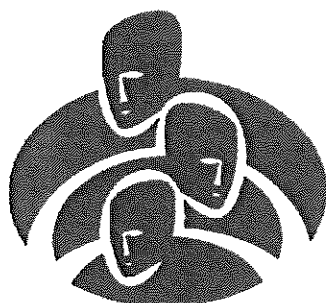


ALZHEIMER SCOTLAND – ACTION ON DEMENTIA
(a company limited by guarantee and not having share capital)
For the year ended 31 March 2023



**Alzheimer
Scotland**
Action on Dementia

(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 2023

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA
(a company limited by guarantee and not having share capital)
For the year ended 31 March 2023

Contents	Page
Directors' Report – including Strategic Report	3 – 21
Independent Auditor's Report	22 – 26
Consolidated Statement of Financial Activities	27
Consolidated and Company Balance Sheets	28
Consolidated Statement of Cash Flows	29
Notes forming part of the Financial Statements	30 – 47

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA
(a company limited by guarantee and not having share capital)
For the year ended 31 March 2023

Directors' Report – including Strategic Report

1. References and administrative details

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

Scottish charity number: SC022315 Company registration number: SC149069

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

Chief Executive
Henry Simmons

Company Secretary
Julie Drummond

Solicitor
Russel + Aitken LLP
22-24 Stirling Street
DENNY
FK6 6AZ

Auditor
BDO LLP
Citypoint
65 Haymarket Terrace
EDINBURGH
EH12 5HD

Banker
The Bank of Scotland plc
20-22 Shandwick Place
EDINBURGH
EH2 4RN

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 – resigned 11.11.22
Jayne Pashley
Geoff Orry
Thea Laurie
Aileen Rose – appointed 11.11.22
Margaret Northedge – appointed 11.11.22
Barry Northedge – appointed 11.11.22
Ruth Stewart-Simpson – appointed 11.11.22
Theresa Valtin – appointed 11.11.22

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA
(a company limited by guarantee and not having share capital)
For the year ended 31 March 2023

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).

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 2023 of 8,753 (8,773 members - 2021/22). The Board of Directors (who are also the Trustees of Alzheimer Scotland for the purposes of charity law) has an established Nominations Committee for the purpose of recruiting new Trustees, with five new Trustees recruited to the Board during 2022/23 and one resignation. Member's contribution on winding up is £1.

New Directors receive a full induction plan, with training provided, and an overview of each area of the organisation from the Senior Team. The Trustee Handbook is issued to each Director at commencement of office and when updated after periodic review.

The Board of Trustees 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, Company Secretary and seven Executive Leads who are responsible for their area of expertise.

The Board meets monthly, with the exception of July and November, to oversee delivery of the strategy and comprises of five office bearers and eleven other members of the Board. The Chief Executive, Director of Policy and Practice, and Company Secretary attend all Board meetings, with members of the Senior Team attending on a rotational basis and as and when required.

The Board reviews the most significant risks to the organisation at every Board meeting and has a full and detailed review of the Risk Register once per year. The Board schedule includes scrutiny by holding three focused governance meetings per year in relation to Finance Audit and Localities Audit, with one stand alone governance session in September to scrutinise the progress to the Strategic Plan, and any amendments to the risk register. Cyber security and potential data breach remain the highest risks and mandatory training and consistent updates to staff have been carried out over 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;

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA
(a company limited by guarantee and not having share capital)
For the year ended 31 March 2023

- vi) to encourage and assist in the establishment of local groups or other bodies with objectives related to the Company.

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 lived experience of people with dementia and their carers.

In order to achieve these aims, Alzheimer Scotland seeks funding streams and public donations. Alzheimer Scotland fundraises to be able to campaign, raise awareness, support research and develop innovative approaches to supporting people with dementia and their carers. 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 work 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 2023, Alzheimer Scotland had 395 staff (365 – 2021/22) - the average number of full time equivalent employees during the year was 172 (139 – 2021/22) - and 540 active volunteers (521 – 2021/22) operating in 41 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 establishment 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, Health & Social Care Partnerships, Scottish Government, other funding partners and the local communities in which we work.

5. Strategy Update

5.1 Achievements and performance

The impact of the pandemic across the dementia community had been extreme and disproportionate and our colleagues, volunteers and supporters have also been deeply affected by what, for many, had been a traumatic and stressful experience. In our first Strategic Plan since the

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA
(a company limited by guarantee and not having share capital)
For the year ended 31 March 2023

COVID-19 pandemic, we began the process of recovery and set a vision for the future to guide the Charity out of the depths of the pandemic and to help us move forward with some hope.

The new Strategic Plan 2022-25 introduced a new vision for the organisation which is based on the aims of Prevent, Care and Cure. It does not change our aim of making sure nobody faces dementia alone, but complements and builds on it.

Alzheimer Scotland's Strategic Plan for 2022-25 was rolled out in October 2022, presented to members at their Annual General Meeting in November 2022 and is progressing well.

Progress against the Strategic Plan is reported to the Board through scheduled focused sections at Board meetings where Executive Leads join the Chief Executive and Director of Policy and Practice to provide updates to their team's strategic objectives and key objectives.

5.2 Risk Management

Effective risk management is central to Alzheimer Scotland's strategic management process, whereby Alzheimer Scotland methodically addresses the risks attached to our activities. Prompted by the Board, the Senior Team establish our risk appetite which identifies potential risk events that may affect Alzheimer Scotland and seeks to manage those risks. It also seeks to provide reasonable assurance regarding the achievement of our strategic objectives. It is the role of Trustees and the Senior Team to translate the Risk Register approach into tactical and operational objectives, assigning responsibility throughout the organisation to each area for the appropriate management of risk.

The Senior Team are accountable to the Chief Executive for implementation, ongoing maintenance of the Risk Register and monthly reporting, as well as annual scrutiny to the Board of Trustees on the status of the Risk Register and for ensuring compliance with risk assessment procedures. The safety and wellbeing of the people we support is central to our approach to risk. We adopt a risk-managed approach whilst working toward ensuring their ambitions and stated outcomes are met. The main risks and mitigations identified were:

- Data protection breach or cyber attack - Email filtering software continues to block hundreds of emails containing malware. Ongoing compulsory training of all staff with regular phishing exercises carried out.
- Loss of contracts from local authorities/funders - If contract negotiations result in funding being reduced, then we would realign our service delivery and expenditure in line with funding.
- Fundraising Risk, reduction of fund-raising potential, impact of recession – The Stakeholder Engagement Team have diversified the fundraising portfolio to build a more robust approach around more sustainable income streams such as major donors and ambassadors. It has also adopted its approach to sourcing new corporate partnerships and new attracting audiences.
- Economic climate, increased costs, reduced income - Holding sufficient liquid assets. Monitor the market for the best interest available.

The Executive Leads 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, and agree strategies to mitigate and/or obviate each risk.

6. Directors' Report

6.1 Localities

Registered services

Whilst the pandemic undoubtedly had an impact on the way we delivered our support, with restrictions fully lifted by September 2022 we were able to take learnings from this period and move forward our quality improvement work with the implementation of Continuous Improvement Plans in every service and new and improved auditing processes. Reporting to the Board of Trustees continued through Localities Audit meetings, with trends monitored and improvements made where needed. Our services that are registered with the Care Inspectorate were not inspected over the pandemic, but these audits ensured that quality delivery was in place and that all services were inspection ready. The total number of day care sessions carried out over the year was 3652.

We actively encourage feedback from anyone who comes in to contact with our organisation and have found the Single Quality Question Questionnaire to be a helpful and easy tool for people to use. The questionnaire is sent out every six months and in September 2022 the vast majority of returns graded their day care service as 5 out of 5 with the main trends and themes being:

- Connections: meeting new people, not on my own, particularly those who know and understand about dementia;
- Living well: lifts mood, brightens me up, cheers me up;
- Variety of support: good choice of activities;
- Peer Support: helping each other through this, a lifeline, lost without it;
- Respite: carers talked about gaining a sense of freedom, time to themselves.

In addition to the extensive support and services we continue to provide across Scotland, we started two new Community Connections services; one in South Highland, funded by NHS Highland, and one in Dumfries & Galloway where there had previously been a satellite day care service.

