

# Trustees' report and annual accounts

For the year ended  
31 March 2017  
[alzheimers.org.uk](http://alzheimers.org.uk)



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**We are the UK's  
leading support and  
research charity  
for people with  
dementia, their  
families and carers**

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## Strategic report 2016/17

### Chair and Chief Executive's introduction

#### It's been a landmark year for Alzheimer's Society.

We saw our income increase to over £100 million for the first time, and out-performed most charities with a 12% increase in our voluntary income. Careful stewardship means 89p in every pound went to support people affected by dementia.

As a result we've provided people affected by dementia with more support and hope for the future than ever before. Today, fewer people face dementia alone thanks to our work, and more than ever, people are recognising the inequity that leaves people with dementia receiving less support than those with other diseases.

We also published our New Deal on Dementia strategy, which will guide our efforts over the next five years. We distributed over 100,000 hard copies of 'The dementia guide', which is also available online, and in seven languages, including British Sign Language.

We redesigned our website making our information more accessible, and increased the opening hours of our National Dementia Helpline, supporting many more callers. Now, over 50,000 people benefit from Talking Point, our virtual support group, enabled by volunteers. By expanding our Dementia Connect online directory we've transformed access to local services.

#### We can't defeat dementia alone

Over 700 Dementia Advisors and Dementia Support Workers form the backbone of our local support. During the year our innovative, volunteer-enabled, Side by Side service also reached out to people living with dementia.

We're fighting the loneliness and isolation often associated with dementia through our local services, such as Singing for the Brain® groups. We're also supporting more than 200 communities to become dementia-friendly.

We can't defeat dementia alone. We continue to work in partnership with the NHS, care providers and professional bodies to drive up standards. We've helped ensure a record number of people receive a timely dementia diagnosis (though many still struggle to get diagnosed).

Meanwhile, our training has driven up standards across the health and social care services.

Yet as our three Fix Dementia Care investigations have shown, the health and care system remains disjointed, and getting the right support is a lottery. This is not acceptable.

Our leadership is ensuring the society plays a greater role in supporting people affected by dementia. Our work with companies, government and voluntary groups produced 4 new sector guides, including Dementia friendly guides, for retailers and housing providers.

More schools than ever are running dementia awareness programmes. Also, we're pleased to partner with the Scouts in their A Million Hands Programme designed to connect communities and improve lives.

The world we work in also changed significantly with a new Prime Minister and relentless pressure on both health and social care funding. We worked to ensure that the cross-government commitment on dementia remained paramount.

The government committed to invest £150 million in the new Dementia Research Institute alongside our pledge of £50 million. With our support the UK Government maintains its contribution to tackling dementia worldwide, for example through the World Health Organisation, World Dementia Council and bilateral partnerships.

#### World leaders in research

A three-fold increase in our research funding has seen our active portfolio grow to a record £30.5 million, as we investigate cures, better methods of care and possible ways to prevent these diseases. Alongside continued investment in biomedical science, we've set up the first three centres of excellence in care and prevention research – positioning us as world leaders.

The Dementia Research Institute became a reality with the appointment of a Director and selection of University College London as its Hub.

Across the five years of our Delivering on Dementia strategy, we have made more people aware of dementia. We have driven increased media coverage highlighting research advances (and setbacks) as well as the challenges so many people face living daily with dementia – often with inadequate support.

We've also supported more people through Dementia Friends. We have seen some impressive examples of our increased reach, for example the number of people joining our Memory Walks increased from 47,000 in 2015/16 to 80,000 in 2016/17. However, overall awareness of Alzheimer's Society still needs further improvement.

#### Today, fewer people face dementia alone thanks to our work

In response, we reviewed our brand and introduced a new, more impactful identity. A bold forget-me-not design coupled with the tag-line 'United against dementia' positions us as the rallying point for a movement open to everyone who wants to defeat dementia.

Likewise we reviewed our values and behaviours based on the input of hundreds of staff and volunteers. Our new brand, values and behaviours all reflect our confidence that we can meet the challenging aspirations in the New Deal on Dementia.

#### Uniting against dementia

Alzheimer's Society delivers through our people, and in 2016 our volunteers and employees surpassed even our wildest hopes.

Their passion, dedication and skill is inspirational. Many of our volunteers bring personal experience of dementia and we're very aware that living with dementia provides a level of insight vital to informing all our work.

People living with dementia and their carers contribute to all our planning and decision making, from local services to the Board of Trustees.

To help achieve this, almost 500 people participated in our service user review panels.

The importance of volunteers, in providing local support, creating Dementia Friends and supporting communities to become dementia-friendly is evident.

Volunteers are the backbone of our fundraising and campaigning, and our Board of Trustees, also volunteers, regularly demonstrate their incredible commitment.

Jeremy and I would like to take the opportunity to thank, in particular, Ann Beasley, who completed seven years of dedicated and effective service and leadership, first as a Trustee and then Chair, and Pippa Gough, who also served for seven years, latterly as Vice Chair.

Overall, 2016–17 was a remarkable year. It was a catalyst year in many ways, paving the way for us to provide support and hope to many more people over the next five years. I am delighted to be joining the Society as its Chairman at this exciting time.

This year's achievements, and our hope for the future, is only possible through the generosity of all our supporters. Thank you for uniting with us against dementia.



**Stephen Hill OBE**  
Chairman



**Jeremy Hughes CBE**  
Chief Executive



## Enabling our strategy

Our vision is of a world without dementia. In realising this vision, we continually need to evolve and develop our organisation to meet the significantly unmet needs of still too many people affected by dementia. We will capitalise on the opportunities that present themselves, while there is such a spotlight on and momentum around these diseases.

Our 'Delivering on Dementia 2012–17' strategy has four ambitions: **meeting the needs** of people with dementia and their carers; **sharing information** and being the 'go to' source of trusted information on dementia; **advancing research** into the cause, cure and prevention of dementia; and **inspiring change** at individual, national, international levels.

During 16/17, we continued to build our organisational change programme. This will mean we are well placed to deliver on our new strategy. We have invested in our structures, systems, processes and ways of working to make sure our people, volunteers and employees, are empowered to help increase the number of people we reach and to enhance the impact we have on the lives of people affected by dementia. The changes specifically include investing in local management capacity and delivery and in creating a structure and culture that recognises the contribution of volunteers and enables them to deliver significant parts of our strategy.

It is only through our current volunteers and those we will attract to join us that we will deliver the new strategy. As such, we have focussed on increasing the profile of volunteers and volunteering in order to make greater use of their time, talent, experience and insight.

The future will see a differently shaped workforce with volunteers and employees taking on equal and complementary roles, including, for example, leading a cohort of volunteers, or carrying out quality inspections. We want to build our specialist volunteer pool, alongside building our service capacity. Our efforts during 16/17 in the transformational change programme enables us to deliver on this ambition.

During 16/17 we also carried out a rebrand as a vital part of our new strategy. For a person just diagnosed with dementia wondering where to turn for help, or someone in the community thinking about where to volunteer, how we are seen and heard is vital. Our brand is key. It has to communicate clearly and quickly who we are, what we do and what we stand for.

In parallel, we also developed our new values and behaviours, alongside our engaging new visual identity. Our new values are the glue that binds us together, and these guide all that we do.

Around 230 people were involved in shaping our values, including all levels of volunteers, employees and people affected by dementia. The overwhelming feedback was to make them short, punchy and active, capturing the essence of who we are. They support our new bolder brand too – showcasing how we want to be known.

### Our new values are:

**We get it:**  
we are trusted experts,  
informed and inspired  
by people affected  
by dementia.

**We are united:**  
together we achieve more.

**We will do it:**  
we demand and deliver  
lasting change.

In this past year, we developed our United Against Dementia campaign, built from our new strapline of the same name. It will run through all that we do, amplifying one loud and clear message, urging everyone to make a contribution, big or small, to creating change for people with dementia.

In the past year we have developed the next five year strategy for Alzheimer's Society: 'The New Deal on Dementia 2017–22'. We are committed to three 'new deals' for people affected by dementia: **a new deal on support** to offer our help to everyone from time of diagnosis onwards; **a new deal on society** changing the way communities support people affected by dementia and have their rights respected; and **a new deal on research** leading the drive to find a cure, prevent dementia and provide better care.

With a focused new strategy, engaging and energetic new brand and values, and with our multi-year organisational change programme in place and being delivered, we are ready for the next chapter.

We work alongside people affected by dementia, and our work is shaped by their needs and experiences. For instance, the ground-breaking Dementia Statements, created by people living with dementia began in October 2016 and, once completed in early 2017, will set out a framework of the change we need to see. They define our campaigning, research and services. This approach is also cemented into the Prime Minister's challenge on dementia 2020.

Delivering our ambitions requires all our people – volunteers, employees as well as more widely, our supporters and stakeholders – to be active ambassadors of the growing movement for change that is at the heart of our mission. Through all the engagement activities we undertook during 16/17, we are delighted to see that the engagement scores of our volunteers and employees have continued to rise during 16/17. As at the end of March 2017, 93% of our surveyed volunteers and employees had heard of the new strategy and 71% felt confident explaining the main aims of the strategy to a colleague. This latter score is very pleasing as an indicator of their ability to act as an ambassador.

We have nearly 9,000 fantastic regular and occasional volunteers, who give their time alongside 2,600 employees. We have more than 90,000 active campaigners, supporting initiatives such as our Fix Dementia Care campaign, 10,000 Dementia Friends Champions and, staggeringly, almost two million Dementia Friends. All these people, as well as everyone who raises funds for us, are helping us to create dementia-friendly communities. They join us in breaking down stigma, fighting for better and equal care and investing in more research and services.

## To deliver the change required for people with dementia we'll need to raise £1 billion in voluntary income over the next decade

We know we could not achieve all that we do without these people with us standing shoulder to shoulder. We're honoured so many choose to support us so actively, and in so many ways.

To deliver the change required for people with dementia we'll need to raise £1 billion in voluntary income over the next decade, and we're grateful for all contributions – every penny counts.

## Meeting needs

### Demonstrate the way in dementia care and support

In 2016/17, we continued to make sure people living with dementia had their say in everything we do at Alzheimer's Society. We researched new ways of engaging as many people affected by dementia as possible so they can help us develop services that they want and need. We shared our expertise with a record number of health and social care organisations, businesses and the public through our training and consultancy. In our new strategy, the New Deal on Dementia, we make a commitment to be available to every person who receives a diagnosis. We want everyone affected by dementia to know, whatever you are going through, wherever you are, whoever you are, you can turn to Alzheimer's Society for support, help and advice.

#### Promoting quality

Making Evaluation Count is our standardised approach to evaluation for business as usual services. In 2016 over 10,000 people with dementia and carers were involved in evaluation of our services across our three nations, the most people we've ever involved. Results were overwhelmingly positive with 96% of people agreeing that we achieved our five key service outcomes.

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We have continued to review the way we monitor quality. Following analysis of risks and issues we are developing a thematic approach to our Total Quality Review programme. We have identified a new software application which will allow us to work seamlessly across our current IT platform; the new platform will save us time and money. The new system allows us to have consistent and reliable reporting on quality of services by service managers across service types which will allow us to respond to areas of concern and celebrate areas of excellence.

We have invested considerable time and effort in providing safeguarding training across the whole organisation. During the year we continued to roll out our new safeguarding competency framework and a new safeguarding system went live in September 2016.

As part of our commitment to quality we have continued to develop and improve our client record system and how we use it. We continually improve training and workshops for local champions, who share knowledge and skills. This has led to a significant improvement in user confidence and data quality. The development and improvement work this team undertakes has been essential to delivering Dementia Connect, our database of local and national services.

#### Developing our services

We continued to reach people affected by dementia through our existing services providing valuable peer support, information and advice. This included reaching almost 4,000 people through our Carer Information and Support Programme. The number of people supported by our Singing for the Brain® services rose 5% to just over 12,500. Over 113,000 people with dementia accessed our one to one or group based services. This has increased by over 3,000 since last year.

This year we ran 2,500 services providing support to people with dementia and carers in their local communities. This is a small decrease from last year. Throughout the year we have been reviewing

the data we hold on services and been diligently cleansing it to make sure it is as accurate as possible.

We launched a new service to provide the right information and support to people in the way that they need it, when they need it. We agreed that our first site to roll out our new services strategy would be in Pennine Lancashire and work started there in April 2017. We are working with the Memory Assessment Service so people are referred to us at point of diagnosis. So far we've had in excess of over 200 referrals via online channels. The second site will be in Birmingham Solihull. Planning is underway with work due to start by the end of this year. We will agree a third site during 17/18.

We have continued to pilot and test our Side by Side service, matching volunteers and people with dementia to tackle social isolation and loneliness. Our pathfinder sites have increased to 33 with over 650 active volunteers. This service has attracted a high proportion of young volunteers under the age of 25 and a higher proportion of men with dementia than our other services. Our volunteers have supported people with dementia in a wide range of activities from cooking, computer classes and swimming to a wing walk.

We have been working on a new approach to make sure the wants and needs of people with dementia come first when it comes to care and support.

### Almost 3,000 delegates attended courses in 2016/17

We want our Dementia Advisers, Dementia Support Workers and Side by Side services to work to these personal outcomes. In July 2016, we ran a half-day session to identify how we could develop a systematic approach to identifying and working to personal outcomes as standard. For example, in our Side by Side services, Service Coordinators used questionnaires to help them understand what the person living with dementia wants to get from the service. This included a one-page profile, 'If I could I would'. We have developed tailored training for the Side by Side Coordinators so they can do this effectively.

#### Providing training to support our stakeholders

We increased the number of training courses we delivered to the public, businesses and health and social care organisations last year. The total number of delegates attending courses in 2016/17 was almost 3,000, with an average increase of 30% in the number of delegates attending each course. During the year we increased the number of courses for the general public by 15%, including our most popular one-day course called 'Step inside dementia'. At the end of every course we offered people the opportunity to take part in a Dementia Friends information session – 1,745 people became Dementia Friends this way.

