

# **We all live with dementia**

Alzheimer's Society  
Annual report and  
financial statements  
2009/10

# There will be over a million people with dementia by 2025.

## Contents

- 2 Chair's report
- 4 Chief Executive's report
- 6 Board of Trustees' report
- 20 Independent Auditor's report to the members of Alzheimer's Society
- 23 Consolidated statement of financial activities
- 24 Consolidated balance sheet
- 25 Consolidated cash flow statement
- 26 Notes to the financial statements
- 38 Reference and administrative details of the Society, its Trustees and advisers

**‘The Society performs an invaluable role when it comes to combating feelings of isolation. Services such as our website and our discussion forum, Talking Point, mean that we are now able to be there 24 hours a day, 365 days a year.’**

Alastair Balls CB DL  
Chair

# Chair's report

---

The past year has been one of significant progress and considerable change for Alzheimer's Society.

The launch of the National Dementia Strategy for England has provided us with a once in a lifetime opportunity to ensure better outcomes for people living with dementia. We have already seen some early successes in terms of obtaining funding for important new services. In the coming year the Society will continue to work with the Department of Health, Social Services and Public Safety in Northern Ireland on the development of its plan, and focus on driving delivery across England – as well as supporting the delivery of the National Dementia Plan for Wales (launched in May 2010).

Like all changes, the implementation of locality management has not been without its challenges, but I firmly believe that the successful introduction of our new local structure will allow us to reach more people in more places than ever before. It also equips us to share best practice, ensuring that each of our services leads to effective outcomes and is delivered to the highest possible standard.

Although we are determined to achieve national standards of delivery across the regions and countries in which we operate, we also aim to provide services that meet particular local requirements and the personal needs of individuals living with dementia. We have set the ambitious, but achievable, target of increasing our reach by a further 10 per cent over the coming year.

I know from talking to people with dementia, and with their carers, that the Society performs an invaluable role when it comes to combating feelings of isolation. Services such as our website and our discussion forum, Talking Point, mean that we are now able to be there 24 hours a day, 365 days a year, often when nobody else can be reached. The value of such supportive communities is reflected in the fact that our website recorded more than 2.2 million visits over the last 12 months.

However, we are all aware that there is much more to be done, particularly with regard to removing the stigma that is still attached to dementia and when it comes to ensuring early diagnosis and treatment.

**‘For the first time, all three major political parties featured commitments to people with dementia in their election manifestos.’**

---

The success of our campaigning and awareness raising is perhaps best reflected by the fact that this year, for the first time, all three major political parties featured commitments to people with dementia in their election manifestos. The coalition agreement retains some of these commitments and we intend to pursue their delivery.

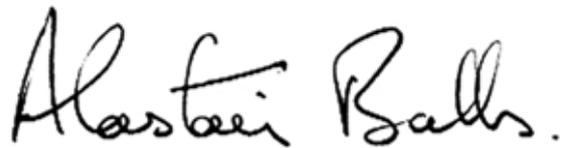
Each of our successful campaigns has been conducted from a strong evidence base, which highlights the importance of research to the Society's activities, both now and in the future. We have committed approximately £2 million to new research and, although already a significant investment, this is a sum that the Board of Trustees is committed to doubling, as a minimum, in future years. Excellence in research leads to excellence in service delivery, public information and training as well as informed policies and campaigns. Those campaigns, in turn, will help us to set priorities for future research.

The importance of research into the causes, prevention, treatment and care of all types of dementia is also recognised by our members, who emphasised its value when responding to our membership survey last September. So the Society intends to increase its funding of dementia research, with a particular focus on supporting young scientists through research fellowships and PhD studentships, and by cultivating successful partnerships with other related organisations.

I would like to take this opportunity to thank our 7,000 staff and volunteers for helping the Society to support so many people over the past 12 months. I would also like to thank Ruth Sutherland for successfully delivering locality management with support from many valued colleagues, and for providing inspiring and professional leadership as our Interim Chief Executive.

Finally, the past year saw the departure of our Chief Executive, Neil Hunt, after seven years of invaluable service. Neil oversaw the development of the Society into a strong and confident organisation and we owe much of our success to his energy and vision. I know you will all join me in wishing him well for the future.

I close by welcoming new Chief Executive Jeremy Hughes to the Society. He will join us in November 2010. He brings considerable insight, ability, experience and energy to the task of further developing the Society.



**Alastair Balls CB DL**  
Chair

# Chief Executive's report

---

The opportunity to assume the role of Interim Chief Executive in March 2010, and my experience since that time, has left me even more committed to the important work of Alzheimer's Society, and even more impressed by the talent and dedication of our staff and volunteers. We have taken some big and important steps forward in terms of developing to meet the challenge of helping more people, and meeting our responsibilities as a growing organisation.