Community support

We had 7,520 enquiries over the year (an increase of 870 on the previous year) with the majority of enquiries received from carers (4,811) mainly relating to accessing information and services, the carer role, carer stress, emotional support, and coping with stress and distress, and 248 directly from people living with dementia and the remaining enquiries coming from other stakeholders including Health and Social Care Professionals (817) and other voluntary organisations (457). Over the year, 3420 face-to-face supports took place, 9107 supportive telephone calls were made and 4,043 individuals attended in-person activity groups either in our resource centres or in the community. Highlights included our Outdoor Dementia Resource Centre, which spread its reach with 'Tipi on Tour' days around the Highlands often in care home gardens or other rural woodland areas, and the purchase of the new Perth Brain Health & Dementia Resource Centre with refurbishment on track to be able to open its doors in April 2023. Other launches included the refurbishment of our centres in Edinburgh and Glasgow (Oxford Street) into Brain Health & Dementia Resource Centres, and the official launch of the new Alloa Brain Health & Dementia Resource Centre.

6.2 Dementia Nurse Consultant and Post Diagnostic Support

Over this year additional funding was received to grow our post diagnostic support (PDS) service, with now over 100 Post Diagnostic Support Link Workers providing a minimum of one years' post diagnostic support to over 8,000 people across 10 geographical NHS health board areas and 20 health and social care partnerships.

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA
(a company limited by guarantee and not having share capital)

For the year ended 31 March 2023

We know a substantial number of people have not benefited fully from all the 5 Pillars of PDS during the pandemic, therefore offered an extended period of support beyond one year particularly in the Community Connection and Peer Support areas; key pillars which help build a better resilience, helps avoid crisis and the need for formal health and social care services.

Alzheimer Scotland have a strong collaborative partnership with the National Education for Scotland and together reviewed the “Promoting Excellence in Supporting People Through a Dementia Diagnosis” training and facilitators toolkit.

This year we have developed high quality reporting and evaluation tools to evidence the value and quality of our post diagnostic support and strengthen our partnerships with health and social care partnerships with the aim of retaining existing and securing further funding. Some examples are:

- The Quality Improvement Framework developed by Alzheimer Scotland and Healthcare Improvement Scotland. The aim of the framework is to improve the quality of post diagnostic support for people and their carers in Scotland, reduce variation in how services are delivered and improve the experience of staff by ensuring they feel skilled and effective and are supported in their role.
- The Single Quality Questionnaire, initially designed to provide important information about how helpful post diagnostic support has been, has been provided at six months and on completion of post diagnostic support to people living with dementia, their families and carers with findings shared with the health and social care partnership report and post diagnostic support leads use it as a quality assurance tool.

A review of the Anticipatory Care Plans by Scottish Government led to our Post Diagnostic Support Link Workers in the Edinburgh Health and Social Care Partnership to carry out a “test of change” using the Personal Outcome Plans for people with dementia and their carers. The Plans are now uploaded on to the Key Information System (KIS) following agreements and permissions from the people with dementia and their carers allowing timely interventions as necessary. The KIS is accessed by GP, NHS24, Acute General Hospitals and Scottish Ambulance Service, further enhancing the support across partnerships.

6.3 Policy & Research Directorate

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. We identified a potential route to address the unfairness of people with advanced dementia paying for care for the health and nursing care needs that arise in advanced illness. Until 2015, that route relates to what was known as NHS Continuing Health Care.

Prior to 2015, people who had continuing, or complex health or nursing care needs could have their care and accommodation funded by the NHS in care homes if they met the qualifying criteria for NHS Continuing Healthcare. Since the introduction of “Hospital Based Complex Clinical Care” guidance in May 2015, this is no longer possible, and what was formerly known as NHS Continuing Healthcare in Scotland, is based on one question of entitlement set out in the 2015 guidance. That is “can this individual’s care needs be properly met in any setting other than a hospital?” We believe that the “Hospital Based Complex Clinical Care” guidance of 2015 is flawed.

We sought a senior counsel legal opinion on this which confirms our view that the guidance fails to meet the statutory responsibility on the NHS in Scotland to provide a process for people who have complex healthcare needs in settings other than hospital assessed as set out in the NHS (Scotland)

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA
(a company limited by guarantee and not having share capital)

For the year ended 31 March 2023

Act 2023. We wrote to the then Cabinet Secretary for Mental Health and Wellbeing and provided a summary of that legal advice. We have persistently sought a response to that letter. The Scottish Government have agreed to a meeting for us and our legal advisers to meet the Scottish Government legal team and relevant officials to discuss the legal issues we have raised.

The Scottish Government held a national consultation process to inform the development of Scotland's fourth national dementia strategy which is scheduled to be launched in the spring of 2023. Alzheimer Scotland facilitated a programme of thirty public engagement sessions, to gather the views of 127 people with dementia, 171 carers across Scotland. This included hearing the views of people with dementia and carers who attend and participate in the broad range of existing activities and groups facilitated by our frontline staff in communities across Scotland. The design of the Scottish Government's consultation did not provide an opportunity for organisational responses, therefore we took time to analyse the progress of the commitments made in each of the three previous national dementia strategies and produced a report for the Scottish Government. From prevention to advanced illness, and including research and workforce development, this detailed report sets out some 35 clear recommendations to Scottish Government for delivering those previous ministerial commitments and other key areas of priority.

We established a partnership with Childhood Dementia Initiative, an Australian organisation, who are leading the way in seeking to transform research, care and quality of life for children with dementia. Childhood dementia results from progressive brain damage caused by over 70 genetic conditions. Individually these conditions are not only rare but are often considered as discrete conditions. Because of this, childhood dementia is simply not recognised or understood, either by families or by clinicians. Consequently, childhood dementia has received little recognition or attention.

The impact of childhood dementia is devastating. It is a terminal illness which causes severe physical, neurological, and psychological changes. Three out of four children with childhood dementia die before reaching the age of 18. Over 48,000 children die each year, similar to the numbers who die with childhood cancers. In Scotland, an estimated 480 children and families are living with childhood dementia. That is similar to the numbers of people in Scotland with other conditions such as motor neurone disease.

This is Childhood Dementia Initiative's first international partnership and we are delighted to be taking this critical work forward.

We have established a Scottish Dementia Ukraine Partnership, which will bring together some basic information packs, advice and support for Ukraine policy makers and families still in the country and we will reach out to families who have people living with dementia here in Scotland. We have made significant progress in establishing a strong relationship with the Scottish Refugee Council and links with local integration teams. Through our engagement with this work, we have learned that there are approximately 7,000 Ukrainian people in Scotland because of the war.

The learning from this work has been substantial and we are developing a better knowledge base, partnerships with relevant agencies to extend this work to refugees from any country experiencing conflict or other crisis.

Scotland's long term care provision relies mostly on large scale care homes. There are few other options available to people with dementia as their needs progress and few people have any real choice as to how their long term care needs are met. That lack of choice means that as a person's needs increase the only option available to them is a care home. This is rarely a choice made freely but one driven by crisis and often decisions taken by multidisciplinary health and social care teams. Our care home estate has never been strategically planned or commissioned but has been market

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA
(a company limited by guarantee and not having share capital)
For the year ended 31 March 2023

driven and has become the default provision for long term care. Local communities have never had any say in the type of long term care options they would like to meet their changing needs as they go through life. We also know that people with dementia living in Scotland's care homes were disproportionately directly and indirectly harmed by the Covid-19 pandemic.

To take forward this critical work, we established a Commission to examine the long term care provision in Scotland, led by former First Minister Henry McLeish. The Commission will make recommendations for alternative models of long term care which provide real choice for those with dementia who have longer term needs. The Commission aims to complete its work and report in spring 2024.

6.4 Communications and Campaigns

Over 300 attendees joined us at the Edinburgh International Conference Centre (EICC) on 5 September for our 2022 conference – our first in-person conference since 2019. With the theme of 'Prevent, Care, Cure', the day was an opportunity to hear from people with lived experience, Alzheimer Scotland staff, researchers, academics, and health and social care professionals. Each session was opened by members of the Scottish Dementia Working Group (SDWG) and the National Dementia Carers Action Network (NDCAN). There were also opportunities throughout the day for networking and therapeutic sessions.

Our Dementia in Scotland magazine continues to be one of the main opportunities to communicate with our members and supporters with two editions produced this year, each being sent to over 5,000 people. The summer 2022 edition featured an article on Dementia Awareness Week with a 'Tea & Blether' cover, and the winter edition featured our winter campaign story with the Every Voice Community Choir and SDWG member Tony Worthington.