### Over 113,000 people with dementia accessed our one to one or group based services

We provided 20% more consultancy days to organisations and developed four new consultancy products, designed to help organisations become more dementia friendly. The first, 'Quality of life audit', involves auditing health and social care services in care homes to measure the quality of life for people with dementia who are being supported and cared for. Our Environmental Audit, creating enabling environments, helps organisations identify simple changes they can make, such as lighting, visibility, accessibility, and navigation, that make things easier for people living with dementia. We also introduced a Customer Service Audit for the financial services and utilities industries and one-to-one coaching for social care and health professionals.



## Sharing information

### Be the foremost point of contact for anyone dealing with dementia

In 2016/17 we worked hard to ensure that anyone affected by dementia gets the information they need to improve their lives. We added even more essential data to our online Dementia Connect service, and answered queries direct through social media. Whether people want guidance and support online, in print, or in person, we aim to provide life-changing information that helps them tackle dementia every day.

#### Increasing the reach of our advice

During 2016/17 our Helpline supported 40,000 people.

We conducted our sixth annual review of our Helpline to assess service quality against expected service outcomes. 96% of respondents rated the information and advice they were given as good or excellent, and 97% of respondents rated the printed information they were sent as good or excellent. 100% of respondents would be very likely or fairly likely to recommend the Helpline to others.

In 2016/17, we delivered more information and support via social media. Our Helpline now responds directly to Facebook and Twitter enquires, and has answered 542 messages this way since April 2016. The Helpline team also ran their first Facebook Live advice session which proved very popular.

#### During 2016/17 our Helpline supported 40,000 people

Our online discussion forum Talking Point had 53,310 users by the end of March 2017. We improved the design and layout of Talking Point, making it simpler, clearer and easier to use. Q&A sessions moved from the chat rooms to the forums in order to make them more visible and accessible to service users. We also introduced Expert Q&As with external organisations including Alcohol Concern and the Office of the Public Guardian.

We continue to improve the design and functionality of Talking Point so it provides a better experience for users on mobile phones and tablets. As always, we invite feedback from people affected by dementia to make sure the forum meets their needs.

In January 2017 we launched our newly rebranded and dementia-friendly website. Thousands of people rely on our website for information and support. During 16/17 we had more than 11 million website views, an increase of 5% from last year.

#### Supporting people

Last year there were 165,675 searches on our online directory Dementia Connect, our online database of local services, that's over 6,000 more than our yearly target.

We added over 13,000 registered care services that specialise in dementia in England and Northern Ireland to Dementia Connect, through our data sharing agreement with consumer advice experts Which? In March 2017, the total number of services available to search for through Dementia Connect was 16,983.

Which? also incorporated Dementia Connect into their care services directory with an average of 541 page views a month over the last six months. The NHS Choices website now links to Dementia Connect. This means we have greater reach and impact and more people are able to come through to us for valuable support and advice as a result.

In response to feedback from people affected by dementia, we made significant changes to our 'Live Well with dementia' programme in preparation for the programme becoming a Society service. The programme aims to provide people living with early stage dementia with the knowledge, skills and practical tools to support and empower them to take an active role in the management of their health and well-being. The programme was developed over four years with funding from the Lloyds Live Well Campaign.

The Live Well with dementia programme was showcased at the Alzheimer Europe Conference 2016 in Copenhagen, Denmark, on 1 November. Kevin, a participant of the programme in Bradford, co-presented with Zoe Campbell, Head of Business Development, on the design, development and value of the programme.

#### During 6/17 we had more than 11 million website views, an increase of 5% from last year

There were around 70 people from across Europe in the audience and Kevin shared how the programme has made a difference to him, 'The course helped me to realise that I'm not alone and dementia does not stop me doing lots of things I enjoy. I may need to ask for help along the way, but no shame in this.' This empowering opportunity is cause for celebration as a personal achievement for Kevin and for everyone who has been involved in the project from the outset.

Our user involvement programme encompasses all the ways in which we engage people affected by dementia. Together, we have reviewed research applications, recruited new staff and developed our new strategy. We also led the way by including people affected by dementia in quantitative research for our state of the nation report. The project sought to include the unheard voices of people with dementia who would normally be excluded. We tested a new way of engagement, using our trained and knowledgeable staff to sit with people with dementia to enable them to fill in a survey. We worked with Ipsos Mori on this innovative approach in Kent and Manchester before rolling it out, with the support of volunteers, across all nations. These surveys will form the basis of a report to be published next year.

We expanded our Lasting Power of Attorney (LPA) Digital Assistance Service, where trained volunteers offer phone support to allow people with dementia to complete LPA forms online. To support the project we recruited and trained five volunteers in London and are also running a pilot with volunteers in Newcastle. Demand for this service continues to grow – we supported more than 400 people to create LPAs in 2016/17, an increase of 25% on the previous year.

The NHS Continuing Healthcare (CHC) volunteer group supports people living with dementia who have been refused NHS CHC funding for their care and want to challenge the decision. After demand for the service rose rapidly, the group recruited and trained 12 more volunteers to specialise in the complexities of NHS CHC and the appeals process. The support they offer is in-depth and time-consuming. More than 100 enquiries were handled in 2016/17. In successful cases, families have had substantial care cost fees reimbursed.

#### Refreshing our portfolio of information

We worked extensively with younger people with dementia to develop another new resource called 'Young-onset dementia: Understanding your diagnosis'. Throughout our work, we continued to closely involve people affected by dementia when we reviewed and updated publications.

Following a strategic review of all our information, we updated our 'Living with dementia' series – our core set of booklets providing practical information for people with dementia. We added a new title to the series called 'Planning ahead', which covers how to think about and prepare for the future. There are now nine booklets in the 'Living with dementia' series and we have distributed over 30,000 printed booklets in the last year, with on average 30 downloads of the online version per week.

## Advancing research

Lead partnerships and investments in research to improve care, advance prevention and move closer to a cure

We achieved several key milestones in 2016/17 for our research programme. We invested over £9 million in new research grants, meeting our strategy commitment. This took our overall investment in research since 1990 to £50 million, a historic milestone. We invested in our first Centres of Excellence sites, which continue to increase our emphasis on research into care alongside cure, building the overall capacity of the dementia research community. We have continued to play a leadership role in the UK Dementia Research Institute (DRI), becoming a Founding Member pledging £50 million to the £250 million venture. With our partners, Medical Research Council and Alzheimer's Research UK, we have recruited a Director for the DRI and awarded the Hub and Centre grants, which will become active in 2017/18.

We awarded 56 grants this year, our highest number ever, and invested a total of £9.2 million in new research grants. This takes our portfolio of active grants to a record 152, totalling £30.5 million. Programmes include:

- A medical history database of over 1,000 people with Lewy Body Dementia, built at the University of Cambridge. This will help researchers understand patterns in symptoms, developing better ways to diagnose and manage this form of dementia.
- A project investigating medications for rheumatoid arthritis to see if any protect against memory problems, at Queens University Belfast.
- A Fellowship at University College London helping to understand how carers can prepare and be supported when people with dementia advance towards the end of life stage of the condition.
- A project at the University of Manchester showing that an anti-inflammatory drug used to treat period pain can reduce brain inflammation and stop memory loss in mice with Alzheimer's disease. These important findings were published at the end of 2016 in the journal Nature Communications and pave the way for taking the drug into trials.

We successfully trialled the Dementia Friendly GP project, which helped GPs better support people affected by dementia. The project was delivered and evaluated across eight practices in Derbyshire. Now we're looking at different ways to implement the project, and are ready to roll it out on a larger scale.

### Portfolio of active grants now a record 152, totalling £30.5 million

Our Partnership programme has also expanded, lending our support to 85 externally funded projects.

In partnership with the Association for Dementia Studies we successfully delivered the first two UK-based Meeting Centres as part of a controlled trial also taking place in Poland and Italy. Findings show that Meeting Centres, which offer person-centred support in the community, improve the lives of people living with dementia and their families and carers.

We are supporting a feasibility study for the Promoting Independence in Dementia programme (PRIDE) and planning how we will be involved in the next steps of the trial. This partnership is looking to develop ways to help people living with dementia keep control of their own lives, stay healthy, contribute to society and feel valued.

Our 8 Doctoral Training Centres have been supporting 52 PhD students and research fellows since 2015, to tackle some of the most pressing issues in the field. Additionally, in 2016/17 we funded 9 PhDs, 10 fellows and 16 undergraduate positions through our normal grant rounds.

Over the past year we extended our Making Evaluation Count programme, which assesses the impact of our local services, from 18 to 37 areas. It highlights how our services are effective in supporting people to cope better with the challenges of dementia. These include people affected by dementia navigating available information and support and developing a sense of connection with people who they feel understand them.

Our Evaluation Team played an integral part in developing our Impact Framework. They've worked with people affected by dementia to help identify goals that will have the most impact on their lives. The Impact Framework will help us monitor our work. It will make sure our decisions are supported by evidence and have a positive impact on the lives of people affected by dementia.

### We invested in our first three Centres of Excellence

We invested in our first three Centres of Excellence, our largest ever single investment, focused on Care and Public Health research. We assembled a new Grant Advisory board with a European membership, chaired by Professor Myrra Vernooji-Dassen who reviewed 27 applications. The three centres are based at the University of Exeter, which is led by Professor Linda Clare, University College London, led by Dr Claudia Cooper and Newcastle University led by Professor Louise Robinson.

These represent a total investment of £5.6 million over five years. Investment in the final years will be released following a successful significant mid-programme review against agreed milestones and the research plan.

During 2016/17 we developed a Joint Venture Agreement, providing the governance, structures and legal framework that will ensure we can effectively manage the Dementia Research Institute. We involved people affected by dementia in the recruitment of the Director, appointing Professor Bart de Strooper, an international leader in dementia research. The Hub of the DRI was awarded to University College London and Centre status was awarded to Imperial College London, Kings College London, Edinburgh, Cardiff and Cambridge. All of the centres will start carrying out their research in 2017/18.

We now have the building blocks in place to continue to grow the DRI to full capacity.

Since the launch of our Dementia Research Leaders programme in 2014, attracting, developing and retaining the brightest minds to work in dementia research, we have:

- funded 239 early career researchers to begin or advance their careers in dementia research
- tripled the number of early career researchers that we fund, from 11 in 2013 to 35 this year
- developed an undergraduate bursary scheme, giving 50 students their first taste of dementia research, for which we made a record 16 bursaries
- supported 15 rising stars with career guidance from expert mentors in their own research fields.



## Inspiring change

### Campaign for people affected by dementia to be able to live the lives they want

Our new brand positioned us as the rallying point for the growing dementia movement for change. We gathered evidence and published reports which uncovered many injustices people with dementia still face – work which shaped and informed our policy and influencing work in England, Wales and Northern Ireland. Campaigns like Fix Dementia Care shone a light on the appalling conditions and broken systems which are leaving people with dementia stigmatised and isolated – and inspired tens of thousands of people to act. We significantly grew our Dementia Friends to almost two million people; and our Dementia Friendly Communities programme really gathered pace, with almost half of the people in England, Wales and Northern Ireland now living in participating communities.

Throughout 2016/17 we were very active in the media (featuring in the top 10 health charities for media coverage), and maintained our position as the first port of call for media enquiries on dementia. We innovated with creative digital content to broaden our reach across online platforms and to build one dialogue around dementia.

#### Fixing a broken system

Our Fix Dementia Care campaign investigated the different care settings that support people with dementia throughout their journey – hospitals, care homes and homecare. We found a lack of transparency and information about the experience and care of people with dementia in hospitals. We also published a report on GPs who unfairly charge care homes for their services, and unearthed a lack of dementia-specific training for many people working in homecare.

A cross-party parliamentary committee backed our recommendations to end unsafe hospital discharge. Over 10,000 supporters emailed Simon Stevens, the CEO of NHS England, calling on him to make sure all hospitals publish an annual dementia statement. We also delivered a 20,000-strong petition to the Department of Health and met with David Mowat MP, Parliamentary Under Secretary for Community Health and Social Care to discuss our recommendations.

### We focused our influencing efforts around fixing the broken social care system

This culminated in an evidence-based campaign which focuses on the injustices people face around the quality of care they receive, as well as the fact they often shoulder the financial burden of care.

The campaign, a continuation of Fix Dementia Care, builds upon all that we have done to call for the creation of a system that:

- upholds the rights of people living with dementia through health, care and equalities legislation
- ends catastrophic costs for families
- connects the price paid for quality dementia care with what it costs to deliver
- delivers joined-up dementia care
- ends the inequity of support between dementia and other conditions.

#### Ensuring voices are heard

We continued our work to develop the biggest ever consultation with people affected by dementia, gathering data which was unveiled in our new report 'Turning up the volume: unheard voices of people with dementia'. The fieldwork is a ground-breaking research study, which brings together

the views of more than 1,000 people affected by dementia on themes from identity loss to injustice around care.

We reviewed and updated our 'I Statements' – a vision for supporting people living with dementia. This included bringing together people living with dementia and partner organisations including the Department of Health and the Dementia Action Alliance. The new statements will be rooted in human rights law, pushing the dementia movement forward towards clear change and creating a new policy and campaigning platform.

Throughout 2016/17 we worked hard to influence the integration of health and social care for people affected by dementia. Most recently, this included prioritising and influencing the 44 Sustainability and Transformation Partnerships (STPs). We selected six STPs to work with more closely as models of best practice.

#### Our work across borders

We increased our reach and profile in Wales and Northern Ireland by taking an active role in engagement and influencing activities. We launched pieces of work for both nations. In Wales, we influenced the Welsh Government around the development of the 'Welsh Dementia Strategy' (published later in 2017), ensuring that people with dementia were involved in the process. We also began our crucial investigation into the impact of dementia on rural communities, launching a report with the backing of First Minister of Wales, Carwyn Jones, in July 2016.