The past year has seen the Society take the lead in the launch of an entirely new service model for England, the dementia adviser service. This is a response to the expressed needs of people with dementia and their carers and our experience means that we have been successful in achieving a presence in 75 per cent of the initial sites. We have established 25 new dementia adviser services and 14 peer support services, each of which will help to ensure the effective delivery of national dementia strategies and plans. In addition, we have set ourselves the challenging target of establishing at least one Community Dementia Forum in each of our 49 localities by the end of 2010, although we anticipate the launch of many more as they capture the mood.

We see these important new forums as outward facing, as a place where people with dementia, their carers, staff, volunteers, GPs, social workers, local politicians and other interested parties can come together and identify needs and gaps in service provision, work to raise the profile of dementia and influence others to play their part.

We have also moved forward in terms of identifying and specifying our core services so that we can be increasingly clear about what we are best placed to offer. Information and support services play a particularly vital role and we must be sure that we can demonstrate the impact these have, so that we direct resources towards the things which can help people the most. One such example is the highly popular Singing for the Brain programme which uses the principles of music therapy to provide a creative and social environment for people living with dementia to enjoy alongside their carers.

As well as our focus on service provision, we are renewing and strengthening our commitment to research – with the help of our marvellous Quality Research in Dementia volunteers. I am also delighted to report that I have been elected as the Chair of the UK Age Research Forum.

**‘The history of Alzheimer's Society is one of passionate individuals committed to improving the lives of people living with dementia and to helping those who wish to support them.’**

---

The past year has seen the Society continue to promote greater public awareness of dementia. It is my belief that our growing network of local campaigners will be able to work alongside the national team and help us to repeat, and indeed improve upon, recent successes such as I have dementia, I also have a life, a major advertising campaign which we launched across England in partnership with the Department of Health in March 2010.

All of these activities rely on the passion and energy of our fundraising teams, both centrally and at a local level. This year saw the Society nominated as the This Morning Christmas charity for the first time (leading to record-breaking total donations), the second year of our corporate partnership with KPMG, the launch of a two-year partnership with easyJet and confirmation that we are the chosen charity for Bupa Great Runs for the second year in a row. Between them these fantastic partnerships hope to raise in excess of £2.2 million for dementia services and I would like to thank everyone concerned for their hard work and support.

Looking forward, 2010 will see our first Memory Walk marathon taking place across the beautiful Salisbury Plain as well as the continuation of the other, slightly shorter but no less valuable, Memory Walk events. We also hope to develop our Community Fundraising Groups to the extent that each and every local service will soon have access to local fundraising support.

Internally we have selected a quality framework which we will apply across the Society during the coming year. This will help us to demonstrate the quality of our work to external partners as well as strengthening our approach to risk management and evaluation. We have also increased our focus in a number of vital areas such as information governance, internal communication, human resources and information technology – each of which will help us to empower staff and volunteers. Finally, we have reorganised our knowledge and learning function, launched an online encyclopaedia of information on dementia, legal and welfare matters for staff and volunteers and established a new Public Health Steering Committee.

When Jeremy Hughes assumes the role of Chief Executive in November 2010 he will be at the head of a stronger organisation which combines the best of local delivery with a robust governance framework and consistent standards. The history of Alzheimer's Society is one of passionate individuals committed to improving the lives of people living with dementia and to helping those who wish to support them. In that respect, nothing has changed at all.



**Ruth Sutherland**  
Interim Chief Executive

# Board of Trustees' report

---

**‘The Society’s aim is to improve the lives of people with Alzheimer’s disease and other dementias in line with these charitable objectives.’**

## **Aims and objectives of Alzheimer’s Society**

The Society’s objectives contained in the company’s Memorandum 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.

The Society’s aim is to improve the lives of people with Alzheimer’s disease and other dementias in line with these charitable objectives. The staff and volunteers of Alzheimer’s Society work together to support people living with the impact of dementia across England, Wales and Northern Ireland.

We believe equal access to our services is vital and that successful outcomes must be shared by all communities that use our services.

## **About this report**

This report is structured around the Society’s seven strategic objectives, which were launched in the strategic framework in September 2006. These have been categorised to reflect the Society’s areas of charitable expenditure, as illustrated in the accounts on page 23.

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 by referring to the Charity Commission’s general guidance on public benefit when reviewing the aim and objectives of the Society and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aim and objectives they have set.

---

A three-year corporate plan for Alzheimer's Society, approved by the Board of Trustees in 2007/08, was designed to support the Society in making measurable progress towards achieving its strategic objectives. Within this overall plan a Society business plan for 2009/10 was approved by the Board in March 2009, and this report describes what was achieved and key targets for next year.