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. The theme of this year's DAW was 'Prevent, Care, Cure' and we had dedicated content on our website for each of the theme 'sections'. This content included case studies, blogs and videos and attracted over 15,000 views on the website. A DAW e-news special went out to over 21,000 recipients on 30 May 2022 and featured the Chief Executive message, the Tea & Blether campaign, the opening of the Alloa Brain Health & Dementia Resource Centre and the just published summer Dementia in Scotland Magazine. There were over 9,000 unique opens and over 14,000 overall opens.

On our social channels (Twitter, Facebook, Instagram and LinkedIn) there was a total of 89 posts throughout the week targeted at specific audiences with a total reach of over 92,000 people.

We received some pro bono work from a design agency, who also secured free billboard space in prime locations around the central belt for World Alzheimer's Day. These included the steps at Waverley Station and Murrayfield Stadium. To coincide, we ran a complementary 'Your brain is amazing' social media campaign from 21 to 28 September. The campaign was a big success, receiving lots of engagement on our social channels.

We continued to use our intranet 'ALIS,' to feature news stories from across the organisation. Our Chief Executive continued to host all-staff Microsoft Teams calls on a fortnightly basis. A variety of staff members provided updates on departmental or locality work, and on occasion presentations from external stakeholders.

We issued monthly enews bulletins, distributed to around 21,500 recipients on average. There has been an average and healthy open rate of 43.9%. We also sent out an enews survey to gauge how well the enews was being received. We received an average 4.30 star rating out of 5 stars.

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA
(a company limited by guarantee and not having share capital)
For the year ended 31 March 2023

Our first Annual Review since the pandemic was launched in November 2022 at the Annual General Meeting. In the review, we looked at some of the innovative and inspiring work done over the last 12-month period, as well as reflecting on what we did as an organisation to maintain our support for people with dementia, their families and carers during the challenging times of the pandemic.

Another good growth year for Instagram and LinkedIn with 14% (4,287 followers) and 14% (4,009 followers) respectively, and a good year for our Facebook page breaking the 30,000 followers barrier (5% growth). It was a slower year for Twitter, but we still managed a growth of 2.5% (24,555 followers).

6.5 Brain Health Scotland

During 2022-2023 our primary focus was identifying potential demonstrator sites to pilot the creation of a local brain health clinical service and we are now at an advanced stage of planning this service with a 'soft opening' in June/July 2023 and an official opening in Autumn 2023. This enterprising initiative aims to allow all individuals accessing the Brain Health & Dementia Resource Centre in Aberdeen to be assessed against modifiable risk factors and provided with a personalised action plan for brain health.

We were delighted to welcome Dr Catherine Pennington (Consultant Neurologist) from NHS Forth Valley as National Clinical Advisor who is providing expert and ongoing clinical advice to the development of Brain Health Clinical Services across Scotland.

Our core online self-assessment tool - My Brain Health Plan – was launched this year. The tool guides users through a series of short questions about different areas of their life to generate a personalised Brain Health Plan and was accessed over 21,000 times over the year.

Our flagship education initiative – My Amazing Brain Primary Schools Programme – launched in October 2022 to engage children and help them explore how to keep their brain healthy. Since the launch, 230 schools and 10,500 children have used these free resources.

To progress our adult learning offer, we launched a new Sports and Exercise for Brain Health MOOC (massive open online course) in April 2022. The course was developed in direct response to calls from the sporting community looking for evidence-based information to support brain health at all stages of life. Since launching the course has been taken by over 2,800 learners. Combined, our two online courses have now been taken by more than 7,000 learners from over 150 countries.

With the support of our expert Sports Advisory Panel, we also launched a new education campaign for sports fans across Scotland. The SPORT in Mind campaign was developed with the support of medical teams from Scottish FA, Scottish Rugby, Sport Scotland and Alzheimer Scotland ambassadors Mark Hateley and Professor Willie Stewart.

For staff, we launched a new Introduction to Brain Health online training module available to all Alzheimer Scotland staff to support the incorporation of brain health messaging throughout the charity's activities and the Confident Conversations in Research training programme in November 2022.

We hosted the Inaugural Brain Health conference in Edinburgh in June 2022. Bringing together academics, researchers, and healthcare professionals working in brain health services across the UK to share best practice and the latest clinical developments for brain health.

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA
(a company limited by guarantee and not having share capital)
For the year ended 31 March 2023

6.6 People, Wellbeing & Facilities

The past 12 months has continued to be influenced by the people and HR priorities presented by the post pandemic environment as services returned nearer to normality and we began to re-establish our approach to support our people, their development and a key focus on wellbeing. The Human Resources Team have continued to work closely with the Charity's Wellbeing and Employee Assistance Programme (EAP), PamAssist, to further progress and extend the commitment to, awareness and support of employee wellbeing. The PamAssist 'Health & Wellbeing App' has been launched and is available to all colleagues. The App provides a broad range of wellbeing support information, material and tools such as access to an online live chat access with a trained counsellor, healthy living advice, recipes and exercise videos, financial wellbeing advice all of which are available 365 days a year. The Health & Wellbeing App augments the broad range of confidential counselling, information and support that is, and will continue to be available through the existing partnership with PamAssist.

The Wellbeing and Mental Health Buddies have also been regrouped and about to be relaunched with further recruitment of additional Buddies and updated training.

In addition, our commitment to financial wellbeing of our colleagues has led to a number of additional benefits including access to the 'Blue Light Card' scheme, which is available exclusively to NHS, Health and Social Care employees and provides members access to significant discounts on thousands of online and high street participant retailers. Feedback has been extremely positive around this new addition to our staff benefits offering.

We have also launched a new partnership with Capital Credit Union as one of the country's largest and most innovative credit unions, operating on a not-for-profit and member owned basis with a broad range of support and financial support products ranging from small loans to mortgages and a process for direct payroll saving. The values and commitment of both organisations to financial wellbeing and sensible, ethical financial support at this particularly difficult time make an ideal partnership.

We are delighted to have launched our new employee engagement body – the refreshed Colleague Voice Forum (formally Staff Engagement Group). The Colleague Voice Forum will be a crucial mechanism for strengthening our commitment to Fair Work and, in particular, the dimension of 'Effective Voice', and is a key commitment within the Strategic Plan. Following a successful internal campaign to invite interest in becoming a member of the new Forum, a high level of interest has been received from around 20 participants reflecting a wide range of job roles and geographic locations. This will help ensure the Forum has as broad a reach and representation. The Forum will meet a minimum of four times a year with online and in-person options to encourage and support as broad a participation as possible.

An update to the Human Resource IT system (iTrent) has been successfully implemented giving a refreshed view and much improved functionality which has been welcomed by users. A number of internal improvements have been made to the system including an automated recruitment authorisation process that ensures greater scrutiny of all vacancies prior to advertising and streamlines the process and timescale for requesting and approving recruitment and a recruitment advert going live.

Our continued commitment to developing People as part of our wider approach to managing the post pandemic transition within the workplace and our commitment to Fair Work have continued to have a focus with a refreshing of our approach to induction, learning and development opportunities 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. Key to that

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA
(a company limited by guarantee and not having share capital)

For the year ended 31 March 2023

has been the successful implementation of the Skills Development HUB – our new online learning management system which offers a comprehensive, user friendly and seamless eLearning provision that maintains learning and development record within one accessible record on the main HR System, iTrent. All colleagues have their own individual learning plan that aligns with their job role and have been advised of the timescale for completing mandatory training. In addition to their individual learning plans, colleagues also have access to the course catalogues where they will be able to view, select and enrol onto additional courses.

We continue to direct our staff to Promoting Excellence resources that are available on NHS Education for Scotland website (TURAS). Links to the informed level have been embedded into everyone's learning plan and additional links to Skilled and Enhanced modules/ learning resources have been created. We have worked in partnership with our colleagues from Brain Health Scotland and the Neuroprogressive and Dementia Research Network to deliver the training programme – 'Confident Conversations about Research' with initial focus directed at our Dementia Advisors and PDS Link Workers. These sessions have been very well attended and to date we have trained approximately 200 colleagues to enable individuals to be confident in having important conversations about participation in dementia research.