In Northern Ireland, our priority was to influence the Programme for Government of the 2016 incoming executive. This involved submitting to consultation what we know matters to the people affected by dementia in their daily lives. We also delivered our 20,000 reasons campaign letter to the then Health Minister, Michelle O'Neill to ask that the Executive prioritise dementia.

We worked with the UK Government to deliver its Global Age and Dementia Friendly Communities partnership with Japan. And testament to its popularity, we shared our expertise with 18 countries that are now rolling out their own Dementia Friends programmes.

### We strengthened our position internationally as a leading organisation on dementia policy and practice

We secured a global Dementia Friends ambassador, the actor Carey Mulligan, and worked as the lead partner with the World Health Organisation to develop a global dementia-friendly framework.

During the year we also spoke up for the needs of people affected by dementia around the world. Alzheimer's Society is a founding member, and now secretariat host, of the Global Alzheimer's and Dementia Action Alliance (GADAA).

#### Changing perceptions

We recruited a new advertising agency partner and worked on the development of a new mass communications campaign.

We significantly grew our Dementia Friends programme to almost two million Dementia Friends.

During 2016/17 our Dementia Friends Champions ran 21,854 information sessions. We produced a new Dementia Friends film and have introduced Dementia Friends to corporate partners such as HSBC and Centrica.

Alongside this, we increased the reach of our Dementia Friendly Communities programme – 46% of people in England now live in communities working toward being dementia-friendly. We've also raised the profile of our Dementia Friendly Communities awards, with a record 389 people and organisations entering.

Working with partners in the Prime Minister's Champion Group we launched toolkits and charters for specific sectors, including housing and retail, to help them take dementia-friendly approaches to housing and commerce.



## Fundraising

### Our achievements and practice

Our fundraising income reached £69.4 million in 2016/17, an increase of 12% on 2015/16 and triple the average growth rate for the sector. Our new brand helped us to reach and inspire even more people to donate to us. We're enormously grateful to every one of our supporters – without you we couldn't provide the support or fund the research that changes the lives of so many people affected by dementia.

As charities continue to be scrutinised in the media, there's been a particular focus on the information they gather and hold about their supporters. We are reviewing all related processes to confirm that all our work meets legal and regulatory requirements, so we can maintain the vital trust that our supporters have in us.

#### Fundraising highlights

The Songaminute Man, Teddy 'Mac' McDermott, who is living with dementia, captured hearts around the world. Singing with his son Simon helped him to feel calmer and happier, and videos of them singing in the car became an internet hit and even landed a record deal. Simon called our National Dementia Helpline for support as his father's dementia progressed, and the pair have now raised over £130,000 for Alzheimer's Society.

Our flagship event Memory Walk had its best ever year. Nearly 80,000 people took part in 31 walks and over 1,000 locally volunteer-led walks, raising a record £6.6 million. As lead sponsor, HBSC bank made a generous donation and promoted the walks through their call centres and branches. We were thrilled to finish the year with a Charity Film Award for our Memory Walk television advert.

Over 25,000 people signed up to join the first Cupcake Day in June 2016, smashing our initial target of 10,000. By baking, buying, selling and eating cupcakes, supporters raised over £330,000.

After a thorough review and refresh of our fundraising mailings, our cash appeals raised nearly £2.6 million in 2016/17 – more than £200,000 above target. Lottery players more than doubled to over 5,000, and both the summer and Christmas raffles came in well over target.

Across the country, corporate partners have united against dementia. For example, HSBC raised almost £700,000 across their banking network, PriceWaterhouseCoopers climbed Kilimanjaro, raising £132,000, and Wilko's in Wales and the North voted to support us in their stores, raising over £200,000. Compass Group Healthcare took part in Elf day raising £50,000 in one week. E.ON went the distance for Memory Walk raising £20,000 and adam&eveDDB pedalled their way from London to Brighton to raise over £30,000.

Donations from philanthropists and grant-making trusts raised over £5 million for the first time this year. For example, Malcolm Joyce donated £1 million in memory of his wife Jean, to fund services across the north-east of England and vital research at our Doctoral Training Centres in Bradford and Southampton. Players of the People's Postcode Lottery contributed £1.35 million towards our Side by Side service.

### Our flagship event Memory Walk had its best ever year raising a record £6.6 million

In acknowledgement of his continued support, Laurence Geller, CBE, was appointed as our first Global Business Ambassador, leading international companies to unite with us against dementia.

In September 2016, the first World Alzheimer's Ball, held in partnership with Dementia UK, raised £220,000. Our supporters debated key issues in dementia at a research breakfast and celebrated Christmas at the moving Carols by Candlelight concerts. They also marked the disproportionate impact of dementia on women at an International Women's Day reception.

Insurance United Against Dementia launched in 2016/17, led by senior representatives from 12 insurance firms including Aon, Willis, QBE, Swiss Re, Marsh and Lockton. Members have pledged to raise £10 million over the next five years to support pioneering research through three key programmes – Brains for Dementia Research, Dementia Research Leaders and the Dementia Research Institute.

Over 1,000 people left a gift in their Will to Alzheimer's Society this year, and we remember them with thanks.

Our fundraising support teams make sure our supporters are always at the heart of our plans. We have reshaped our customer care team to reduce the time it takes to thank supporters and bank thousands of donations that come through our network of services. Our engagement team managed over 100,000 telephone calls and emails with supporters in 2016/17.

Using new technologies and traditional research approaches, we're making it easier for supporters and volunteers to tell us about their experience of Alzheimer's Society. We're doing this so we can improve what we do and how we communicate. This involves improving data management systems to help us respond to queries even more quickly, and make sure supporter records and preferences are kept up-to-date.

#### Our fundraising promise

Alzheimer's Society is a community of people dedicated to making a difference to the lives of everyone affected by dementia. Our Trustees, directors and all employees are committed to putting our existing donors' and prospective supporters' needs and expectations at the heart of our fundraising activities.

It is only thanks to them that we can achieve our vision of a world without dementia.

#### How we fundraise

Alzheimer's Society is a member of the Institute of Fundraising and registered with the new Fundraising Regulator. We work closely with the regulator to make sure the views of people affected by dementia are heard when drawing up rules and best practice guidelines. We also use our best efforts to make sure our fundraising activities comply with all codes of practice.

### Our income from donations increased by over 20% to just under £33 million

We've delivered training, including running Dementia Friends information sessions, for our fundraising agencies and set up tighter monitoring and control over our contracts. We have also set up mystery shopping and sector benchmarking to measure their performance.

In 2016/17 we received donations from over 237,000 people – 15% more than the previous year. This increased our income from donations by over 20% to just under £33 million, reflecting the great generosity and commitment of our donors. Despite engaging with more supporters, our number of recorded complaints about fundraising fell to 252, down 26% compared to the previous year.

Jeremy Hughes, our CEO, was asked to act as a Commissioner on the Donor Experience, an initiative led by some of the most respected leaders in the voluntary sector. We consulted with people with dementia to develop guidance on fundraising with people in vulnerable circumstances, which will be published in the Commission's final report in 2017.

Alongside this work, we will develop tools to help us capture supporters' views in real time. With our new feedback system, this will help us to protect people in vulnerable circumstances by quickly understanding their views and acting on their needs.

## Our ambitions

### What we'll do in 2017/18

#### A New Deal on Support

We will:

- Develop one number access for initial referral calls within our new service areas, while simultaneously refreshing and improving our Client Record System to reflect our new strategic requirements.
- Increase the number of courses delivered to statutory, private and voluntary sector organisations.
- Deliver training to staff working across GP surgeries starting with the strategy roll out in Pennine Lancashire.
- Increase Dementia Advisors and Dementia Support Worker services that are funded by health and social care so that we are ready for the roll out of our new Dementia Connect service.
- Develop an approach to Singing for the Brain® that ensures it continues to form part of community based services for people affected by dementia across England, Northern Ireland and Wales.
- Increase the number of Side by Side services.
- Establish Birmingham as a second site for rolling out our new strategy and identify where the third site will be and when that will begin.
- Externally evaluate the first strategy roll out site in Pennine Lancashire and use this evaluation to promote and improve the service.
- Establish an integrated Total Quality Review system to ensure an open and transparent reporting process that allows for early identification of issues. This will drive up quality and reduce risk.

#### A New Deal on Society

We will:

- Place people living with dementia at the heart of what we do, and ensure that their voices are heard by key policy makers and decision makers at national, regional and community level.
- Ensure that the UK Government steps up to the challenge of dementia. This includes clearly setting out the changes needed to the care and support that people living with dementia receive, and the changes needed across society more broadly.
- Campaign tirelessly to secure these changes, working closely with people affected by dementia to design, deliver and prioritise our campaigns.
- Continue to build networks and influence decision makers in the Senedd and Stormont, as well as Westminster.
- Continue to grow the number of Dementia Friends and Dementia Friendly Communities. This means more people across the country will understand dementia and reach out to the people around them who are affected by it.
- Ensure that Dementia Friends are offered a variety of ways to support Alzheimer's Society – as volunteers, donors or campaigners.
- Publish our ground-breaking Turning Up the Volume: Unheard voices of people with dementia report, shaped by the experiences of four thousand people with dementia, their carers and the general public.
- Continue to navigate the changing health and social care landscape, pioneering approaches to working with Sustainability and Transformation Partnerships.
- Launch and build our United Against Dementia campaign, which will help inspire the growing movement for change.
- Change the dialogue around dementia, creating debate, growing media coverage and engaging with people affected by dementia across multiple platforms.

#### A New Deal on Research

We will:

- Continue to involve people affected by dementia in our research work.
- Continue to invest at least £10 million in the year, across cure, care and prevention research.
- Develop an innovation and demonstrator programme that will allow us to test and demonstrate innovative ways of delivering services.
- Support our services to implement and measure against the Impact Framework.
- Continue our commitment to our Dementia Research Leaders programme.
- Establish the UK DRI Ltd.
- Lead on the development of the Dementia Research Institute's Centre for Care & Public Health and the growth phase of the biomedical research programmes.
- Lead an expert taskforce of academics, funders, people affected by dementia and other major stakeholders to develop a roadmap for research into public health, management and care of dementia.
- Publish the Care Road Map.
- Develop joint working partnerships with Centres of Excellence to be in place as they start working on research.

Elaine,  
living with dementia,  
East Sussex



## Society money

We are pleased to have increased our operating income to £103.6 million. Because of this success we have again increased our charitable expenditure, this year by 3%. This is a great platform on which to build our new 5 year strategy.

### Income

Income grew strongly to £103.6 million (2016: £97.9 million), a 6% increase on the previous year. Contract income for care services amounted to £33.2 million (2016: £34.8 million). Despite our best efforts to highlight the importance of care for people with dementia, local authority and NHS funding has begun to fall, for the first time.

Voluntary income increased by 12% to £65.8 million (2016: £58.7 million).

### Expenditure

During 2016/17, 89 pence in every £1 of total expenditure was spent on direct costs towards improving the lives of people with dementia (2016: 89 pence in the pound).

The remaining 11 pence in every £1 was spent to support our frontline activity including IT and premises.

Charitable expenditure increased during the year by £2.7 million to £89.0 million (2016: £86.3 million). Our spending on care services increased to £63.9 million (2016: £60.8 million). Our Advancing Research expenditure rose to £10.3m, going above £10m for the first time (2016: £7.9m). Expenditure on fundraising, including the trading costs of our subsidiaries, rose to £20.5 million (2016: £16.4 million) as extra investment underpinned our ambitions for extensions to activity in the new 2017–22 strategy.

### Funds

Total funds at 31 March 2017 were £35.0 million (2016: £36.1 million) of which £26.1 million (2016: £28.1 million) were free and unrestricted. The decrease in reserves was conscious and controlled as we invest for future growth and innovation. It is the Society's policy to hold free reserves equivalent to at least three months of charitable expenditure. Free reserves include all unrestricted funds. At 31 March 2017 the Society held free reserves equivalent to 3.5 months (2016: 4 months) of charitable expenditure.

The fall in free reserve cover reflects the increase in fixed assets, primarily due to the Head Office move into Crutched Friars. The Board expect this trend to continue until the cover falls to its target value. In the light of this expectation, the Board considers the above reserve cover to be reasonable.

**£103.6m**

Our income grew to **£103.6 million** (2016: £97.9 million), an increase of 6%, exceeding £100m for the first time

**£63.9m**

Our expenditure on meeting the needs of people affected by dementia increased to **£63.9 million** (2016: £60.8 million), an increase of 5%

**89p**

From every £1 of expenditure, **89p** was spent on improving the lives of people with dementia

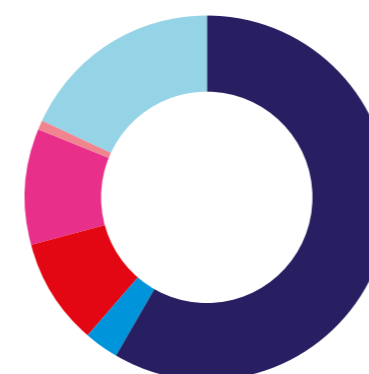
**£10.3m**

Our expenditure on advancing research exceeded **£10m** for the first time



### Income by type

Donations	42%	<b>£43.0m</b>
Contracts	32%	<b>£33.2m</b>
Legacies	22%	<b>£22.8m</b>
Trading and other	3%	<b>£3.5m</b>
Investment	1%	<b>£1.1m</b>
<b>Total</b>		<b>£103.6m</b>



### Expenditure by activity

Meeting needs	59%	<b>£63.9m</b>
Sharing information	3%	<b>£3.5m</b>
Advancing research	9%	<b>£10.3m</b>
Inspiring change	10%	<b>£11.3m</b>
Trading costs of subsidiaries	1%	<b>£1.0m</b>
Fundraising	18%	<b>£19.5m</b>
<b>Total</b>		<b>£109.5m</b>

## Structure and management

### Management of risk

**At Alzheimer's Society, we have a comprehensive corporate risk management framework in place to identify and address the major financial, operational, governance, reputational and regulatory risks which might impact our ability to meet our objectives.**

We are responsible for identifying and effectively managing risks, making sure controls are in place to mitigate major risks.

