £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

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

(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) Associates

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

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

(o) 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

(p) 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.

(q) Value added tax

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

(r) Financial instruments

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

(s) 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.

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(t) Termination benefits

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

(u) Dilapidation provision

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

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

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

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

Other key sources of estimation uncertainty

Tangible fixed assets (see note 13)

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

(w) Donated professional services

Donated professional services and donated facilities are recognised as income, if a value can be reliably measured, at the value to the charity when received. In accordance with the Charities SORP (FRS 102), no amounts are included in the financial statements for services carried out by volunteers, including professional services provided directly by volunteers. The number of active volunteers of 521 has reduced by 245 (2021: 766).

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3. SOFA prior year comparison disclosure

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

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4. Donations and legacies

	2022	2021
	£	£
Donations	2,755,126	2,833,615
Legacies	2,193,613	1,894,209
Trust grants	205,217	316,667
Total	5,153,956	5,044,491

5. Other trading activities

Other trading activities	2022	2021
	£	£
Events	300	527
Merchandise sales	0	2,145
Dementia Scotland including shops	87,469	84,214
Total	87,769	86,886

6. Income from charitable activities

2022	Provision of care related services	Awareness raising	Campaigning	Involvement	Total
	£	£	£	£	£
Public funding	7,995,979	200,000	20,862	367,146	8,583,987
Service user income	49,831	0	0	0	49,831
Other charitable income	164,280	176,317	0	8,046	348,643
Total	8,210,090	376,317	20,862	375,192	8,982,461

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

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Public funding included the following Government grants:

	2022 £	2021 £
The Coronavirus Job Retention Scheme	300,625	1,024,544
TEC - Development	270,523	458,565
Section 10 - AHP Project	200,146	167,710
Brain Health	200,000	200,000
Dementia Nurses	180,862	170,862
Section 10 - Scottish Dementia Working Group and Carers Network	167,000	167,000
Section 10 - Counselling	83,359	23,017
Meaningful Contact	82,859	17,471
Section 10 - Active Voices	50,000	50,000
Section 10 - Policy Advisor/Diagnosis project	27,040	27,000
Demetia Dog	25,763	25,037
Community Benefit fund	6,659	0
Covid Grant - Wellbeing	0	128,369
Covid Grant - Communities Recovery	0	25,000
Total	1,594,835	2,484,574

7. Raising funds

2022	Activities undertaken directly £	Support costs (Note 9) £	Total £
Fundraising costs	119,600	9,697	129,297
Trading activities	93,133	0	93,133
Total	212,733	9,697	222,430

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

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

8. Charitable activities

2022	Activities undertaken directly £	Support Costs (Note 9) £	Total £
Provision of care related services	10,958,586	888,706	11,847,292
Awareness raising	307,208	24,909	332,117
Campaigning	102,802	8,335	111,137
Involvement	292,195	23,691	315,887
Research	55,817	0	55,817
Total	11,716,608	945,641	12,662,250

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

Operating lease rentals of £277,447 (2021 £277,624) are included in activities undertaken directly.

9. Analysis of support costs

	Fundraising incl. shops	Provision of care related services	Awareness Raising	Campaigning	Involvement	Total (Note 7&8)
2022						
Support cost	£	£	£	£	£	£
Governance (note 10)	260	23,833	668	224	635	25,620
Management	249	22,790	639	214	608	24,500
Finance	3,200	293,274	8,220	2,750	7,818	315,262
IT	4,062	372,303	10,435	3,492	9,925	400,217
Human resources	1,926	176,506	4,947	1,655	4,705	189,739
Total	9,697	888,706	24,909	8,335	23,691	955,338
2021						
Support cost	£	£	£	£	£	£
Governance (note 10)	239	24,921	641	178	615	26,594
Management	847	87,742	2,257	624	2,164	93,634
Finance	2,667	276,072	7,107	1,962	6,807	294,615
IT	3,971	411,056	10,581	2,922	10,135	438,665
Human resources	1,426	147,613	3,800	1,049	3,640	157,528
Total	9,150	947,404	24,386	6,735	23,361	1,011,036

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

10. Governance costs

Governance costs	2022 £	2021 £
Audit fees	22,762	22,380
Non-audit fees for tax compliance	912	765
Directors' indemnity insurance	1,120	3,329
Directors' meetings and other costs (includes AGM costs)	827	120
Total	25,620	26,594

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Within Directors' meetings and other costs, no members of the Board received travel and subsistence expenses (2021 - 0 members received £Nil). The organisation has put in place qualifying third-party indemnity provisions for all of the directors of the Group.