The IT team have undertaken a review of the layers of security that protect the Charity's data and IT systems from breaches and cyber-attack. This was broken down into eight categories:

- Physical security
- Devices
- Access permissions
- Policy, Procedures and Awareness
- Applications
- Data
- Threat Intelligence
- Recovery

For each layer all the protections that the Charity already had in place were considered alongside the specific type of cyber-attack or breach they protect against. During this process many of the existing protections were tested to ensure they were configured correctly and working as they should. The process allowed us to identify any gaps and see where improvements could be made. After researching the latest IT security tools and recommended policy and procedures from the National Cyber Security Centre the IT team worked through a program of improvement which included:

- Implementing a new service to automate security patching for Windows and third party software;
- Introducing a Password Management software for colleagues who may be targeted by spear phishing;
- Updating Information Security training and making this mandatory for all colleagues;
- Developing a Cyber Incident Response Plan and practicing our response to specific threats;
- Members of the IT team began funded apprenticeships in IT and Cyber Security;
- Upgrading our Endpoint Protection/Antivirus Software to give more protection from ransomware threats;
- Upgrading our firewalls to better protect our network from Distributed Denial of Service threats;
- Implementing several email securities tools to prevent accidental data breaches, block phishing emails and warn colleagues of suspicious emails;
- Updating our password policy for more secure passwords and rolling out Multi-Factor Authentication to all colleagues and performing regular internal phishing tests to raise awareness of this threat and improve awareness training.

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA
(a company limited by guarantee and not having share capital)

For the year ended 31 March 2023

Through these measures significant attention and resource has been given to ensure data is kept as safe and secure as possible. The IT team will continue to review, practice, and improve our layers of IT security and will focus on migrating files to SharePoint online over the next 6 months. This improves secure access to documents and gives greater prevention for data loss.

As our locality services, dementia resource centres and other building assets return to full use following the lifting of pandemic restrictions, there has been significant input to ensuring all buildings and premises are safe, compliant and fit for purpose. A number of new and reprovisioned premises have come on stream over the year and other property improvements and upgrades, including:

- Works completed in June 2022 to reprovision the premises at 160 Dundee Street, Edinburgh with the creation of a new dedicated Brain Health Hub and Dementia Resource Centre siting alongside the office provision at the same location.
- The refit and reprovision of the Oxford Street, Glasgow completed in October 2022, with works consisting of a full refit and transformation of the ground floor space to into a modern vibrant area for users of the building, visitors and colleagues.
- Purchase and refit of a new resource centre in Perth city centre completed with a handover date to locality staff on 31 January. The building is an excellent facility with a vibrant and modern feel and feedback from everyone has been extremely positive.
- Securing a 7-year lease at Badaguish outdoor activity centre near Aviemore, for a specialist outdoor dementia resource centre and facility.
- Upgraded signage across our stock including Aberdeen, Inverclyde, Tain, Inverness, and Kilmarnock, Motherwell and Greenock.

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 post pandemic environment and continue to return to normal levels of activity. The Health, Safety & Wellbeing Lead continues to work closely with the senior team, Localities and HR colleagues to ensure all our offices and local services remain as safe as possible for employees, volunteers, and those accessing Alzheimer Scotland's services.

The consequences of new ways of working has prompted a review of our lone working procedures and the existing control measures in place. After a period of consultation and a successful trial, a new Lone Working App – Orbis – has been rolled out across the Charity, with all higher risk lone workers having access to this as part of the risk assessment process.

After the challenges of recent years, there has been a return to 'business as usual' with a more hands on approach to service visits and health & safety audits in the past year. A programme of audits has commenced, and action plans created to ensure continuous improvement in relation to the understanding and implementation of key health and safety procedures.

Health & Safety training is ongoing via the new Skills Development HUB and through external providers for mandatory in-person training.

The work undertaken by the Sustainability Working Group and the collaboration between Health & Safety and Property Teams has continued to grow. We have implemented changes in relation to efficiency measures, our impact on the environment with regards to our fundraising and promotional materials and our internal communication with colleagues.

We are currently engaging with an external consultant partner, Boxfish, on the details of the Charity's proposed Net Zero Plan. This will provide the milestones and targets on which we require to progress our commitments in achieving net zero in line with the Government's target of 2045.

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA
(a company limited by guarantee and not having share capital)
For the year ended 31 March 2023

The Energy Saving Opportunity Scheme (ESOS) is a mandatory energy assessment scheme for organisations in the UK that meet the qualification criteria. Work continues on the next phase to be completed by December 2023. Energy audits across 5 sites have been completed to determine any areas for improvement. From the audits there are several improvements that will be carried out and work in this area will also crossover with our aspirations of working towards net zero.

6.7 Stakeholder Engagement

Despite concerns around external economic factors, this was a strong year for fundraised income and legacies, finishing on £8,761,852 in 2022/23. This is a 70% lift overall on 2021/22 (£5,153,956) and a 16% lift excluding legacies.

Our individual supporters were the stars of the show this year. As restrictions fully eased, our dedicated fundraisers were able to get back out into their communities and take on some incredible challenges and to all of them we are truly grateful.

Tea & Blether was reignited to form our Dementia Awareness Week fundraiser this year and the coffee morning style fundraiser raised £18,500 from 144 individuals and groups taking part. Nearly half of the participants were new supporters and is an accessible fundraiser to stand out from our other more physical initiatives.

Third-party events grew this year, with many deferred entrants from events cancelled due to COVID finally being able to take part. Over 1,000 participants took part in events from the London Marathon, Edinburgh Marathon Festival and Kiltwalks raising over £600,000.

Whilst in-person events were back in full swing, the decision was made to keep Memory Walk in its 'Your Walk, Your Way' format. Whilst there was a decline in the overall income raised compared to previous years, the campaign raised £86,145.35 with 65% of participants being new supporters showing Memory Walk is still a strong initiative to welcome new audiences.

Challenges remain in the corporate fundraising environment - with many corporate staff still working from home, traditional fundraising methods need to adapt. We were unsuccessful in the bid for Barclays Charity of the Year, however we received a donation for being a part of the process. Other Charity of the Year applications have been submitted, including Scotmid, and we aim to prioritise new business support this coming year. We were chosen as charity partner by Gillespie MacAndrew and received a donation for the first year of the partnership, which will last three years. A donation from Peak Scientific was received just before Christmas and this is the third year which we have received a donation of this level from the company. Brodies continue to support our initiatives and donated to support the Time for You Winter Fund.

Trusts were able to secure several multiyear funding bids despite currently navigating a difficult landscape. As a result of COVID many funders are focussing solely on smaller grassroots organisations and therefore our eligibility to apply for trust and grants is diminishing. We were awarded £126,277 from The National Lottery Community Fund for which will fund a Community Activities Organiser over three years in the new Perth Brain Health & Dementia Resource Centre, and £23,000 from The Shetland Trust for 22/23 and 23/24

Legacies were significantly high this year, bringing in £5,320,218. Legacy income across the sector is up on last year, however the lift we have experienced is much higher than average. Due to the nature of legacy giving it is unclear as to why this income stream has grown significantly over the past year however it can be mostly attributed to a small number of larger scale gifts.

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA
(a company limited by guarantee and not having share capital)

For the year ended 31 March 2023

The Stakeholder Engagement team continue to build up non-income generational activity. To ensure stakeholders know the impact of their support we now send out our Impact Piece every quarter. This goes out to 5.5k supporters with no monetary ask so we can continue to engage with our supporters, acknowledge their support and inspire them to continue to support us.

Along with the Communications team we held our annual conference at the EICC in Edinburgh and other events included the launches of our new Brain Health & Dementia Resource Centres in Alloa, Edinburgh and Glasgow where we had the opportunity to showcase our services to stakeholders and people we support. Dementia Friends sessions continue to be rolled out across the country alongside a specialised Dementia Friends Schools programme.

6.8 Innovations & Development

The range of innovations in development over this year has broadened to include areas of research and carer support in addition to continuing both an internal and external focus on our digital offering for families and Alzheimer Scotland staff across Scotland.

A one-off grant from the Scottish Government enabled us to set up a new national 'Time for You' Carers Fund, allowing us to support over 1,000 unpaid carers of a person with dementia, offering flexible support in whatever way was meaningful for each applicant. In response to the cost of living crisis, this evolved into an additional 'Winter Essentials' Fund, which ran from November to February, to offer a helping hand to 1,100 families struggling to keep warm.

Alongside an increasingly digitised world, through our Dementia Circle initiative, we continue to keep families at the heart of testing and reviewing consumer technology, including our own digital offerings such as ADAM and the Virtual Resource Centre where the feedback of people with lived experience remains a fundamental part of each platform's integrity and usability for the families we support.