Our risks are identified and managed in the following ways:

- We have put in place a system of risk action planning across the charity, which allows risk to be identified and managed at an appropriate level. Strategic risks are identified and where appropriate, elevated to the Society Risk Action Plan. This was reviewed at Finance and Audit Committees during 16/17, and will be reviewed by the newly constituted Audit and Risk Committee going forward. The Committee then gives a full update to the Board of Trustees.
- The Society's Risk Action Plan manager, together with the Strategic leadership team, who are 'risk owners', take regular reviews. Risk owners assess the relevance, likelihood and impact of risks, the strategies for managing those risks and the effectiveness of those strategies.
- Risk management is fully incorporated into our project management process. The largest projects are overseen by a dedicated project management team to make sure delivery risk is managed, assessed and reported through project status reports.
- Alzheimer's Society's internal audit function is outsourced to PwC LLP and is informed by an analysis of the risks to which the organisation is exposed. Our annual audit plans are based on this analysis. Progress of these plans is monitored by the Audit and Risk Committee.
- We also look for new and emerging risks and take decisions on how and at what level these risks should be managed.

### Our key risks and uncertainties

#### Fundraising

We are revising our fundraising strategy to ensure a diverse range of activities to maximise opportunities to raise funds. We are also ensuring we have a strong case for support based on the new strategy.

We are developing new products and ways of engaging with a wider spectrum of supporters, including closer contact with the growing number of Dementia Friends.

#### Information governance and security

Information governance and security remains a high priority and we are on course to meet the requirements of the Information Commissioner's Office Enforcement Notice. We have implemented a register of all personal and sensitive information that we hold and have a schedule of delegated asset owners. We have also reviewed the length of time we have to keep certain types of information and a schedule to dispose of this information at the correct time.

We continue to review information security and regularly test the potential to inappropriately access or hack our systems.

We are now making sure we comply with the more stringent standards being introduced through the General Data Protection Regulations (GDPR) in May 2018.

#### Technology

We increasingly rely on technology to deliver our services, particularly our Helpline, Talking Point and Dementia Connect. We also have an online shop on our website and the facility to take donations online. We anticipate that more and more people will want to use these facilities and services over the next five years.

We have started to implement our Digital and IT Transformation Roadmap. In addition, we have procured a new digital platform and successfully launched our new website. We have reviewed our contract and service level agreement with Charityshare, our IT support provider, and are investigating future system upgrades. These are important to ensure our clients, employees and customers have the stability and functionality they need.

#### Infrastructure

Alzheimer's Society continues to grow rapidly, placing high demand on supporting activity to keep pace with this growth. This means that we need to pay particular attention to supporting our people with the right premises and key business processes necessary to do their jobs effectively.

We will continue to evolve our business continuity planning, procurement and an organisation-wide property strategy which addresses the changing needs of the next five years.

We successfully completed the move of our central office location in London.

We have commissioned specialist input to implement a reviewed and strengthened organisation-wide procurement policy and framework.

#### Service changes

Our transformational strategy needs a clear plan on what services we deliver and how we deliver them. This is at a time when social care funding has been cut and the pressure is expected to continue for some time. This creates risk from adverse political and media attention.

We are working to make sure that we are competitively positioned and that we have clear, accurate communication with everyone we work with and a realistic timetable to achieve the necessary change.

We will also make sure that we communicate clearly with people affected by dementia about our plans and that they are aware of local services available to them.

### Financial review

The accounts, which form part of this report, comply with the requirements of the Accounting and Reporting by Charities: Statement of Recommended Practice 2005 (SORP). The Trustees consider that in preparing these accounts, they have consistently applied appropriate accounting policies supported by reasonable and prudent judgements and estimates where required. A resolution to re-appoint the firm Crowe Clark Whitehill LLP as auditors was passed at the Annual General Meeting on 6 September 2016.

#### Financial reserves policy

Alzheimer's Society holds financial reserves to be applied to future activities in these categories:

- Unrestricted – available to be applied, at the discretion of the Trustees, to any of the Alzheimer's Society charitable purposes.
- Restricted – to be applied to the specific purpose(s) intended by the donor.
- Designated – to be applied to the particular purpose specified by the Trustees. At 31 March 2017 the Society held £3.2 million for fixed assets and £1.1 million for information technology as designated funds. This will be applied to support our strategy development during the financial year ending 31 March 2018.

The Trustees have set a target for unrestricted reserves based on an analysis of the potential financial impacts Alzheimer's Society faces. The principle sources of information which were taken into account when setting the reserves target included:

- Budgets and forecasts taking into account expected sources of income and their stability, along with expected costs.
- Cash flow forecasts.
- A going concern review undertaken as part of the year end process.



The Trustees consider the appropriate level of free reserves to be at least three months of charitable expenditure. It is the intention of the Trustees to hold sufficient reserves to enable expenditure to be reduced in a managed fashion, should the need arise, avoiding the need to halt work abruptly. On 31 March 2017, free financial reserves at £26.1 million represented 3.5 months of future expenditure. Alzheimer's Society intends to deliver managed small deficits over the coming years to reduce the free reserves towards the target of 3 months.

## Investments

As set out in its Articles of Association, Alzheimer's Society has absolute discretion to invest money that we don't immediately need to spend. The performance of our investments is overseen by the Investment Committee, which reports to the Board of Trustees. Our investment managers are instructed to avoid any investment in companies that profit materially from products that may be harmful to people with dementia or contribute to the causes of dementia.

The surplus on investments of £4.9m in 2016/17 resulted from the strength of the financial markets and the gains were ahead of the relevant benchmarks. The Trustees remain confident that our investment strategy will deliver long term gains that are significantly more than the returns available from holding cash.

## Subsidiaries

### Alzheimer's Trading Limited (ATL)

ATL is a wholly owned subsidiary of Alzheimer's Society which generates income from licensing and marketing a wide range of gifts, merchandise and products. Each sale helps to support the fight against dementia. ATL's profits are gift aided to Alzheimer's Society. These profits amounted to £320,110 in respect of the year to 31 March 2017 (2016: £390,361), reflecting the range and visibility of our retail activities, and the costs of re-branding some of our products.

We received additional donations of £45,595 from ATL's catalogue activities. The Chief Executive of Alzheimer's Society is the Chair of ATL, giving a clear and direct reporting line to the Society's Board of Trustees.

### The Alzheimer's Foundation for Research into Alzheimer's Disease

The principal activities of the Alzheimer's Foundation are to promote research leading to a cure for Alzheimer's disease and to publish the results of such research. It is a company limited by guarantee and is a registered charity. During 2016/17 £298,000 of funds were passed on for distribution to Alzheimer's Brain Bank. Further details of the subsidiaries are included in note 7 to the financial statements.

## Joint venture

### Alzheimer's Brain Bank UK Limited (ABBUK)

ABBUK is a company limited by guarantee, and is a registered charity. It is a 50:50 joint venture between Alzheimer's Society and Alzheimer's Research UK. The principal activities are to establish, promote and maintain banks of tissue for research into the cause, prevention and cure of Alzheimer's disease and associated neurodegenerative diseases and disorders.

Alzheimer's Society in collaboration with Alzheimer's Research UK and the Medical Research Council supports the Brains for Dementia Research (BDR) initiative [www.brainsfordementiaresearch.org.uk](http://www.brainsfordementiaresearch.org.uk).

This provides a simple, nationwide system for brain donation at a network of brain bank facilities across England and Wales. Six recruitment centres are now actively registering and assessing prospective tissue donors and collecting and disseminating samples for research.

## How we are structured

Alzheimer's Society is a charitable company limited by guarantee, registered as a charity in November 1979 and incorporated as the Alzheimer's Disease Society on 26 March 1987. On 1 October 1999 we changed our name to Alzheimer's Society. Alzheimer's Society is governed by its Articles of Association. New Articles of Association were adopted by special resolution at the Annual General Meeting on 6 October 2015.

The objects contained in the company's Articles of Association are:

- to relieve and treat and promote the relief and treatment of people with Alzheimer's disease and other dementias and to provide support for such persons, their families and carers
- to promote, support and carry out research, and to disseminate the results of such research for the public benefit into the cause and possible cures, whether partial or complete, and the possible prevention of the said disease and other dementias.

## Our 3,000 services across England, Wales and Northern Ireland offer information, care and support to people with dementia, their families, friends and carers

Our future direction is guided by our new strategy, The New Deal on Dementia, building on the platform of our previous strategy for the last five years, Delivering on Dementia. This provides a roadmap based on the objectives contained in the company's Articles of Association and sets out our vision for transforming the landscape of dementia forever. The strategy explains how we are going to turn our vision into a reality, and how the next five years will take us a step closer to a world without dementia.

It sets out three core pillars of activity, which will help us to reach our vision.

## Membership

When we adopted the new Articles of Association on 6 October 2015 the Trustees became the sole legal members of Alzheimer's Society. It is important to note that, because of the stringent obligations on Trustees and Directors under the Companies Act and Charities Act, the accountability of the Trustees for making sure the Society delivers on our charitable objects and for the performance of the charity from a legal and ethical perspective has not reduced.

## The Board of Trustees

The Board of Trustees (members of which are also directors under company law) is composed of a mixture of elected and appointed Trustees.

Details are given under the 'Society people' section on page 56. The Board has provision for up to three Trustees, who are current volunteers, to be elected by ballot. All other Trustees are appointed to the Board through a process run by the Nominations and Appointments Committee.

All Trustees and new Board committee members undertake an induction programme, including a structured introduction to the Society and visits to services and activities. Training and development sessions in key areas are also provided including compulsory data protection training. The performance of individual Trustees and of the Board as a whole is assessed every year.

The Trustees undertake the duties laid down in the Society's governing documents and are ultimately responsible for the governance of the charity and the protection of its assets. The Board takes ultimate responsibility for the implementation of equal opportunities and health and safety within the Society.

The majority of current members of the Board of Trustees have a personal or professional understanding of dementia. They give their time voluntarily and receive no benefits from the Society.

Any expenses reclaimed from the Society are set out in note 5 to the accounts.

The Board is supported in its work by the following committees:

- the Finance and Audit Committee supports the Board in its oversight responsibilities in respect of the financial reporting process, planning and budgeting, compliance and corporate risk
- the Investment Committee monitors the performance of the Society's investments
- the Nominations and Appointments Committee has primary responsibility for identifying the skills required to complement the skills base of existing Trustees. It identifies suitable candidates for appointment to the Board, and recommends potential Trustees for election to the Board
- the Remuneration Committee supports the Board in determining pay. See our disclosure on remuneration policy on page 26.

## If we are going to create a world without dementia, we need everyone to join us

The Board undertook a governance review in 2016 and identified changes to the committee structure. In March 2017 the following was agreed:

- The Finance and Audit Committee would be split into two committees:
  - The Finance and Performance Committee to support the Board in monitoring the integrity of financial and operational performance.
  - The Audit and Risk Committee to support the Board in monitoring the integrity of the Society's risk appetite, management and risk culture, as well as Audit and assurance processes.
- The Delivering Support Committee would be constituted to monitor the integrity and impact of the services and support delivered by the Society.

All committees report on their activities to the Board. The Board records its thanks to the independent members who assist in the work of the Finance and Audit, Investment and Nominations and Appointments Committees.

The Trustees confirm that they have complied with the duty in Section 4 (4) of the Charities Act 2011 by referring to the Charity Commission's general guidance on public benefit when reviewing the aims and objectives of the Society and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

### The strategic leadership team

The Board of Trustees delegates responsibility for the operational management and leadership of the Society to the Chief Executive, who is supported by the members of the strategic leadership team (SLT).

### Our people: our volunteers and employees

If we are going to create a world without dementia, we need everyone to join us. And this requires our people – volunteers and employees – to be authentic, active ambassadors of everything we do.

We enable our people to play their unique but complementary roles by creating a working and volunteering environment in which every one of them:

- feel **capable** and **empowered** to make a difference
- see the **impact** of their contributions
- **shape** their working/volunteering environment
- have **pride** in what they do
- are **passionate**, informed ambassadors of the Society and all it does
- feel **valued** as individuals BUT part of a community and movement bigger than and more important than them.

### Our volunteers

Our volunteers are people who spend time, unpaid, carrying out activities to support our work. The volunteering opportunities vary from service-based or office-based volunteering to Dementia Friends Champions and Dementia Friends.

We are particularly proud of our innovative volunteer-enabled service Side by Side. This service pairs people with dementia and volunteers so they can keep doing the things they love and get out and about. From joining a local club, going to the football, or just strolling in the park, we want people with dementia to live the lives they want and deserve. Our Side by Side volunteers help make this possible.

Our volunteers may help regularly or less frequently. We value and are grateful for whatever commitment they are able to, and choose to, make. On average our volunteers give 133 hours per year and the average length of service is 35 months per volunteer.

We could not achieve all we do without our volunteers. We estimate that it would cost us more than £7 million per year to replace our volunteers with employees on the national living wage.

## On average our volunteers give 133 hours per year and the average length of service is 35 months per volunteer

It is not simply the economic value of our volunteers that counts. The talent, skills, inspiration, energy and experience they bring to our cause and work is invaluable. As is the insight they bring through their first-hand lived experience of dementia. Many of our dedicated volunteers have a dementia diagnosis and a significant proportion have been carers. This experience, as well as their expertise, passion, dedication and unwavering support propel us forward in our efforts.

We enable our volunteers to share their skills, attributes and experiences to change lives, and through this they are motivated by the positive impact they achieve. Volunteers are involved in the day to day running, shaping and delivery of our services. They contribute to selecting and shaping research activities. They help inform, shape and deliver our campaigns and to develop dementia-friendly communities. They raise crucial funds

so all our work continues and support us with all the administration activities required to make this happen.