11. Staff payroll costs and numbers

Staff payroll costs and numbers	2022	2021
	£	£
Wages and salaries	7,827,550	8,446,281
Social security costs	664,202	685,078
Pension costs	412,678	415,764
Redundancy and termination	163,930	353,336
Total	9,068,360	9,900,459
Number of employees earning between £60,000 and £70,000	2	1
Number of employees earning between £70,000 and £80,000	1	2
Number of employees earning between £80,000 and £90,000	0	0
Number of employees earning between £90,000 and £100,000	0	0
Number of employees earning between £100,000 and £110,000	0	1
Number of employees earning between £110,000 and £120,000	1	0
Total number of employees	365	411
Support staff	190	208
Administration staff	79	70
Average number of full time of employees as at 31st Mar 2022	269	278

12. Key Management Remuneration and Related parties

The total amount of the twelve key management personnel is £753,870 (2021: five personnel £479,560).

During this year, significant changes were made to the structure of our Key management personnel. The senior team reduced by two Executive Directors and expanded to include seven Executive Leads and a Deputy Director. Next year there will be ten key management personnel.

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

No trustees received any remuneration from the company during the year (2021 - £nil).

Russel + Aitken received £2,612 (2021 - £2,990) for legal advice given during the year at their standard price. David McClements, a member of Board is also a member of Russel + Aitken.

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13. Tangible fixed assets

Group	Freehold property £	Leasehold property £	Motor vehicles £	Fixtures & Fittings £	Total £
Cost					
At beginning of the year	7,469,115	173,329	273,035	3,472,564	11,388,043
Additions	6,180	0	10,000	181,874	198,054
Disposals	(168,430)	0	0	(104,558)	(272,988)
At end of the year	7,306,865	173,329	283,035	3,549,881	11,313,109
Depreciation					
At beginning of the year	(1,483,368)	(129,998)	(247,999)	(2,475,908)	(4,337,273)
Depreciation	(146,606)	(4,333)	(12,466)	(381,535)	(544,940)
Disposals	50,510	0	0	104,454	154,964
At end of the year	(1,579,464)	(134,331)	(260,465)	(2,752,989)	(4,727,250)
Net book value at the beginning of the year	5,985,747	43,331	25,036	996,656	7,050,770
Net book value at end of the year	5,727,401	38,997	22,570	796,891	6,585,859
Company					
	Freehold property £	Leasehold property £	Motor vehicles £	Fixtures & Fittings £	Total £
Cost					
At beginning of the year	7,469,115	173,329	273,035	3,448,362	11,363,841
Additions	6,180	0	10,000	181,874	198,054
Disposals	(168,430)	0	0	(104,508)	(272,938)
At end of the year	7,306,865	173,329	283,035	3,525,728	11,288,957
Depreciation					
At beginning of the year	(1,483,369)	(129,998)	(247,999)	(2,469,695)	(4,331,061)
Depreciation	(146,615)	(4,333)	(12,466)	(376,613)	(540,027)
Disposals	50,510	0	0	104,508	155,018
At end of the year	(1,579,474)	(134,331)	(260,465)	(2,741,800)	(4,716,070)
Net book value at the beginning of the year	5,985,746	43,331,	25,036	978,667	7,032,780
Net book value at end of the year	5,727,399	38,998	22,570	783,928	6,572,887

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14. Investments - funds

Investments – funds (Group and Company)	2022 £	2021 £
Market value:		
At 1 April 2021	2,236,503	1,915,090
Purchase of investments at cost	62,272	99,918
Disposals at opening book value	(31)	(170,700)
Movement in market value	46,899	392,413
Management fees	(55)	(218)
	2,345,588	2,236,503
Cash held for investment	1	73
At 31 March 2022	2,345,589	2,236,576
Represented by:		
Listed equities	2,345,588	2,236,503
Cash held for investment purposes	1	73
	2,345,589	2,236,576
Fixed income	163,941	249,729
UK equities	495,089	437,537
Global equities	1,137,083	1,174,112
Property	130,620	54,294
Alternative investments	297,161	179,962
	2,223,894	2,095,634
Liquid investments	121,694	140,869
Cash	1	73
At 31 March 2022	2,345,589	2,236,576
Investments held at cost:		
Listed equities	2,345,588	2,236,503
Cash held for investment purposes	1	73
	2,345,589	2,236,576

Listed investments included in the fund are overseas investments of £1,423,771 (60.7%) (2021: £1,375,449 61.5%).