Dementia Circle also plays a vital role in areas of new development, such as Virtual Reality which is a new area of focus to translate from a fun experience to one that is transformative and highly therapeutic. Already some of our Dementia Circle 'testers' are reporting of its therapeutic value for helping self-manage their condition.

As a part of our Purple Alert and missing people work, an Edinburgh-based pilot called 'Return Discussions' was undertaken in partnership with Police Scotland. A 'return discussion' is a conversation that occurs with the family once the person with dementia has safely returned home. Usually undertaken by a police officer, the pilot instead trialed the return discussion being delivered by an Alzheimer Scotland member of staff who have the appropriate skills and dementia knowledge. The pilot demonstrated that this approach was very effective and welcomed by families, connecting them into longer term local dementia support, including technology devices from our Digital Dementia Advisor (DDA) that could help prevent a person going missing again. The data also demonstrates how this approach helps reduce repeat missing incidents, with a decrease of 37.5% for the top 5 repeat missing people from the same time period last year. This work pinpoints the powerful impact and added value a return discussion brings for a family during what is often a very traumatic time for those affected. There are now two DDA roles which cover Edinburgh and Glasgow areas, providing technology advice to help keep more than 220 people with dementia independent and socially connected.

During November, Alzheimer Scotland also launched a new multi-year research program which will fund a series of studentships in dementia and brain health. Run in collaboration with the Scottish Dementia Research Consortium (SDRC), the studentships will align with the five research themes identified in SDRC's Scottish Brain Health and Dementia Research Strategy. At the heart of

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA
(a company limited by guarantee and not having share capital)
For the year ended 31 March 2023

influencing what is funded will be the voice of people with lived experience. An independent selection panel includes representatives from the Scottish Dementia Working Group (SDWG) and National Dementia Carers Action Network (NDCAN). The panel will play a lead role in selecting research themes and interviewing shortlisted candidates.

Alongside the resuming of full services, the Dementia Dog project continues to thrive with a 3-year funding boost from Pets at Home Foundation awarded to our charity partner, Dogs for Good. This funding has enabled recruitment of a second Community Dog handler and trained Community Dog in Scotland, with the team working with Alzheimer Scotland staff on the ground to deliver animal assisted therapy sessions and re-commence the training of our next generation of assistance dogs to bring life changing benefits for families we support.

7. Financial review

We ended the financial year with a surplus of £3,698,647 (2021/22 surplus £1,535,338).

The Statement of Financial Activities shows that total annual income of £19,065,502 was up by 32.7% (£14,373,222 – 2021/22), and total expenditure of £15,225,941 was up by 18.2% (£12,884,680 – 2021/22). Net loss on investments is £140,914 (gain of £46,796 – 2021/22). This gives us the net surplus of £3,698,647 (surplus of £1,535,338 – 2021/22).

Tangible assets increased by 8.7% from £6,585,859 to £7,162,018, Details of fixed assets are shown in Note 13 to the financial statements.

The Group (being the charitable company, namely Alzheimer Scotland – Action on Dementia and our trading subsidiary, Dementia Scotland Limited) has free reserves of £8,472,014 (£6,987,175 – 2021/22).

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 £3.5 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 £3,721,594 (£2,032,781 – 2021/22). This includes restricted income funds of £756,685, the restricted legacy reserve of £1,825,945 and the restricted research reserve of £1,138,964. 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 £105,406 (£104,213 – 2021/22) 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.

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA
(a company limited by guarantee and not having share capital)
For the year ended 31 March 2023

Total funds are now £21,731,364 (£18,032,717 – 2021/22) (20.5% increase on 2021/22), £12,300,669 of which are net current assets. The proportion of total reserves that is unrestricted is 82.4% (88.1% 2021/22).

The principal funding sources for Alzheimer Scotland are Local Authorities (33%), NHS Boards (11%), Scottish Government and specific grants (7%), fundraising, trusts and donations (18%), legacies (28%) and project and consultancy income (2%).

Most of the organisation's charitable expenditure is spent on care related services at 90.68%. The other 9.32% is split as follows: fundraising 1.92%, campaigning 1.34%, research 0.98%, involvement 2.83% and awareness raising 2.25%. Support costs included in the above is 7.38% of total expenditure and includes governance of 0.26%.

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 £2,268,677 (£2,345,589 – 2021/22).

The investment income of £203,180 (£74,976– 2021/22) comprises bank interest of £139,179 and £64,002 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

We are delighted with the success of our new Strategic Plan and the Prevent, Care and Cure themes that we introduced last year, we intend to continue to build on these themes across this year and deliver on our core strategic objectives. In addition, we also plan to increase the use of local centres in our goal towards greater prevention. Building on the current levels of support for people living with a diagnosis of dementia we will develop new initiatives and support programmes for people prior to diagnosis, including people who might have an identified diagnosis of mild cognitive impairment or who are interested in looking after their brain health. We will also use our centres to extend our brain health support, research promotion and engagement and build further links with ongoing work in schools and relevant communities such as the sports community. We will refresh public message about our work in our centres and across all of our frontline support, the programmes we deliver and the levels of investments we make.

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA
(a company limited by guarantee and not having share capital)
For the year ended 31 March 2023

We will use this approach to encourage a greater public engagement and use of our centres and we will aim to create a very welcoming and open culture for people in communities to use our centres in a similar way to people living with cancer would use a Maggie's Centre. In order to lead this work, we will develop a new dedicated Centre Manager role. This will initially be tested in our centres that do not have any registered day services or commissioned projects.

This year will also see the launch of the first NHS Brain Health Clinic in NHS Grampian based in our local centre in Aberdeen. Our Brain Health and local teams have been making excellent progress working in partnership with NHS Public Health colleagues to set this clinic up and it will form the blueprint for future NHS Brain Health Clinics. This is timely and fits well with our plans to increase research participation and support Scotland's level of preparedness to pilot and test some of the new drug compounds that are beginning to be licensed. Clinics of this nature will be ideally placed to support new drug trials and studies alongside increasing the use of the innovations in prodromal diagnostic procedures that we have been supporting as part of our work with the Davos Alzheimer Collaborative.

In order to further improve our care offering we will introduce a new National Dementia Advisory Service. This is based on our findings that many people who need our help need it quickly and are often under excessive time pressures as carers. We also believe that the public expectation of gaining quick access to information and support has changed and is much more focused on online. This new service will merge our existing Action on Rights Team with a team of Dementia Advisors and will provide an immediate and direct in-person response to anyone calling us for support or information. The team will also provide a direct in-person offering to anyone searching our website, e-mailing or looking to contact us via other online methods. As well as providing direct information, support and advice the team will continue to provide advocacy support for those individuals who need this type of help to navigate the vagaries and complexities of our health and social care system. Within this national support we will bring together the main components of our individual safeguarding projects in order to create an overarching safeguarding scheme. We will work closely with Police Scotland to develop this and it will include; Missing Persons Return Discussions, Purple Alert, Dementia Safeguarding Tag and Herbert Protocols.

These new initiatives will complement the core front line services that we are commissioned to provide. We will continue to drive forward our high-quality post diagnostic services, having reached over 110 Link Workers our new leadership structure and national line management approach will continue to deliver excellence in terms of clinical support, governance and practice supervision. The leadership and focus of our registered day services and commissioned community projects will be reshaped in a similar way to our post diagnostic service in order to continue to grow and deliver the best possible quality of day services and projects.

Following on from our bid to the Scottish Government to set up the Time for You Fund, we provided and funded an in-house version of this, which has proven to be overwhelmingly successful, and we will continue to develop innovative methods of supporting carers have the opportunity of a short break and respite.

We will continue to provide an innovative digital service for people with dementia and their families, at the heart of this our ADAM (About Digital and Me) programme alongside our Dementia Circle testing partners will provide high quality information and support on useable and helpful digital products. Our Virtual Resource Centre will provide a twenty-four hour access point for all forms of support and information and we will take forward a major new Virtual Reality Reminiscence Project with our partners at Scottish Football Museum.

In terms of supporting our work towards a cure, we will continue to fund the Alzheimer Scotland Brain Tissue Bank at Edinburgh University, the Alzheimer Scotland Centre for Policy and Practice,

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA
(a company limited by guarantee and not having share capital)
For the year ended 31 March 2023

the Scottish Dementia Research Consortium and the Scottish support for Join Dementia Research (JDR). Alongside this we will see the development of our new research programme, which has been driven by people with lived experience and will provide funding for several MRes Studentships in the coming years. To complement this work, we will build on our Confident Conversations About Research training, and having trained around 150 frontline staff in this way we will ensure that anyone receiving support from us will have the chance to hear about research opportunities and how to register.