## Our volunteers and employees are passionate, informed ambassadors of the Society and all it does

We have reached 19,955 Dementia Friends Champions over the course of the programme with 9,690 currently able to run Dementia Friends Information Sessions. This is due to 'inactive' Dementia Friends Champions retiring from the role over time. During 2016-17 these Champions ran 21,854 Information Sessions, reaching 287,426 people, growing our Dementia Friends programme to a total of 1,961,669 as at March 2017.

### Our employees

We currently have more than 2,600 employees, split approximately 50/50 between full time and part time. Eighty-two per cent are on permanent contracts with 15% on fixed-term contracts. Two per cent are casual workers and 1% are on secondment.

The average length of service is approximately 48 months. These passionate, professional and committed employees define and depict our organisational values through their selfless drive and determination to transform the dementia landscape forever.

### Disabilities in the workplace

As an employer, Alzheimer's Society will not discriminate against a disabled person for a reason that relates to their disability, or treat them less favourably than a non-disabled person. We will conduct an individual risk assessment for every applicant, employee or volunteer with a disability. This will identify any reasonable adjustments that needs to and can be made to the workplace or job in order for the person to contribute fully to our work.



## Remuneration policy

Our approach to remuneration is designed to ensure we can attract and retain the talented and motivated people we need to achieve our mission and deliver our strategic goals.

The Remuneration Committee, with delegated authority from the Board of Trustees, reviews the Chief Executive's remuneration and advises them on the Society's remuneration policy and annual pay awards for the Directors and key management personnel.

## Health and safety

Alzheimer's Society aims to create a positive working community where people affected by dementia who use our services, as well as our staff and volunteers, are all safe and supported.

We continue to manage risk through a robust health and safety management system. We are committed to continually improving health and safety and wellbeing of all our employees, volunteers and people who use our services.

Staff and volunteers at all levels produced risk assessments and operational action plans to try and eliminate or control the significant health and safety risks associated with their area of work. A new health and safety audit programme was developed and piloted in our day support services, and it will be rolled out further across our organisation in 2017/18.

## Over the course of our new strategy we will invest in eight Centres of Excellence

We continued to be successful in maintaining certification under the international standard for environmental management (ISO14001) as well as the Contractor's Health and Safety Assessment Scheme.

We also have robust systems in place to safeguard and promote the wellbeing of children and vulnerable adults.

## Income from the pharmaceutical industry

Alzheimer's Society's ethical policy states that income from the pharmaceutical industry should be capped at 5% of income, based on the accounts for the preceding year. Support from pharmaceutical companies during 2016/17 amounted to £98,000 representing 0.09% of total income.

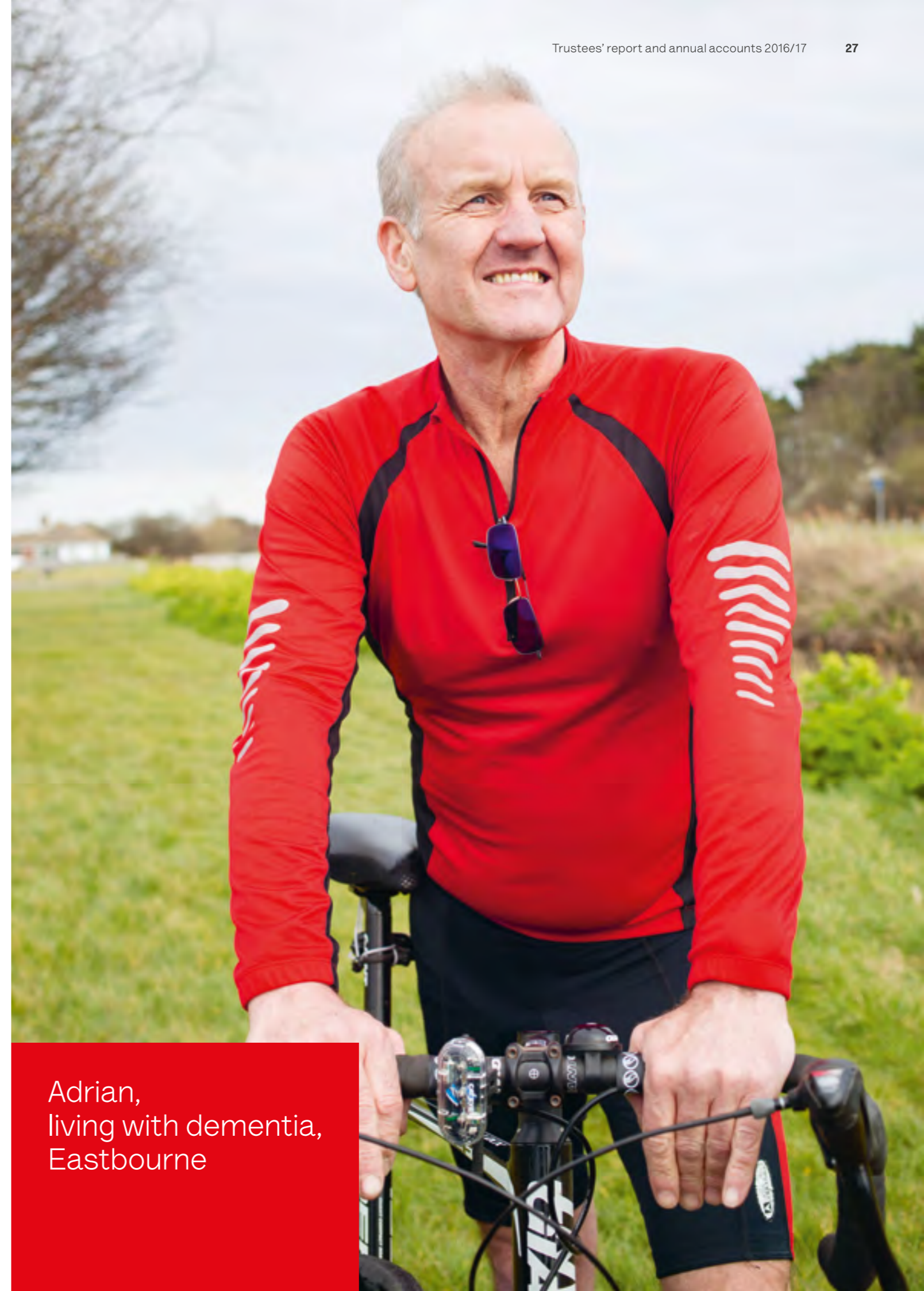
## Research grants

Research funding is awarded through our research grants programme. We invite applications for funding of research projects from a wide range of research and clinical backgrounds.

Applications are assessed by external peer and lay review and an expert panel of researchers, clinicians and people affected by dementia. The process recognises the priorities of people affected by dementia as well as ensuring scientific quality and timeliness.

We monitor projects (which normally last for between two and three years) by annual report. Our Research Network regularly meet with their research teams to review progress and ensure it's appropriate to continue providing funding.

Our 2016/17 programme included the first round of our Centres of Excellence Programme Grants. Over the course of our new strategy we will invest in eight Centres of Excellence, with the first three ready to start carrying out research in 2017/18.



Adrian,  
living with dementia,  
Eastbourne

## Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and regulations. Company law requires the Trustees 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 company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its net incoming resources for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- make judgments and estimates that are reasonable and prudent
- state whether applicable 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 to operate.

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006.

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. The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Society's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as each of the Trustees of the Society at the date of approval of this report is aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing the audit report) of which the Society's auditors are unaware. Each Trustee has taken all of the steps that he/she should have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the Society's auditors are aware of that information.

This Annual report of the Trustees, under the Charities Act 2011 and the Companies Act 2006, was approved by the Board of Trustees of 11 July 2017, including approving in their capacity as company directors the Strategic report contained therein, and is signed and authorised on its behalf by



**Stephen Hill OBE**  
Chairman

## Consolidated statement of financial activities

For the year ended 31 March 2017

Incorporating an income and expenditure account

	Notes	Restricted funds £'000	Unrestricted funds £'000	2017 Group Total £'000	2016 Group Total £'000
<b>Income and endowments from</b>					
Donations and legacies	2a	6,166	59,621	<b>65,787</b>	58,739
Charitable activities		2,092	31,129	<b>33,221</b>	34,796
Other trading activities	7c	–	3,524	<b>3,524</b>	3,328
Investment income	2b	–	1,064	<b>1,064</b>	1,078
Other		–	–	<b>–</b>	8
<b>Total</b>		<b>8,258</b>	<b>95,338</b>	<b>103,596</b>	<b>97,949</b>
<b>Expenditure on</b>					
Raising funds		8	20,432	<b>20,440</b>	16,421
Charitable activities		9,440	79,619	<b>89,059</b>	86,273
<b>Total</b>	3 & 7c	<b>9,448</b>	<b>100,051</b>	<b>109,499</b>	<b>102,694</b>
<b>Operating deficit</b>		<b>(1,190)</b>	<b>(4,713)</b>	<b>(5,903)</b>	<b>(4,745)</b>
<b>Net gains/(losses) on investments</b>		–	4,885	<b>4,885</b>	(2,412)
<b>Net (expenditure)/income</b>		<b>(1,190)</b>	<b>172</b>	<b>(1,018)</b>	<b>(7,157)</b>
<b>Other recognised gains and losses</b>					
Net interest in joint venture operating result		–	(11)	(11)	(12)
<b>Net movement of funds</b>		<b>(1,190)</b>	<b>161</b>	<b>(1,029)</b>	<b>(7,169)</b>
Funds balance at 1 April 2016		5,816	30,250	<b>36,066</b>	43,235
<b>Funds balance at 31 March 2017</b>		<b>4,626</b>	<b>30,411</b>	<b>35,037</b>	<b>36,066</b>

All activities are continuing. The notes on pages 32–51 form part of these financial statements.



## Consolidated balance sheet

As at 31 March 2017

	Notes	2017 Group £'000	2017 Society £'000	2016 Group £'000	2016 Society £'000
<b>Fixed assets</b>					
Tangible assets	6a	3,071	3,071	804	804
Intangible assets	6b	127	127	205	205
Investments	7a	47,616	47,716	41,601	41,701
		<b>50,814</b>	<b>50,914</b>	42,610	42,710
<b>Current assets</b>					
Short-term investments and deposits	7b	6,882	6,882	11,589	11,589
Stock	8	69	–	100	–
Debtors	9	6,513	7,320	6,531	7,458
Cash at bank and in hand		4,131	3,149	3,007	1,970
		<b>17,595</b>	<b>17,351</b>	21,227	21,017
<b>Current liabilities</b>					
Creditors – amounts falling due within one year	10	(20,981)	(20,879)	(16,694)	(16,606)
Net current assets		<b>(3,386)</b>	<b>(3,528)</b>	4,533	4,411
Total assets less current liabilities		<b>47,428</b>	<b>47,386</b>	47,143	47,121
<b>Long-term liabilities</b>					
Creditors – amounts falling due after one year	10	(12,234)	(12,234)	(10,635)	(10,635)
Provision for liabilities and charges	11	(157)	(157)	(442)	(442)
<b>Net assets</b>		<b>35,037</b>	<b>34,995</b>	36,066	36,044
<b>Funds</b>					
<b>Restricted</b>					
Designated funds: fixed assets	15	4,626	4,626	5,816	5,816
Designated funds: information technology		3,198	3,198	1,009	1,009
General funds		1,140	1,140	1,140	1,140
<b>Unrestricted</b>	15	26,073	26,031	28,101	28,079
<b>Total funds</b>		<b>30,411</b>	<b>30,369</b>	30,250	30,228
		<b>35,037</b>	<b>34,995</b>	36,066	36,044

Total incoming resources includes £102.3 million (2016: £95.6 million) and net movement in funds includes £1.4 million outflow (2016: £6.9 million outflow) in respect of the Society.

The financial statements on pages 29–51 were approved and authorised for issue by the Trustees on 11th July 2017 and signed on their behalf by:



**Stephen Hill OBE**  
Chairman



**David Kelham**  
Honorary Treasurer

The notes on pages 32–51 form part of these financial statements  
Company Number 2115499.

## Consolidated cash flow statement

For the year ended 31 March 2017

	Notes	2017 Group £'000	2016 Group £'000
<b>Cash flows from operating activities</b>			
<b>Net cash provided by (used in) operating activities</b>		<b>(708)</b>	(5,303)
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		1,064	1,078
Proceeds from the sale of property, plant and equipment		–	8
Purchase of property, plant and equipment		(2,809)	(539)
Proceeds from sale of investments		1,903	25,091
Purchase of investments		(3,033)	(25,960)
<b>Net cash used in financing activities</b>		<b>(2,875)</b>	(322)
<b>Change in cash and cash equivalents in reporting period</b>			
Bank cash and cash equivalents at the beginning of the reporting period		3,007	3,552
Short term deposits at the beginning of the reporting period		11,589	16,669
<b>Total cash and short term deposits at the beginning of the reporting period</b>		<b>14,596</b>	20,221
<b>Bank cash and cash equivalents at the end of the reporting period</b>		<b>11,013</b>	14,596
<b>Net expenditure for the reporting period</b>			
		<b>(1,029)</b>	(7,169)
<b>Adjustments for:</b>			
Depreciation and amortisation charges		620	545
(Gains)/losses on investments		(4,885)	2,412
Dividends, interest and rents from investment		(1,064)	(1,078)
Profit on the sale of fixed assets		–	(8)
Decrease/(increase) in stocks		31	(55)
Decrease/(increase) in debtors		18	(519)
Increase in creditors		5,601	569
<b>Net cash provided by (used in) operating activities</b>		<b>(708)</b>	(5,303)

## Notes to the financial statements

For the year ended 31 March 2017

Alzheimer's Society is a registered charity (charity no 296645) and a company limited by guarantee and registered in England (company no 2115499)

Registered address:  
43–44 Crutched Friars, London EC3N 2AE.

It meets the definition of a public benefit entity under FRS 102.