Investments are held within Sarasin Endowment Fund Class A INC.

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

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15. Investments – subsidiary and associate undertakings

2022	Group	Company
	£	£
At 1 April 2021	0	1,000
At 31 March 2022	0	1,000

2021	Group	Company
	£	£
At 1 April 2020	147,931	126,000
Share of loss of associate	10,162	0
Write off investment in associate	(158,093)	(125,000)
At 31 March 2020	0	1,000

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

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

Subsidiary	Principal activity	Class of Share	Holding %	Aggregate capital and reserves
				£
Dementia Scotland Limited 160 Dundee Street, Edinburgh, Scotland, EH11 1DQ SC296817	Retail & Events (minimum sponsorship)	Ordinary	100	1,000

Dementia Scotland Limited - Summary of Results	2022	2021
	£	£
Turnover	87,469	82,214
Operating expenses – operations	(94,238)	(78,666)
Operating expenses - audit fees	(4,600)	(4,965)
Tax credit	3,116	0
Distribution to Alzheimer Scotland - Action on Dementia	0	(583)
	(8,253)	0
Net assets	(7,253)	1,000

16. Debtors

	Group		Company	
Amounts due within one year	2022	2021	2022	2021
	£	£	£	£
Service debtors	148,245	346,637	146,347	341,147
Other debtors	1,324,654	1,679,775	1,367,582	1,708,858
Prepayments	246,967	214,462	221,919	191,844
Total	1,719,866	2,240,874	1,735,848	2,241,849

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17. Creditors: amounts falling due within one year

	Notes	Group		Company	
		2022	2021	2022	2021
		£	£	£	£
Deferred income	18	688,470	374,901	682,676	371,293
Trade creditors		287,940	179,887	284,568	176,843
Accruals		474,131	491,973	467,168	485,350
Other creditors		460,072	183,831	462,166	179,958
Pension costs		47,750	48,274	47,750	48,137
Social security costs and other taxes		171,021	158,599	171,021	157,786
Total		2,129,384	1,437,465	2,115,349	1,419,367

18. Deferred income

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Balance brought forward	374,901	308,674	371,293	291,393
Deferred income receivable	667,845	374,901	662,051	371,293
Deferred income released to statement of financial activities	(354,276)	(308,674)	(350,668)	(291,393)
Balance carried forward	688,470	374,901	682,676	371,293

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, Brain Health and other smaller grants, all of which will be utilised within 12 months.

19. Financial Instruments

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Financial Assets				
Financial Assets at fair value through income & expenditure	2,345,589	2,236,576	2,346,589	2,236,576

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

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

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20. Restricted funds

2022	Notes	Fund balances brought forward £	Income £	Expenditure £	Transfers £	Fund balances carried forward £
Income funds:						
National Office	a	162,441	1,789,607	(1,335,018)	(327,761)	289,269
Services	b	0	7,016,858	(6,843,536)	(173,322)	0
Shetland Charitable Trust	c	0	22,900	(20,383)	(2,517)	0
		162,441	8,829,365	(8,198,937)	(503,600)	289,269
Other funds:						
Restricted legacy reserve	d	1,635,552	51,305	(32,189)	0	1,654,668
Research reserve	e	0	118,844	(30,000)	0	88,844
		1,635,552	170,149	(62,189)	0	1,743,512
Total company and group restricted funds						
		1,797,993	8,999,514	(8,261,126)	(503,600)	2,032,781

2022 Notes:

- 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.
- Income from Local authorities, Health boards and Scottish Government restricted to core service delivery. The transferred amount to unrestricted funds is the surplus as a result of the Coronavirus Job Retention scheme payments received, having reviewed rules of the organisation and the scheme we are satisfied this is appropriate.
- Shetland charitable trust – Dementia advisor funding 1 year project based in Shetland.
- Restricted legacy reserve income is from bequests that specify an area or purpose for the donations to be spent.
- Research reserve income is where bequests and donations specify to fund research into dementia.

Income funds include funds received through local authorities which must be spent in accordance with the conditions imposed by the relevant authority. The transfers column shows the charity moving its own funds from one heading to another so that funds are available where needed to meet charitable and other expenditure; this includes transfers between unrestricted and restricted funds and includes; internal funding relating to any service development plans, transferred to cover redesign of services, reserves covering all our fixed assets and internal rents paid by services housed within owned properties. The subsidiary companies have no restricted funds.