Underpinning all this work, we will continue to deliver the best possible communications and campaigns across the year, incorporating our work in Dementia Awareness Week, our Annual Conference and ongoing engagement with our membership. We will also continue our Fair Dementia Care Campaign and new Long Term Care Commission. We will ensure that our work is driven by our Active Voice Groups and that personal experience is at the heart of all we do. We will continue to ensure that we deliver the best possible quality of work and volunteering experience for everyone employed or volunteering in the charity and this will be driven by embedding the Fair Work Framework into all of our policies and commitments.

In order to sustain all that we fund and provide, we will continue to build ongoing support and relationships with all of our supporters, be it national corporate companies or individual donors and through our Stakeholder and Engagement Team we will ensure everyone feels connected to and part of the charity's mission.

9. Going concern

In March 2023 the Executive Team presented a budget to the Board highlighting a deficit of £1,201,045 for 2023/24. In order to assess the level of headroom in the liquidity, we performed stress testing analysis on the forecasts until 2024/25. 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 63% of 2023 and the second would require total income for 2024 to be at 49% of income for 2023. However, we did not reduce the expenditure in line with any reducing income in this testing, we would for instance not continue to invest in new property in year 2024/25 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 2026, taking into account the levels of investments, reserves and cash, and the systems of financial control and risk management. As a result of this, the Directors believe that we are well placed to manage financial and operational risks successfully.

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

10. Statement of Directors' responsibilities

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

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

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA
(a company limited by guarantee and not having share capital)
For the year ended 31 March 2023

financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and the Group and of the incoming resources and application of resources, including the income and expenditure, of the Charitable Company and the Group for that period.

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

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

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

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

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

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

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

By order of the Board of Directors


.....
Convener and Director
David McClements,
Edinburgh

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA
(a company limited by guarantee and not having share capital)
For the year ended 31 March 2023

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 2023 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 2023 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the consolidated cash flow statement 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.

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA
(a company limited by guarantee and not having share capital)
For the year ended 31 March 2023

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.

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA
(a company limited by guarantee and not having share capital)
For the year ended 31 March 2023

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:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and the sector in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations;

we considered the significant laws and regulations to be the applicable accounting framework (UK GAAP and the Charities SORP) and the Companies Act.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory authorities (including OSCR) for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Review of legal expenditure accounts to understand the nature of expenditure incurred; and
- Review of confirmations received from the entity's solicitor.

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA
(a company limited by guarantee and not having share capital)
For the year ended 31 March 2023

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override of controls, misappropriation of cash donations and inappropriate use of restricted funds.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Assessing design and implementation of controls around counting and recording of cash donations
- Testing a sample of donation income to correspondence/other supporting documentation and cash receipt.
- Testing a sample of grant and contract income to supporting documentation which was reviewed for evidence of restrictions. Where restrictions were identified, testing included verifying that the funds had been used appropriately.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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.

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA
(a company limited by guarantee and not having share capital)
For the year ended 31 March 2023

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

B6F16A8EF9FD4ED...

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

06 September 2023

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

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA
(a company limited by guarantee and not having share capital)

For the year ended 31 March 2023

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

For the year ended 31 March 2023

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2023 Total £	2022 Total £
Income and endowments from						
Donations and legacies	4	7,419,238	1,342,614	0	8,761,852	5,153,956
Other trading activities	5	89,785	0	0	89,785	87,769
Income from charitable activities	6	137,532	9,860,748	0	9,998,280	8,982,461
Income from investments		169,641	32,346	1,193	203,180	74,976
Other (gain on disposal of tangible assets)		12,405	0	0	12,405	74,060
Total income		7,828,601	11,235,708	1,193	19,065,502	14,373,222
Expenditure on						
Raising funds	7	(282,045)	0	0	(282,045)	(222,430)
Charitable activities	8	(5,151,400)	(9,792,496)	0	(14,943,896)	(12,662,250)
Total expenditure		(5,433,445)	(9,792,496)	0	(15,225,941)	(12,884,680)
Net (loss)/gains on investments		(140,914)	0	0	(140,914)	46,796
Net income/(expenditure)		2,254,242	1,443,212	1,193	3,698,647	1,535,338
Transfers between funds	20,22	(245,601)	245,601	0	0	0
Net movement in funds		2,008,641	1,688,813	1,193	3,698,647	1,535,338
Reconciliation of funds						
Total funds brought forward		15,895,723	2,032,781	104,213	18,032,717	16,497,379
Total funds carried forward	20-23	17,904,364	3,721,594	105,406	21,731,364	18,032,717

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).

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA
(a company limited by guarantee and not having share capital)
For the year ended 31 March 2023

Consolidated and Company Balance Sheets

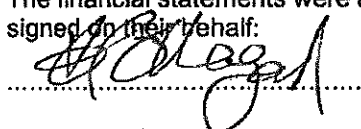
At 31 March 2023

		Group 2023	2022	Company 2023	2022
	Notes	£	£	£	£
Fixed assets					
Tangible assets	13	7,162,018	6,585,859	7,153,877	6,572,887
Investments	14	2,268,677	2,345,589	2,268,677	2,345,589
Investments in subsidiary and associate undertakings	15	0	0	1,000	1,000
Total fixed assets		9,430,695	8,931,448	9,423,554	8,919,476
Current assets					
Debtors: amounts due within one year	16	2,186,288	1,719,866	2,192,543	1,735,848
Cash at bank and in hand		12,159,314	9,510,786	12,156,801	9,503,917
Total current assets		14,345,602	11,230,652	14,349,344	11,239,765
Liabilities					
Creditors: amounts falling due within one year	17	(2,044,933)	(2,129,384)	(2,029,199)	(2,115,349)
Net current assets		12,300,669	9,101,268	12,320,145	9,124,416
Total assets less current liabilities		21,731,364	18,032,717	21,743,699	18,043,893
Funds					
Restricted income funds	20	3,721,594	2,032,781	3,721,594	2,032,781
Endowment funds	21	105,406	104,213	105,406	104,213
Total restricted funds		3,827,000	2,136,994	3,827,000	2,136,994
Unrestricted funds	22	15,404,364	15,895,723	15,416,699	15,906,899
Designated funds	22	2,500,000	0	2,500,000	0
Total unrestricted funds		17,904,364	15,895,723	17,916,699	15,906,899
Total Funds		21,731,364	18,032,717	21,743,699	18,043,893

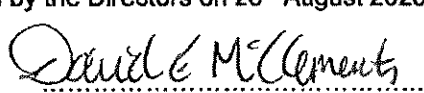
The surplus for the year of the charitable company being the parent company is £3,696,398 (2021/22 surplus £1,546,514).

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 25th August 2023 and were signed on their behalf:



Bernard O'Hagan
Treasurer and Director



David McClements
Convenor and Director

Company registration number SC149069
Charity number SC022315

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA
(a company limited by guarantee and not having share capital)

For the year ended 31 March 2023

Consolidated statement of Cash Flows

For the year ended 31 March 2023

	2023	2022
	£	£
Cash flows from operating activities		
Net income for the reporting period (as per statement of financial activities)	3,698,647	1,535,338
Depreciation charges	585,988	544,940
Decrease/(increase) in debtors	(466,422)	521,008
Increase/(decrease)/ in creditors	(88,461)	679,729
(Gains)/ losses on investments	140,914	(46,796)
Gain on disposal of fixed assets	(12,405)	(74,060)
Dividends, interest and rents from investments	(203,181)	(74,976)
Net cash provided by operating activities	3,655,080	3,085,182
Cash flows from investing activities		
Proceeds from sale of fixed assets	12,405	192,084
Purchase of fixed assets	(1,162,147)	(198,054)
Proceeds from sale of investments	22	31
Purchase of investments	(27,048)	(50,132)
Dividends and interest from investments	203,181	74,976
Increase in fixed term deposits	(2,042,651)	(710,160)
Net cash provided (used in)/by investing activities	(3,016,238)	(691,255)
Increase in cash and cash equivalents	638,842	2,393,927
Cash and cash equivalents at start of year	6,610,876	4,216,949
Cash and cash equivalents at end of year	7,249,718	6,610,876
Analysis of cash and cash equivalents		
	2023	2022
	£	£
Cash in hand – bank	5,066,752	5,160,875
Cash held by investment manager	32,966	1
Notice deposits (less than 3 months)	2,150,000	1,450,000
Total for cash flow purposes	7,249,718	6,610,876
Term deposits	4,942,562	2,899,911
Less cash held by investment manager	(32,966)	(1)
Total cash at bank and in hand	12,159,314	9,510,786

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA
(a company limited by guarantee and not having share capital)

For the year ended 31 March 2023

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 2023 the Executive Team presented a budget to the Finance Audit Committee highlighting a deficit of £1,201,045 for 2023/24. In order to assess the level of headroom in the liquidity, we performed stress testing analysis on the forecasts until 2024/25. 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 2023 and the second would require total income for 2024 to be at 49% of income for 2023. However we did not reduce the expenditure in line with any reducing income in this testing.