### 1. Accounting policies

The financial statements have been prepared in accordance with the Charities SORP (FRS102) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland, the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

After reviewing the group's forecasts and projections, the trustees consider that the group is well placed to manage the business risks it faces. This consideration is further supported by a strong cash flow and a sufficient level of reserves, and so the trustees have a reasonable expectation that the group has sufficient resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

#### Basis of consolidation

The financial statements include the assets, liabilities and funds, and the statement of financial activities of the Society, including all localities and its subsidiaries. The subsidiaries are:

Alzheimer's Trading Ltd. Company no. 2737333

Alzheimer's Foundation for research into Alzheimer's Disease. Company no. 3655393

Alzheimer's UK Ltd. Company no 03086855

Caring for Dementia. Company no 03086851

All these subsidiaries have a registered address of 43-44 Crutched Friars, London EC3N 2AE.

The Society's annual share of the profits or losses from joint ventures being £10,781 (2015–16: £11,738) is included in the statement of financial activities (SOFA) and its share of the net assets is included in the balance sheet. No separate SOFA has been prepared for the parent charity as is permitted by section 408 of the Companies Act 2006 and the SORP. The joint venture is Alzheimer's Brain Bank UK. Company no. 05762960.

### Incoming resources

All income, restricted or unrestricted, is accounted for on a receivable basis and is reported gross of related expenditure, where the amount can be quantified with reasonable accuracy and there is probability of receipt.

Legacies are recognised in the SOFA when there is adequate probability and reliability of receipt and their value can be accurately measured. Legacies not recognised in the SOFA are disclosed in note 2a.

Donations in kind are recognised at their value to the Group when they are received. No amounts are included for services donated by volunteers. Gift aid is included in the accounts based on amounts recoverable at balance sheet date.

### Expenditure

Expenditure is accounted for on an accruals basis, and is reported gross of related income. Where appropriate, it has been allocated directly to operating activities.

Support costs have been allocated to activity categories in proportion to the staff numbers within each activity.

Some Alzheimer's Society activities are classified as exempt or non-business activities for the purposes of VAT, so the Society is unable to reclaim all the VAT that it suffers on its operating costs. Expenditure in these financial statements is therefore shown inclusive of any VAT paid which is not recoverable.

Governance costs are those incurred in compliance with constitutional and statutory requirements including related professional fees and a proportion of the salary costs of relevant staff.

### Grants

Grants receivable are included in the accounts when the society is entitled to the income, there is adequate probability of receipt and the amount can be quantified with reasonable accuracy. Grants received for a specific purpose are accounted for as restricted funds. Grants payable are accounted for on an accruals basis.

Research grants payable to third parties are included in the accounts when an agreement is made to commit funds to a specific project, notwithstanding that payment of the funds may be made at a later date.

Grant income from central government (whether grant or contract income) is detailed in note 15c. All income from local government is contract income.

### Tangible and intangible fixed assets

Tangible fixed assets, with a value of £2,500 or more, are stated at cost or valuation when acquired and depreciated over their estimated useful lives on a straight-line basis at the following rates.

- Freehold property not depreciated
- Leasehold improvements over the life of the lease
- Service user transport 25% per annum
- Fixtures and fittings 25% per annum
- Office equipment 25% per annum
- Computer equipment 33<sup>1</sup>/<sub>3</sub>% per annum.

Intangible fixed assets, being computer software, are stated at cost or valuation when acquired and amortised on a straight line basis at 33<sup>1</sup>/<sub>3</sub>% per annum.

No charge is made for depreciation of freehold property as, in the opinion of the Trustees, any charge and accumulated balance in respect of depreciation would be immaterial. The Trustees undertake impairment reviews in accordance with FRS102.

Items costing less than £2,500 are expensed immediately to the SOFA.



## Notes to the financial statements

For the year ended 31 March 2017

### Financial instruments

Alzheimer's Society has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at the present value of future cash flows (amortised cost). Financial assets, held at amortised cost, comprise cash at bank and in hand, short term cash deposits and the group's debtors excluding prepayments. Financial liabilities held at amortised cost comprise the group's short and long-term creditors excluding deferred income and taxation payable. No discounting has been applied to these financial instruments on the basis that the periods over which accounts will be settled are such that any discounting would be immaterial.

Investments, including bonds and cash held as part of the investment portfolio, are held at fair value at the balance sheet date, with gains and losses being recognised within income and expenditure. Investments in subsidiary undertakings are held at cost less impairment.

At the balance sheet date, the charity held financial assets at amortised cost of £16,170k, (2016 £18,675k), investment assets at fair value through income and expenditure of £47,528k (2016 £41,503k) and financial liabilities at amortised cost of £30,411k (2016 £24,004k).

The present value of future commitments to research creditors has been considered; at a discount rate of 3% the reduction in value is not considered to be material.

### Stock

Stock, which consists mainly of promotional goods, publications, gifts and Christmas cards, is stated at the lower of cost and net realisable value, and includes any costs to bring it to its current location and condition.

### Pension costs

Contributions to the Society's defined contribution pension scheme are charged to the SOFA in the year in which they become payable.

### Operating leases

Expenditure on operating leases is charged to the SOFA on a straight-line basis over the period of the lease.

### Critical accounting judgements and key sources of estimation uncertainty

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described in the accounting policies and are summarised below.

Provision is made in the accounts for property dilapidation costs and charges that may be incurred on the termination of leases. This provision includes any known exposure together with an estimate based on the level of historic claims projected to anticipated lease terminations.

In the view of the trustees, no other assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

### Funds

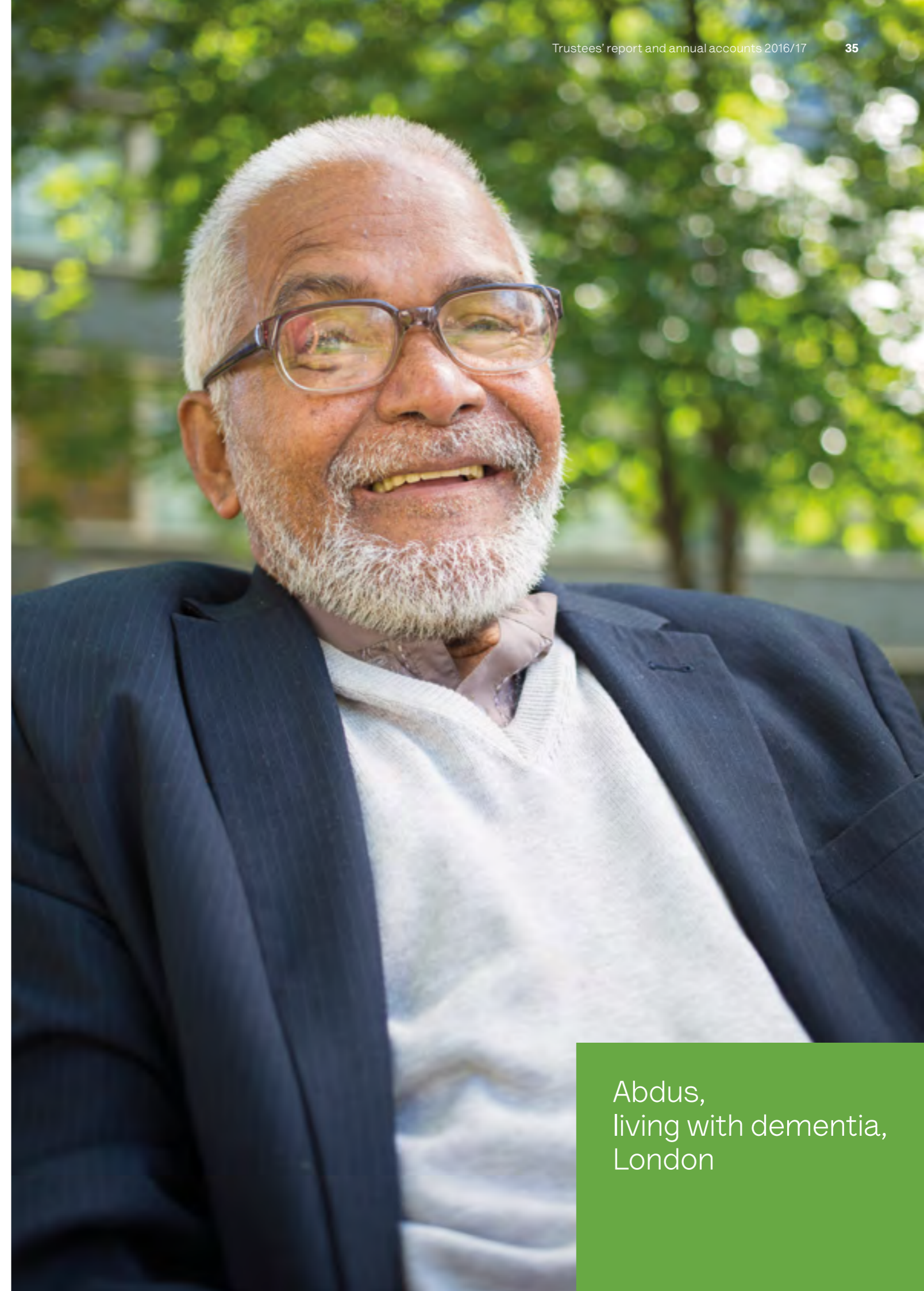
Restricted funds are those specified by the donor only to be used for particular purposes, within the objectives of the Society.

Designated funds are funds set aside for specific purposes by the Trustees out of unrestricted funds. These are a fixed asset fund and an IT improvement fund.

Unrestricted funds are funds that can be freely used at the discretion of the Trustees in accordance with the charitable objectives of the Society.

### Shared services

CharlTyshare Limited is incorporated in England and Wales to provide a shared IT service. During the year the members were Alzheimer's Society, The Children's Society, and Age UK. At 31 March 2017 it is jointly and equally owned by the three ongoing participants. This joint service has the form but not the substance of a joint venture. Alzheimer's Society accounts for its share of assets, liabilities and cash flow according to the shared services agreement.



Abdus,  
living with dementia,  
London

## Notes to the financial statements

For the year ended 31 March 2017

### 2. Income

#### (a) Legacies

As stated in the accounting policies (note 1), the Society recognises income from legacies when there is probability and reliability of receipt and their value can be accurately measured. At 31 March 2017, the Society had been notified of a further 648 legacies (2016: 544) that have not been included in these financial statements as they did not meet these criteria. These legacies may realise approximately £14.1 million (2016: £13.0 million).

	2017 Group £'000	2016 Group £'000
<b>(b) Investment income</b>		
Bank and other interest	30	49
Income from fixed interest investments	478	574
Income from listed equity investments	556	455
	<b>1,064</b>	1,078

	2017 Group £'000	2016 Group £'000
<b>(c) Grants and contract income includes:</b>		
Atlantic Philanthropies	154	160
Big Lottery Fund	257	662
Ballinger Charitable Trust	141	260
Bill Brown's Charitable Settlement of 1989	8	8
Cheshire East Council	89	108
Cheshire West & Cheshire Council	125	132
Comic Relief – campaigning and advocacy	61	69
Department of Health (HSCVF)	–	115
Department of Health	223	876
Department of Health, Social Services and Public Safety Northern Ireland	32	43
Durham County Council	12	20
Garfield Weston Foundation	–	500
Gateshead Metropolitan Borough Council	183	185
Hampton Fuel Allotment Charity	–	17
Joseph Rowntree Foundation	–	1
Kinsurdy Charitable Trust	–	340
Knowsley Metropolitan Council and Knowsley Care Trust	74	74
Leicester City Council	84	91
Leicestershire County & Rutland Primary Care Trust	–	18
Leicestershire County Council	320	353
Monmouthshire County Council	72	71
Newcastle City Council	20	4
Nominet Trust	7	50
Northern Rock Foundation	–	73
People's Postcode Lottery Ltd	900	–

	2017 Group £'000	2016 Group £'000
Rutland County Council	50	50
Salford NHS	–	9
Stockport Metropolitan Borough Council	10	17
Stockport NHS	–	35
Sussex Community Foundation	–	10
The City Bridge Trust	–	40
The E D Charitable Trust	–	99
The Eric and Margaret Kinder Charitable Trust	20	20
The February Foundation (formerly The C Charitable Trust)	25	35
The General Charities of the City of Coventry	20	–
The Henry Smith Charity	–	30
The Ingram Trust	25	25
The Northwick Trust	10	15
The Ruffield Charitable Trust	59	59
Welsh Assembly Government	2	82

Under the terms of the grant or contract, these grants or contracts have been disclosed individually.

#### (d) Gift aid recovery

The consolidated SOFA includes £3.42 million (2016 £3.49 million) for gift aid on voluntary fundraising. Additionally, profits of Alzheimer's Trading Limited of £320k (2016: £390k) were paid under gift aid to the Society.



## Notes to the financial statements

For the year ended 31 March 2017

### 3. Resources expended

	Fundraising £'000	Meeting Needs £'000	Sharing information £'000	Advancing research £'000	Inspiring change £'000	2017 Group total £'000	2016 Group total £'000
Activities undertaken directly	19,119	54,197	3,108	1,560	10,566	88,550	84,404
Grant funding of activities (note 4)	–	–	–	8,578	–	8,578	6,574
<b>Direct costs</b>	<b>19,119</b>	<b>54,197</b>	<b>3,108</b>	<b>10,138</b>	<b>10,566</b>	<b>97,128</b>	90,978
<b>Indirect costs</b>	<b>1,321</b>	<b>9,725</b>	<b>430</b>	<b>139</b>	<b>756</b>	<b>12,371</b>	11,716
<b>Total costs (including governance)</b>	<b>20,440</b>	<b>63,922</b>	<b>3,538</b>	<b>10,277</b>	<b>11,322</b>	<b>109,499</b>	102,694

The direct costs of £97m are 89% of the total expenditure of £109.5m. This calculation supports the figure of 89 pence in the pound spent towards improving the lives of people affected by dementia.