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20. Restricted Funds continued

2021

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

2021 Notes:

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

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21. Endowment fund

	Group and Company	
	2022	2021
	£	£
The Michael Clutterbuck Bequest		
Opening Balance	104,073	103,901
Interest	140	172
	104,213	104,073
Expenditure	0	0
Closing balance	104,213	104,073

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

22. Unrestricted Funds

2022	Fund balances brought forward	Income	Expenditure	Investment (loss)/gain	Transfers	Fund balances carried forward
	£	£	£	£	£	£
General funds	14,595,313	5,286,099	(4,524,909)	46,796	503,600	15,906,899
Total company unrestricted funds	14,595,313	5,286,099	(4,524,909)	46,796	503,600	15,906,899
loss account reserves	0	87,469	(98,645)	0	0	(11,176)
Share of surplus of associate	33,093	0	0	0	(33,093)	0
Write off of associate	(33,093)	0	0	0	33,093	0
Total group unrestricted funds	14,595,313	5,373,568	(4,623,554)	46,796	503,600	15,895,723

2021	Fund balances brought forward	Income	Expenditure	Investment (loss)/gain	Transfers	Fund balances carried forward
	£	£	£	£	£	£
General funds	13,320,840	5,133,288	(5,134,564)	401,098	874,651	14,595,313
Total company unrestricted funds	13,320,840	5,133,288	(5,134,564)	401,098	874,651	14,595,313
loss account reserves	0	84,214	(83,631)	0	(583)	0
Share of surplus of associate	22,931	10,162	0	0	0	33,093
Write off of associate	0	0	(33,093)	0	0	(33,093)
Total group unrestricted funds	13,343,771	5,227,664	(5,251,288)	401,098	874,068	14,595,313

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA

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

For the year ended 31 March 2022

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

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

23. Analysis of assets and liabilities among funds

	General Funds	Restricted Funds	Endowment Funds	Total Funds
2022	£	£	£	£
Group				
Tangible fixed assets	6,585,859	0	0	6,585,859
Investments – Sarasin	2,345,589	0	0	2,345,589
Investments – subsidiary and associate undertakings	0	0	0	0
Net current assets	6,987,175	2,009,881	104,213	9,101,269
Total	15,918,623	2,009,881	104,213	18,032,717
Company				
Tangible fixed assets	6,572,887	0	0	6,572,887
Investments – Sarasin	2,345,589	0	0	2,245,589
Investments – subsidiary and associate undertakings	1,000	0	0	1,000
Net current assets	7,010,322	2,009,881	104,213	9,124,416
Total	15,929,799	2,009,881	104,213	18,043,893
2021	£	£	£	£
Group				
Tangible fixed assets	7,050,770	0	0	7,050,770
Investments – Sarasin	2,236,576	0	0	2,236,576
Investments – subsidiary and associate undertakings	0	0	0	0
Net current assets	5,307,967	1,797,993	104,073	7,210,033
Total	14,595,313	1,797,933	104,073	16,497,379
Company				
Tangible fixed assets	7,032,780	0	0	7,032,780
Investments – Sarasin	2,236,576	0	0	2,236,576
Investments – subsidiary and associate undertakings	1,000	0	0	1,000
Net current assets	5,324,957	1,797,993	104,073	7,227,023
Total	14,595,313	1,797,993	104,073	16,497,379

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA

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

For the year ended 31 March 2022

24. Pension and retirement benefits

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

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

The contribution for the year amounted to £412,678 (2021 - £415,062).

25. Operating lease commitments

	Group		Company	
	Land & buildings	Land & buildings	Land & buildings	Land & buildings
	2022	2021	2022	2021
	£	£	£	£
The company had total commitments under non-cancellable leases expiring as follows.				
Within one year	232,338	199,248	211,738	178,648
2-5 years	755,127	98,750	729,727	52,750
Over 5 years	1,275	0	1,275	0
Total	988,740	297,998	942,740	231,398

Operating lease expense charged to the SOFA for the year amounted to £298,047 (2021 - £298,268)

26. Net debt reconciliation

Group	1 April 2021	Cashflows	31 March 2022
Cash and cash equivalents	6,406,697	3,104,090	9,510,787
Net debt	6,406,697	3,104,090	9,510,787