In general terms the 2023/24 budget highlights that our liquid reserves will drop by £651,045 and it is clear from the Balance Sheet that we have a good level of cash available to cover this estimated shortfall.

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA

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

For the year ended 31 March 2023

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 (2021-22 £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

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA

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

For the year ended 31 March 2023

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. During 2022/23, we placed funds into term deposit accounts to secure a higher rate of interest.

(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) Depreciation of tangible fixed assets

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

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

(o) Pension costs

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

(p) Value added tax

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

(q) 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.

(r) Holiday pay

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

(t) Termination benefits

Alzheimer Scotland – 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

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA

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

For the year ended 31 March 2023

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 540 has increased by 19 (2022: 521).

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA
(a company limited by guarantee and not having share capital)

For the year ended 31 March 2023

3. SOFA prior year comparison disclosure

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

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA

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

For the year ended 31 March 2023

4. Donations and legacies

	2023	2022
	£	£
Donations	3,148,215	2,755,126
Legacies	5,320,218	2,193,613
Trust grants	293,419	205,217
Total	8,761,852	5,153,956

5. Other trading activities

Other trading activities	2022	2022
	£	£
Events	0	300
Dementia Scotland including shops	89,785	87,469
Total	89,785	87,769

6. Income from charitable activities

2023	Provision of care related services	Awareness raising	Campaigning	Involvement	Total
	£	£	£	£	£
Public funding	8,718,222	200,000	47,902	562,495	9,528,619
Service user income	109,727	0	0	0	109,727
Other charitable income	268,043	91,499	0	392	359,934
Total	9,095,992	291,499	47,902	562,887	9,998,280

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

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA

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

For the year ended 31 March 2023

Public funding included the following Government grants:

	2023	2022
	£	£
Section 10 - AHP Project	383,495	200,146
Brain Health	200,000	200,000
Dementia Nurses	170,862	180,862
Section 10 - Scottish Dementia Working Group and Carers Network	167,000	167,000
Carers Funding	143,341	0
TEC - Development	140,120	270,523
Section 10 - Counselling	84,872	83,359
Section 10 - Policy Advisor/Diagnosis project	27,040	27,040
The Coronavirus Job Retention Scheme	0	300,625
Meaningful Contact	0	82,859
Section 10 - Active Voices	0	50,000
Demetia Dog	0	25,763
Community Benefit fund	0	6,659
Total	1,316,730	1,594,835

7. Raising funds

2023	Activities undertaken directly £	Support costs (Note 9) £	Total £
Fundraising costs	169,525	13,745	183,270
Trading activities	98,775	0	98,775
Total	268,300	13,745	282,045

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

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

2023	Activities undertaken directly £	Support Costs (Note 9) £	Total £
Provision of care related services	12,789,010	1,036,947	13,816,026
Awareness raising	317,043	25,706	342,749
Campaigning	189,221	15,342	204,563
Involvement	398,559	32,316	430,875
Research	149,683	0	149,683
Total	13,843,516	1,110,311	14,943,896

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA
(a company limited by guarantee and not having share capital)

For the year ended 31 March 2023

	Activities undertaken directly £	Support Costs (Note 9) £	Total £
2022			
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

Operating lease rentals of £321,503 (2022 £277,447) 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)
2023						
Support cost	£	£	£	£	£	£
Governance (note 10)	482	36,330	901	537	1,132	39,382
Management	428	32,290	800	478	1,006	35,002
Finance	3,956	298,469	7,399	4,416	9,302	323,542
IT	6,501	490,454	12,158	7,257	15,285	531,655
Human resources	2,378	179,404	4,448	2,654	5,591	194,475
Total	13,745	1,036,947	25,706	15,342	32,316	1,124,056
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

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

	2023 £	2022 £
Governance costs		
Audit fees	22,762	22,762
Non-audit fees for tax compliance	4,377	912
Directors' indemnity insurance	1,120	1,120
Directors' meetings and other costs (includes AGM costs)	11,123	827
Total	39,382	25,620

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA
(a company limited by guarantee and not having share capital)

For the year ended 31 March 2023

Within Directors' meetings and other costs, no members of the Board received travel and subsistence expenses (2022 - 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	2023	2022
	£	£
Wages and salaries	8,621,028	7,827,550
Social security costs	772,540	664,202
Pension costs	410,871	412,678
Redundancy and termination	41,325	163,930
Total	9,845,764	9,068,360
Number of employees earning between £60,000 and £70,000	0	2
Number of employees earning between £70,000 and £80,000	1	1
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	0
Number of employees earning between £110,000 and £120,000	0	1
Number of employees earning between £120,000 and £130,000	1	0
Total number of employees	395	365
Support staff	291	190
Administration staff	104	79
Average number of full time of employees as at 31st Mar 2023	395	269

12. Key Management Remuneration and Related parties

The total amount of the ten key management personnel is £763,963 (2022: Twelve personnel £753,870).

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 (2022 - £nil).

Russel + Aitken received £3,258 (2022 - £2,612) for legal advice given during the year at their standard price. David McClements, a member of Board is also a member of Russel + Aitken.

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA

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

For the year ended 31 March 2023

13. Tangible fixed assets

Group	Freehold property £	Leasehold property £	Motor vehicles £	Fixtures & Fittings £	Total £
Cost					
At beginning of the year	7,306,865	173,329	283,035	3,549,881	11,313,109
Additions	278,519	0	0	883,628	1,162,147
Disposals	0	0	(155,500)	(68,616)	(224,116)
At end of the year	7,585,384	173,329	127,535	4,364,892	12,251,140
Depreciation					
At beginning of the year	(1,579,464)	(134,331)	(260,465)	(2,752,989)	(4,727,250)
Depreciation	(150,632)	(4,333)	(11,579)	(419,444)	(585,988)
Disposals	0	0	155,500	68,616	224,116
At end of the year	(1,730,096)	(138,664)	(116,544)	(3,103,817)	(5,089,122)
Net book value at the beginning of the year	5,727,401	38,997	22,570	796,891	6,585,859
Net book value at end of the year	5,855,288	34,665	10,991	1,261,075	7,162,018

Company	Freehold property £	Leasehold property £	Motor vehicles £	Fixtures & Fittings £	Total £
Cost					
At beginning of the year	7,306,865	173,329	283,035	3,525,728	11,288,957
Additions	278,519	0	0	883,628	1,162,147
Disposals	0	0	(155,500)	(68,616)	(224,116)
At end of the year	7,585,384	173,329	127,535	4,340,740	12,226,988
Depreciation					
At beginning of the year	(1,579,474)	(134,331)	(260,465)	(2,741,800)	(4,716,070)
Depreciation	(150,632)	(4,333)	(11,579)	(414,613)	(581,157)
Disposals	0	0	155,500	68,616	224,116
At end of the year	(1,730,106)	(138,664)	(116,544)	(3,087,797)	(5,073,111)
Net book value at the beginning of the year	5,727,399	38,998	22,570	783,928	6,572,887
Net book value at end of the year	5,855,278	34,665	10,991	1,252,943	7,153,877

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA

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

For the year ended 31 March 2023

14. Investments - funds

Investments – funds (Group and Company)	2023 £	2022 £
Market value:		
At 1 April 2022	2,345,588	2,236,503
Purchase of investments at cost	31,006	62,272
Disposals at opening book value	(22)	(31)
Movement in market value	(140,804)	46,899
Management fees	(57)	(55)
	2,235,711	2,345,588
Cash held for investment	32,966	1
At 31 March 2023	2,268,677	2,345,589
Represented by:		
Listed equities	2,235,711	2,345,588
Cash held for investment purposes	32,966	1
	2,268,677	2,345,589
Fixed income	332,199	163,941
UK equities	422,346	495,089
Global equities	1,056,945	1,137,083
Property	99,001	130,620
Alternative investments	276,702	297,161
	2,178,193	2,223,894
Liquid investments	48,518	121,694
Cash	32,966	1
At 31 March 2023	2,268,677	2,345,589
Investments held at cost:		
Listed equities	1,953,454	1,922,470
Cash held for investment purposes	32,966	1
	1,986,420	1,922,471

Listed investments included in the fund are overseas investments of £1,305,655 (58.4%) (2022: £1,423,771, 60.7%).