#### Basis of indirect cost allocation

The remaining £12.4m of indirect costs are allocated to service departments based on staff numbers, and consist of IT, premises, human resources, finance, governance and corporate resource costs. Fundraising costs include the trading costs of subsidiaries.

	2017 Group £'000	2016 Group £'000
<b>Activities undertaken directly for care services were:</b>		
Day care	7,215	7,667
Dementia support and advice	30,388	26,963
Home care	2,270	2,353
Support groups	1,777	2,205
Befriending	2,080	1,746
Advocacy	1,636	1,498
Care staff costs attributable over multiple activities	4,488	5,659
Other services	4,343	3,332
<b>Total Meeting Needs</b>	<b>54,197</b>	51,423

	2017 Group £'000	2016 Group £'000
<b>Governance costs were</b>		
Audit costs – Crowe Clark Whitehill	55	55
Board of Trustees	23	24
Company secretarial	144	138
Information governance	209	81
AGM and other governance meetings	8	15
Internal audit	98	100

Company secretarial costs represent the salaries and direct expenditure incurred by the company secretary's department. The company secretary department is involved in operations to comply with the statutory requirements of operating a charitable company.

### 4. Grant giving

#### Grants awarded during the financial year include: Research grants to institutions

##### By Society:

	2017 Group £'000	2016 Group £'000
ABBUK	10	–
Cambridge & Peterborough NHSFT	2	–
King's College London	278	245
Herriott-Watt University	148	–
Imperial College London	–	397
London School of Hygiene and Tropical Medicine	–	55
Medical Research Council	75	–
NESTA	–	20
Queens University Belfast	400	–
University College London	2,248	1,735
University of Aberdeen	4	2
University of Bangor	224	10
University of Bath	–	85
University of Birmingham	2	–
University of Bradford	–	2
University of Bristol	2	202
University of Cambridge	800	224
University of Canterbury	2	–
University of Cardiff	3	–
University of Durham	–	433
University of East Anglia	219	84
University of Edinburgh	698	850
University of Edinburgh Napier	2	–
University of Glasgow	1,824	1
University of Glasgow; British Council	200	–
University of Leeds	2	85
University of Liverpool	–	261
University of Manchester	292	219
University of Newcastle	997	292
University of Northumbria	–	2
University of Nottingham	2	211
University of Oxford	115	124
University of Plymouth	4	–
University of Portsmouth	85	–
University of Sheffield	89	187
University of Southampton	270	262
University of Sussex	357	–
University of West of Scotland	3	186
University of Worcester	–	390

## Notes to the financial statements

For the year ended 31 March 2017

### 4. Grant giving (continued)

	2017 Group £'000	2016 Group £'000
<b>Other grants to individuals and institutions:</b>		
World Dementia Council	31	50
GADAA	–	25
	<b>31</b>	<b>75</b>
<b>Total grants</b>	<b>8,609</b>	<b>6,574</b>

Support costs allocated to grant making activities were £139k (2016: £122k)

### 5. Staff costs

	2017 Group £'000	2016 Group £'000
Gross wages and salaries	52,503	49,959
Employer's National Insurance	4,492	4,149
Pension contributions	1,975	1,812
	<b>58,970</b>	<b>55,920</b>

Redundancy costs of £389k were recognised in 2016–17 (2015–16 £104k). Of this, £273k was unpaid at 31 March 2017 (2016 £5k).

#### Pension costs

The Society operates a stakeholder pension scheme, administered by Zurich Assurance Ltd, which is open to all staff on completion of entry requirements. Pension costs of up to 8% of gross pensionable salary for all eligible employees are charged to expenditure as they are incurred.

The Society implemented auto-enrolment in September 2013, in line with the Workplace Pension reforms.

All employees participate in the same pension arrangements.

The average number of employees during the year was as follows:

	2017 Group full time no.	2017 Group part time no.	2016 Group full time no.	2016 Group part time no.
<b>Employee numbers</b>				
Fundraising	199	11	173	15
Care services: Improving quality	853	1,304	828	1,331
Care services: Extending reach	60	13	48	14
Campaigning and awareness raising	110	14	111	12
Research	21	1	19	1
	<b>1,243</b>	<b>1,343</b>	<b>1,179</b>	<b>1,373</b>

The number of employees in total emolument bands in excess of £60,000 were as follows:	2017 No.	2016 No.
<b>£60,001–£70,000</b>	<b>24</b>	23
<b>£70,001–£80,000</b>	<b>2</b>	4
<b>£80,001–£90,000</b>	<b>1</b>	2
<b>£90,001–£100,000</b>	<b>3</b>	2
<b>£100,001–£110,000</b>	<b>3</b>	1
<b>£130,001–£140,000</b>	<b>1</b>	1
<b>£140,001–£150,000</b>	<b>1</b>	–
<b>£150,001–£160,000</b>	<b>1</b>	–

The total employment costs (including employers National Insurance contributions) of the Strategic Leadership Team, comprised of the Chief Executive Officer and the Directors of Digital Transformation, Fundraising, Finance, Personal and Organisational Development, Research, Services and Strategic Planning and Resources for the year 2016–17 was £1,110k (2016: £899k including Employers NI).

#### Members of the Board

None (2016: none) of the Trustees who held office during the year received any remuneration. Expenses for travel and subsistence were reimbursed or paid on behalf of 12 (2016: 11) Trustees during the year totalling £9,304. (2016: £11,795).

#### Role of Volunteers

During 2016–17, the Society recorded contributions to its work made by 6,124 regular volunteers (and around 3,000 occasional volunteers).

81% of these contributed to services or fundraising activities; the others helped with research, campaigning or administration.

We estimate that the replacement cost of this, paid at the national minimum wage, would have been over £7.0 million.



## Notes to the financial statements

For the year ended 31 March 2017

### 6a. Tangible fixed assets – Group and Society

	Freehold property £'000	Leasehold improvements £'000	Service user transport £'000	Furniture & fittings £'000	Office and computer equipment £'000	Total £'000
<b>Cost</b>						
As at 1 April 2016	237	2,011	631	623	3,493	6,995
Additions	–	1,861	–	534	414	2,809
Disposals	–	(845)	–	(135)	(236)	(1,216)
<b>As at 31 March 2017</b>	<b>237</b>	<b>3,027</b>	<b>631</b>	<b>1,022</b>	<b>3,671</b>	<b>8,588</b>
<b>Depreciation</b>						
As at 1 April 2016	13	1,761	615	544	3,258	6,191
Charge for the year	–	177	8	81	276	542
Disposals	–	(845)	–	(135)	(236)	(1,216)
<b>As at 31 March 2017</b>	<b>13</b>	<b>1,093</b>	<b>623</b>	<b>490</b>	<b>3,298</b>	<b>5,517</b>
<b>Net book value</b>						
As at 31 March 2016	224	250	16	79	235	804
<b>As at 31 March 2017</b>	<b>224</b>	<b>1,934</b>	<b>8</b>	<b>532</b>	<b>373</b>	<b>3,071</b>

### 6b. Intangible fixed assets – Group and Society

	Computer software £'000	Total £'000
<b>Cost</b>		
As at 1 April 2016	401	401
Additions	–	–
Disposals	–	–
<b>As at 31 March 2017</b>	<b>401</b>	<b>401</b>
<b>Amortisation</b>		
As at 1 April 2016	196	196
Charge for the year	78	78
Disposals	–	–
<b>As at 31 March 2017</b>	<b>274</b>	<b>274</b>
<b>Net book value</b>		
As at 31 March 2016	205	205
<b>As at 31 March 2017</b>	<b>127</b>	<b>127</b>

### 7. Investments

	2017 Group £'000	2017 Society £'000	2016 Group £'000	2016 Society £'000
<b>(a) Fixed asset investments</b>				
Opening valuation 1 April	41,601	41,701	43,144	43,244
Additions	3,033	3,033	25,960	25,960
Disposals	(1,903)	(1,903)	(25,091)	(25,091)
Realised gains on disposals during year	3,533	3,533	1,713	1,713
Unrealised gains/(losses) on valuation	1,352	1,352	(4,125)	(4,125)
<b>Closing valuation 31 March</b>	<b>47,616</b>	<b>47,716</b>	41,601	41,701

	2017 Group £'000	2017 Society £'000	2016 Group £'000	2016 Society £'000
Equity Investments listed on a recognised stock exchange	30,082	30,082	15,381	15,381
Fixed Interest Investments listed on a recognised stock exchange	11,247	11,247	26,122	26,122
Alternative Asset Investments listed on a recognised stock exchange	6,200	6,200	–	–
Investment in subsidiary and associated undertakings	–	100	–	100
Share of assets in joint venture	852	852	1,140	1,140
Share of liabilities in joint venture	(765)	(765)	(1,042)	(1,042)
<b>Total</b>	<b>47,616</b>	<b>47,716</b>	41,601	41,701
Investment assets in the UK	11,638	11,738	6,578	6,678
Investment assets outside the UK	35,978	35,978	35,023	35,023
<b>Total</b>	<b>47,616</b>	<b>47,716</b>	41,601	41,701

78% of the value of investments outside the UK have their exposure to foreign currency fluctuations fully hedged.

The cost price of investments listed on a recognised stock exchange is £46.2 million.

All of the investments at 31 March 2017 and 31 March 2016 were held to the order of the Society.

At 31 March 2017 four individual investments (2016: none) exceeded 5% by value of the total portfolio.

As part of the overall management of funds, the investment managers have entered into commitments to purchase a total of GBP 20,791,000 (2016: GBP 65,095,000), EUR 3,208,000 (2016: EUR 6,284,000) and USD nil (2016: USD 766,000) under forward rate contracts at 31 March 2016. All contracts matured at 27 April 2017 and are included within total investments at a market value of £4,001 (2016: £(81,004)) at 31 March 2017.

#### Joint venture investment

Alzheimer's Brain Bank UK Ltd (ABBUK) is a company limited by guarantee (number 5762960) and a registered charity (number 1114579). It has two members, Alzheimer's Society and Alzheimer's Research UK. The main objectives of the charity are to protect and promote the health of the public, in particular by establishing, promoting and maintaining banks of brain tissue for research into the cause, prevention, treatment and cure of Alzheimer's disease and associated neurodegenerative diseases and disorders.

The Society owns a 50% share in ABBUK and its share of the net assets is £87,180 (2016: £97,962).

This joint venture is accounted for in accordance with the Charities SORP and FRS 102 under the gross equity method.

## Notes to the financial statements

For the year ended 31 March 2017

### 7. Investments (continued)

	2017 Group £'000	2017 Society £'000	2016 Group £'000	2016 Society £'000
<b>(b) Short-term investments and deposits</b>				
Short term investments and deposits held by:				
JP Morgan Current Account	2,370	2,370	955	955
HSBC	2,395	2,395	4,601	4,601
C Hoare & Co	2,117	2,117	6,033	6,033
	<b>6,882</b>	<b>6,882</b>	11,589	11,589

#### (c) Subsidiary companies

Alzheimer's Trading Limited, registered number 2737333, is a wholly owned subsidiary of Alzheimer's Society whose profits are gift aided to Alzheimer's Society. The trading company receives income from licensing charges and markets a wide range of gifts, merchandise and products with each sale helping to support our cause in improving the lives of people with dementia.

The Alzheimer's Foundation for Research into Alzheimer's Disease (Charity Registration Number 1075535) is a subsidiary of Alzheimer's Society by virtue of all of the members being nominees of the Society. In 2016/17, no grants were made to Alzheimer's Society's research programme (2016: none) or to Alzheimer's Research UK (2016: none).

	Alzheimer's Trading Limited £'000	Alzheimer's Foundation for Research £'000	2017 Total £'000	2016 Total £'000
<b>Profit and loss accounts for the year ended 31 March 2017</b>				
Turnover	973	2	975	896
Donations and legacies	–	322	322	144
Cost of sales	(405)	–	(405)	(330)
Gross profit	568	324	892	710
Distribution expenses	(200)	–	(200)	(97)
Administration expenses	(48)	–	(48)	(79)
Charitable activities	–	(304)	(304)	(250)
Governance costs	–	–	–	(3)
Net profit/(loss)	320	20	340	281
Payment to the Society under gift aid	(320)	–	(320)	(390)
<b>(Deficit)/surplus retained in subsidiaries</b>	–	20	<b>20</b>	(109)
<b>Balance sheets at 31 March 2017</b>				
Stock	69	–	69	100
Debtors	248	20	268	158
Cash at bank and in hand	956	26	982	1,037
Creditors – amounts falling due within one year	(1,173)	(4)	(1,177)	(1,173)
<b>Net assets</b>	100	42	<b>142</b>	122
<b>Financed by:</b>				
Ordinary share capital	100	–	100	100
Unrestricted funds	–	42	42	22
<b>Total funds</b>	100	42	<b>142</b>	122

Alzheimer's Trading Limited owns all the ordinary share capital of two other companies. Both of these companies are registered in England, are dormant, and had no assets or liabilities as at 31 March 2017.

### 8. Stock

	2017 Group £'000	2017 Society £'000	2016 Group £'000	2016 Society £'000
Finished goods and goods for re-sale	69	–	100	–

### 9. Debtors

	2017 Group £'000	2017 Society £'000	2016 Group £'000	2016 Society £'000
Trade debtors	2,107	1,839	2,886	2,728
Prepayments	1,357	1,357	1,381	1,381
Accrued income	2,650	2,650	2,036	2,036
Other debtors	399	399	228	228
	<b>6,513</b>	<b>6,245</b>	6,531	6,373
Amounts due from subsidiary undertaking	–	1,075	–	1,085
	<b>6,513</b>	<b>7,320</b>	6,531	7,458

Accrued income includes income receivable of £611,000 (2016: £503,000) for gift aid recovery.

### 10. Creditors

	2017 Group £'000	2017 Society £'000	2016 Group £'000	2016 Society £'000
<b>Amounts falling due within one year:</b>				
Research grant creditors	10,550	10,550	7,972	7,972
Trade creditors	4,191	4,069	3,052	2,941
Other taxes and social security	1,271	1,271	1,180	1,180
Other creditors	2,220	2,220	1,154	1,154
Accruals	1,215	1,215	1,298	1,298
Deferred income (see note 12)	1,534	1,534	2,038	2,038
	<b>20,981</b>	<b>20,859</b>	16,694	16,583
Amounts due to subsidiary undertaking	–	20	–	23
	<b>20,981</b>	<b>20,879</b>	16,694	16,606

#### Amounts falling due after one year:

Research grant creditors	12,234	12,234	10,635	10,635
<b>Research grant creditors are payable:</b>				
Within one year	10,550	10,550	7,972	7,972
Between one and two years	8,865	8,865	9,516	9,516
Between two and five years	3,369	3,369	1,119	1,119
Total research grant creditors	<b>22,784</b>	<b>22,784</b>	18,607	18,607

Included in research grant creditors are amounts due to the joint venture, ABBUK, of £196,525 (2016: £574,839).



## Notes to the financial statements

For the year ended 31 March 2017

### 11. Provisions for liabilities and charges

	2017 Group £'000	2017 Society £'000	2016 Group £'000	2016 Society £'000
Balance at 1 April 2016	442	442	446	446
Amounts provided for during the year	157	157	–	–
Amounts released to resources expended during the year	(442)	(442)	(4)	(4)
	<b>157</b>	<b>157</b>	442	442

Provisions represent the estimated cost of repairing dilapidations in properties currently rented, at the end of their leases and for expected restructuring costs.

### 12. Deferred income

	2017 Group £'000	2017 Society £'000	2016 Group £'000	2016 Society £'000
Balance at 1 April 2016	2,038	2,038	2,327	2,327
Amounts released to incoming resources	(2,038)	(2,038)	(2,327)	(2,327)
Amounts deferred in the year	1,534	1,534	2,038	2,038
	<b>1,534</b>	<b>1,534</b>	2,038	2,038

Deferred income represents income relating to future events, which may need to be given back, in case of cancellation and multi-year contract payments paid in advance.

### 13. Share capital

The Society has no issued share capital as it is a company limited by guarantee.

### 14. Taxation

As a charity, Alzheimer's Society is potentially exempt from taxation of income and gains to the extent that these are applied to its charitable objectives.

### 15. Funds

	Note	At 1 April 2016 Group £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	Gains and losses £'000	At 31 March 2017 Group £'000
<b>Restricted funds</b>							
<b>Big Lottery Fund</b>							
Care services	(a)	102	256	(317)	–	–	<b>41</b>
<b>Department of Health</b>							
Care services	(b)	3	223	(226)	–	–	<b>–</b>
<b>Government of Wales</b>							
Dementia Friends and DFC	(c)	–	83	(83)	–	–	<b>–</b>
		105	562	(626)	–	–	<b>41</b>
<b>Other funders</b>							
Research		2,658	2,927	(3,371)	–	–	<b>2,214</b>
Care services		745	1,975	(2,057)	–	–	<b>663</b>
Geographically restricted funds		2,235	2,727	(3,254)	–	–	<b>1,708</b>
Other		73	67	(140)	–	–	<b>–</b>
		5,711	7,696	(8,822)	–	–	<b>4,585</b>
<b>Total restricted funds</b>		<b>5,816</b>	<b>8,258</b>	<b>(9,448)</b>	<b>–</b>	<b>–</b>	<b>4,626</b>
<b>Unrestricted funds</b>		<b>30,250</b>	<b>95,338</b>	<b>(100,051)</b>	<b>–</b>	<b>4,874</b>	<b>30,411</b>
<b>Total funds</b>		<b>36,066</b>	<b>103,596</b>	<b>(109,499)</b>	<b>–</b>	<b>4,874</b>	<b>35,037</b>

Unrestricted funds includes designated funds of £3.2 million (2016: £1.0 million) which represent the Society's investment in tangible and intangible fixed assets which are not immediately realisable, and £1.1 million (2016: £1.1 million) designated for improvements in IT. We expect the improvements to be implemented in 2017–18.

(a) During the year the Society was in receipt of £256k grants from the Big Lottery Fund. These grants are restricted to the activities agreed to by the Big Lottery Fund and the Society. In accordance with their terms, an analysis by activity is reported below:

	At 1 April 2016 Group £'000	Incoming resources £'000	Resources expended £'000	At 31 March 2017 Group £'000
<b>Care services</b>				
AdvantAge advocacy Wales	22	–	(22)	<b>–</b>
People and places Wales	64	84	(148)	<b>–</b>
Dementia Cafés Network NI	11	121	(91)	<b>41</b>
Greater Manchester Dementia Friendly Communities	5	51	(56)	<b>–</b>
	102	256	(317)	<b>41</b>

## Notes to the financial statements

For the year ended 31 March 2017

### 15. Funds (continued)

(b) During the year the Society was in receipt of £223k grants from the Department of Health. These grants are restricted to the activities agreed to by the Department of Health and the Society. In accordance with their terms, an analysis is reported below:

	At 1 April 2016 Group £'000	Incoming resources £'000	Resources expanded £'000	At 31 March 2017 Group £'000
Local Dementia Action Alliances	3	–	(3)	–
International Dementia Friendly Communities	–	223	(223)	–
	3	223	(226)	–

The government grants detailed in note (b) supported the work of Alzheimer's Society encouraging better community engagement with people affected by dementia, and spreading the experience of creating dementia-friendly communities internationally.

(c) During the year the Society was in receipt of a £83k grant from the Government of Wales. The grant is restricted to the activities agreed to by the Government of Wales and the Society. In accordance with their terms, an analysis is reported below:

	At 1 April 2016 Group £'000	Incoming resources £'000	Resources expanded £'000	At 31 March 2017 Group £'000
Dementia Friends and Dementia Friendly Communities	–	83	(83)	–
	–	83	(83)	–

The government grant detailed in note (c) supported the work of Alzheimer's Society by encouraging better community engagement with people affected by dementia, and spreading the experience of creating dementia-friendly communities in Wales.

### 16. Financial and other commitments

#### (a) Operating leases – Group

At 31 March the Society had annual commitments under non-cancellable operating leases as set out below:

	2017 Land and buildings £'000	2017 Other £'000	2016 Land and buildings £'000	2016 Other £'000
<b>Operating leases which expire:</b>				
Within one year	2,352	96	1,302	76
In two to five years	6,007	31	1,276	124
After five years	4,540	–	54	–
	<b>12,899</b>	<b>127</b>	2,632	200

The increase in Operating Leases is mostly due to the Head Office move into Crutched Friars, which was completed during the year.

#### (b) Capital commitments not yet contracted for

The trustees of the Society have approved a budget of £463k to install new HR and Fundraising software.

#### (c) Other commitments

The Society had no commitments to provide contractual services to local authorities and other statutory and non-statutory bodies that required a capital expenditure commitment (2016: nil).

### 17. Analysis of group net assets between funds

	Tangible and intangible fixed assets £'000	Fixed asset investments £'000	Net current assets £'000	Creditors due after 1 year £'000	Total £'000
<b>2016–17</b>					
Restricted funds	–	–	4,626	–	4,626
Designated funds	3,198	–	1,140	–	4,338
General funds	–	47,616	(9,152)	(12,391)	26,073
	3,198	47,616	(3,386)	(12,391)	35,037

	Tangible and intangible fixed assets £'000	Fixed asset investments £'000	Net current assets £'000	Creditors due after 1 year £'000	Total £'000
<b>2015–16</b>					
Restricted funds	–	–	5,816	–	5,816
Designated funds	1,009	–	1,140	–	2,149
General funds	–	41,601	(2,423)	(11,077)	28,101
	1,009	41,601	4,533	(11,077)	36,066



## Notes to the financial statements

For the year ended 31 March 2017

### 18. Consolidated statement of financial activities

For the period ended 31 March 2016

Incorporating an income and expenditure account

	Notes	Restricted funds £'000	Unrestricted funds £'000	2016 Group Total £'000
<b>Incoming and endowments from</b>				
Donations and legacies	2a	5,990	52,749	58,739
Charitable activities		3,453	31,343	34,796
Other trading activities	7c	3	3,325	3,328
Investment income	2b	–	1,078	1,078
Other		–	8	8
<b>Total</b>		<b>9,446</b>	<b>88,503</b>	<b>97,949</b>
<b>Expenditure on</b>				
<b>Costs of generating funds</b>				
Raising funds	3 & 7c	(36)	16,457	16,421
Charitable activities	3	14,485	71,788	86,273
<b>Total</b>		<b>14,449</b>	<b>88,245</b>	<b>102,694</b>
		(5,003)	258	(4,745)
<b>Operating deficit</b>				
<b>Net gains/(losses) on investments</b>		–	(2,412)	(2,412)
<b>Net income/(expenditure)</b>		(5,003)	(2,154)	(7,157)
<b>Other gains/(losses)</b>				
Net interest in joint venture operating result		–	(12)	(12)
Net movement of funds		(5,003)	(2,166)	(7,169)
Funds balance at 1 April 2016		10,819	32,416	43,235
<b>Funds balance at 31 March 2017</b>		<b>5,816</b>	<b>30,250</b>	<b>36,066</b>

In line with the requirements of FRS 102 SORP, the above note shows the split of comparative information between the Funds. The option to prepare a separate note has been taken, over the integration within the existing SOFA (i.e. the six column approach).

### 19. Funds

For the period ended 31 March 2016

	Note	At 1 April 2015 Group £'000	Incoming resources £'000	Resources expanded £'000	Transfers £'000	Gains and losses £'000	At 31 March 2016 Group £'000
<b>Restricted funds</b>							
<b>Big Lottery Fund</b>							
Care services	(a)	186	662	(746)	–	–	<b>102</b>
<b>Department of Health</b>							
Care services	(b)	318	876	(1,191)	–	–	<b>3</b>
		504	1,538	(1,937)	–	–	<b>41</b>
<b>Other funders</b>							
Research		6,228	3,469	(7,039)	–	–	<b>2,658</b>
Care services		2,056	413	(1,724)	–	–	<b>745</b>
Geographically restricted funds		1,892	3,934	(3,591)	–	–	<b>2,235</b>
Other		139	92	(158)	–	–	<b>73</b>
		10,315	7,908	(12,512)	–	–	<b>5,711</b>
<b>Total restricted funds</b>		<b>10,819</b>	<b>9,446</b>	<b>(14,449)</b>	–	–	<b>5,816</b>
<b>Unrestricted funds</b>		<b>32,416</b>	<b>88,503</b>	<b>(88,245)</b>	–	2,424	<b>30,250</b>
<b>Total funds</b>		<b>43,235</b>	<b>97,949</b>	<b>(102,694)</b>	–	2,242	<b>36,066</b>

### 20. Related Party Transactions

In 2016–17, Alzheimer's Society charged £138k (2015–16 £129k) to Alzheimer's Trading Ltd for the provision of staff and the purchase of goods. The balance owed to Alzheimer's Society at 31st March 2017 was £1,103k. (31st March 2016 £1,086k).

Alzheimer's Society collected legacy income on behalf of The Alzheimer's Foundation, to the value of £295k. (2015–16 £130k). The balance owed to The Alzheimer's Foundation at 31 March 2017 was £20k (31 March 2016 £23k). There were no other related party transactions.

## Independent Auditor's Report to the Members of Alzheimer's Society

We have audited the financial statements of Alzheimer's Society for the year ended 31 March 2017 which comprise of the Group Statement of Financial Activities, the Group and Society Balance Sheets, the Group Cash Flow Statement and the related notes numbered 1 to 20.

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).

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. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed..

### Respective responsibilities of Trustees and auditor

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

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

### Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Strategic report and the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 March 2017 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Opinion on other matter prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report and Strategic report have been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate accounting records; 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.



**Mike Hicks**

Senior Statutory Auditor

For and on behalf of  
**Crowe Clark Whitehill LLP**  
 Statutory Auditor,  
 St Bride's House,  
 10 Salisbury Square,  
 London EC4Y 8EH

11 July 2017

## A big thank you

To all our supporters who helped us continue to fight dementia in 2016/17, including:

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The Hon Lady Ogilvy, KG, GCVO  
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And to all our supporters who wish to remain anonymous.

<sup>1</sup>AA Gill sadly passed away in December 2016

<sup>\*\*</sup>Bill Wilson sadly passed away in July 2016

We are extremely grateful for their time and dedication to Alzheimer's Society.



## Society people

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Sarah Weir OBE Re-appointed 6 September 2016

Prof Gordon Wilcock Appointed 6 October 2015

<sup>1</sup>Following adoption of the new Articles of Association on 6 October 2015, Trustees previous elected are deemed to be appointed.

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Martyn Pritchard From January 2017

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Director of Fundraising Michael Dent From April 2016

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Director of Research and Development Dr Doug Brown

Director of Strategic Planning and Resources David Fowler To April 2017

Helen Hughes From April 2017

Interim Director of Finance Andy James From January 2017

Company Secretary Paul Bell

**Professional advisers**

**Auditors**

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Chartered Accountants and Registered Auditors  
St Bride's House  
10 Salisbury Square  
London EC4Y 8EH

**Bankers**

HSBC Bank Plc  
London Corporate Banking Centre  
60 Queen Victoria Street  
London EC4N 4TR

**Insurance brokers**

Lockton Companies LLP  
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138 Houndsditch  
London EC3A 7AG

**Investment managers**

JP Morgan Private Bank  
1 Knightsbridge  
London SW1X 7LX

**Legal advisers**

Stone King LLP  
Boundary House  
91 Charterhouse Street  
London EC1M 6HR

**Registered charity number**  
296645

**Company registration number**  
2115499

**Trustee committee memberships during the year (all or part of):**

# Finance and Audit Committee Member \* Nominations and Appointments Committee Member  
+ Remuneration Committee Member ^ Investment Committee Member

Jo,  
living with dementia,  
Newcastle

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43–44 Crutched Friars,  
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Registered charity no.  
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