Investments are held within Sarasin Endowment Fund Class A INC.

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

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA
(a company limited by guarantee and not having share capital)

For the year ended 31 March 2023

15. Investments – subsidiary undertakings

2023	Group £	Company £
At 1 April 2022	0	1,000
At 31 March 2023	0	1,000

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

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	2023 £	2022 £
Turnover	98,061	87,469
Operating expenses – operations	(98,775)	(94,238)
Operating expenses - audit fees	(2,100)	(4,600)
Tax credit	568	3,116
Distribution to Alzheimer Scotland - Action on Dementia	0	0
	(2,246)	(8,253)
Net assets	(9,499)	(7,253)

16. Debtors

	Group		Company	
Amounts due within one year	2023 £	2022 £	2023 £	2022 £
Service debtors	454,878	148,245	453,223	146,347
Other debtors	1,381,221	1,324,654	1,415,515	1,367,582
Prepayments	350,189	246,967	323,805	221,919
Total	2,186,288	1,719,866	2,192,543	1,735,848

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA

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

For the year ended 31 March 2023

17. Creditors: amounts falling due within one year

		Group		Company	
	Notes	2023	2022	2023	2022
		£	£	£	£
Deferred income	18	580,968	688,470	570,517	682,676
Trade creditors		470,760	287,940	470,242	284,568
Accruals		619,689	474,131	613,327	467,168
Other creditors		129,413	460,072	131,010	462,166
Pension costs		53,611	47,750	53,611	47,750
Social security costs and other taxes		190,492	171,021	190,492	171,021
Total		2,044,933	2,129,384	2,029,199	2,115,349

18. Deferred income

	Group	Group	Company	Company
	2023	2022	2023	2022
	£	£	£	£
Balance brought forward	688,470	374,901	682,676	371,293
Deferred income receivable	580,968	667,845	570,517	662,051
Deferred income released to statement of financial activities	(688,470)	(354,276)	(682,676)	(350,668)
Balance carried forward	580,968	688,470	570,517	682,676

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	Group	Company	Company
	2023	2022	2023	2022
	£	£	£	£
Financial Assets				
Financial Assets at fair value through income & expenditure	2,268,677	2,345,589	2,269,677	2,346,589

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.

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA
(a company limited by guarantee and not having share capital)

For the year ended 31 March 2023

20. Restricted funds

2023	Notes	Fund balances brought forward £	Income £	Expenditure £	Transfers £	Fund balances carried forward £
Income funds:						
National Office	a	289,269	1,551,686	(1,482,059)	(7,845)	351,051
Services	b	0	8,219,071	(8,087,712)	253,446	384,805
Heritage Horizons Cairngorms 2030 project	c	0	96,991	(76,162)	0	20,829
		289,269	9,867,748	(9,645,933)	245,601	756,685
Other funds:						
Restricted legacy reserve	d	1,654,668	192,840	(21,563)	0	1,825,945
Research reserve	e	88,844	1,175,120	(125,000)	0	1,138,964
		1,743,512	1,367,960	(146,563)	0	2,964,609
Total company and group restricted funds						
		2,032,781	11,235,708	(9,792,496)	245,601	3,721,594

2023 Notes:

- a. Income from Local authorities and Scottish Government restricted to various projects includes SDS work, AHP post and Internships, Dementia dialogue and Section 10 grant relating to Social work.
- b. Income from Local authorities, Health boards and Scottish Government restricted to core service delivery. The transferred amount to unrestricted funds is the surplus as a result of the Coronavirus Job Retention scheme payments received, having reviewed rules of the organisation and the scheme we are satisfied this is appropriate.
- c. Heritage Horizons: Cairngorms 2030 project- Outdoor Dementia Resource Centre funding
- d. Restricted legacy reserve income is from bequests that specify an area or purpose for the donations to be spent.
- e. 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.

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA
(a company limited by guarantee and not having share capital)

For the year ended 31 March 2023

20. Restricted Funds
continued

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:

- a. Income from Local authorities and Scottish Government restricted to various projects includes SDS work, AHP post and Internships, Dementia dialogue and Section 10 grant relating to Social work.
- b. Income from Local authorities, Health boards and Scottish Government restricted to core service delivery. The transferred amount to unrestricted funds is the surplus as a result of the Coronavirus Job Retention scheme payments received, having reviewed rules of the organisation and the scheme we are satisfied this is appropriate.
- c. Shetland charitable trust – Dementia advisor funding 1 year project based in Shetland.
- d. Restricted legacy reserve income is from bequests that specify an area or purpose for the donations to be spent.
- e. Research reserve income is where bequests and donations specify to fund research into dementia.

21. Endowment fund

	Group and Company	
	2023	2022
	£	£
The Michael Clutterbuck Bequest		
Opening Balance	104,213	104,073
Interest	1,193	140
	105,406	104,213
Expenditure	0	0
Closing balance	105,406	104,213

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.

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA
(a company limited by guarantee and not having share capital)

For the year ended 31 March 2023

22. Unrestricted Funds

2023	Fund balances brought forward £	Income £	Expenditure £	Investment (loss) /gain £	Transfers £	Fund balances carried forward £
General funds	15,906,899	5,238,817	(5,332,570)	(140,914)	(245,601)	15,426,630
Designated funds:						
Property reserve	0	2,000,000	0	0	0	2,000,000
Time for you reserve	0	5,00,000	0	0	0	500,000
Total company unrestricted funds	15,906,899	7,738,817	(5,332,570)	(140,914)	(245,601)	17,926,630
Subsidiary undertaking profit and loss account reserves	(11,176)	89,785	(100,875)	0	0	(22,266)
Total group unrestricted funds	15,895,723	7,828,602	(5,433,445)	(140,914)	(245,601)	17,904,364
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
Subsidiary undertaking profit and 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

The Board of Alzheimer Scotland – Action on Dementia established a legacy policy to ensure that the most efficient use is made of legacy income. During 2022/23, the board approved the creation of 2 designated funds from the unexpected large legacies received.

1. Property reserve, for the purchase or refurbishment of Dementia Resource Centres.
2. Time For You reserve, to run a five years of our Time For You fund initiative.

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

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA

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

For the year ended 31 March 2023

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
	£	£	£	£
2023				
Group				
Tangible fixed assets	7,162,018	0	0	7,162,018
Investments – Sarasin	2,268,677	0	0	2,268,677
Investments – subsidiary	0	0	0	0
Net current assets	8,472,013	3,721,594	105,406	12,299,013
Total	17,902,709	3,721,594	105,406	21,729,708
Company				
Tangible fixed assets	7,153,877	0	0	7,153,877
Investments – Sarasin	2,268,677	0	0	2,268,677
Investments – subsidiary	1,000	0	0	1,000
Net current assets	8,493,144	3,721,594	105,406	12,320,143
Total	17,916,698	3,721,594	105,406	21,743,698
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	2,345,589
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

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 £410,871 (2022 - £412,678).

ALZHEIMER SCOTLAND – ACTION ON DEMENTIA
(a company limited by guarantee and not having share capital)
For the year ended 31 March 2023

25. Operating lease commitments

	Group		Company	
	Land & buildings	Land & buildings	Land & buildings	Land & buildings
	2023	2022	2023	2022
The company had total commitments under non-cancellable leases expiring as follows.	£	£	£	£
Within one year	239,532	232,338	218,932	211,738
2-5 years	507,165	755,127	502,365	729,727
Over 5 years	0	1,275	0	1,275
Total	746,697	988,740	721,297	942,740

Operating lease expense charged to the SOFA for the year amounted to £342,103 (2022 - £298,047)

26. Net debt reconciliation

Group	1 April 2022	Cashflows	31 March 2022
Cash and cash equivalents	9,510,787	2,681,493	12,192,280
Net debt	9,510,787	2,681,493	12,192,280