A separate report, Alzheimer's Society Impact review 2009/10, relates the impact of the Society's work to our high priority objectives for 2009/10. This is available at [alzheimers.org.uk](http://alzheimers.org.uk).

## Achievements for 2009/10 and goals for the year ahead

### Care services

**Strategic objective:** To make it possible for people with dementia from every group and community to obtain the information and help they need in order to maintain the best possible quality of life.

In 2009/10, the Society:

- Ran over 2,100 support, care, education and information services for people with dementia in more than 230 locations across England, Wales and Northern Ireland.
- Provided support, care and education services to an estimated 89,600 people with dementia, carers, family members and professionals in health and social care, and provided information in response to over 195,600 enquiries to our helpline and information services. Additionally the Society registered over 2.2 million visits to its website and had over 100,000 messages posted on the Talking Point online forum.
- Launched further innovative services to help support people with dementia together with their carers, for example opening 24 new Singing for the Brain services (which use the principles of music therapy) and increasing the number of dementia café services by 50 per cent to reach 160. (The cafés offer a chance to meet other people with

dementia and their carers, and to receive and share information, knowledge and support in an informal, social environment.)

- Participated in the delivery of new dementia adviser and peer support services funded by the Department of Health in England, to meet needs identified by people with dementia during consultation on the National Dementia Strategy for England (NDSE). As part of this initiative the Society led on the launch of 25 new dementia adviser services and 14 peer support services.
- Assessed the potential for a 'one-number' telephone front door, and put in place a management structure capable of taking forward strategic planning for networking helpline services.

In 2010/11, the Society will:

- Aim to increase the number of people it reaches by 10 per cent so that more people living with dementia benefit directly from its services.
- Aim to increase the number of inquiries that are handled via the helpline and information provision services by 10 per cent, helping to empower and support people living with dementia.

**Strategic objective:** To ensure that every individual engaged in caring for a person with dementia is provided with effective support and the highest quality information, education and (where appropriate) training.

In 2009/10, the Society:

- Provided vital local support and information services to people who care for a family member or friend, including running over 570 support groups, providing information at over 230 locations, and offering dementia specific information programmes at over 90 locations, all of which helped to improve knowledge and access to services for carers, and reduce people's isolation.

# Board of Trustees' report continued

---

- Established the new Knowledge and Learning Directorate which developed an education and development pathway and training products for use by external organisations as well as the Society's own employees and volunteers. This work addresses recommendations on workforce development in the NDSE and the Dementia Plan for Wales, as well as supporting locally identified needs.
  - Following the successful pilot in 2008/09, continued the Bupa Dementia Champions leadership programme which was delivered to staff working in Bupa care homes at around 180 locations.
  - Launched a pilot education programme in Gateshead, focusing on those working in dementia care in community settings, called Alzheimer's Society Champions in Dementia.
  - In response to the Society's Counting the Cost report developed a programme called Caring for People with Dementia in Acute Hospital Settings accredited by the Universities of Surrey and Brighton.
  - Developed and launched a dementia elearning resource in partnership with the Social Care Institute for Excellence.
  - Expanded the online discussion forum, Talking Point, which allows carers, family members and friends as well as people with dementia to swap information and provide emotional support to one another in a moderated online environment 24 hours a day.
  - Replaced its introductory training resource Yesterday, today, tomorrow with a new course called Tomorrow is another day.
  - Successfully tendered to provide additional carer information programmes as part of the Caring with Confidence initiative funded by the Department of Health.
  - Reviewed, updated and re-launched Alzheimer's Society Approved Trainer Scheme, in line with the newly developed pathway for dementia care training.
- In 2010/11, the Society will:
- Continue to provide, extend and improve its information, support and education services.
  - Continue to progress an application to become an awarding organisation, so that the Society can award its own qualifications in understanding and providing services to those living with dementia, as part of the Quality Certification Framework.
  - Develop the delivery of accredited education and development services. These will be delivered internally to the Society's own employees and volunteers. In addition separate external delivery will take place, through Alzheimer's Trading Limited, to commissioning organisations, along with the sale of commercial education products.
  - Extend the use of a mixed learning approach including online and traditional media to targeted markets of care workers and others.
  - Achieve its first externally accredited qualifications with the following courses: Caring for People with Dementia in Acute Hospital Settings, Palliative Care for People with Dementia and Alzheimer's Society Champions in Dementia. This work is in partnership with the Universities of Surrey and Brighton.
  - Build on its experience of delivering information programmes for carers, to research, develop and pilot a quality carers' information programme that will be rolled out and delivered to a consistently high standard across the Society over the next three years.

---

**Strategic objective: To monitor the quality and availability of health, support and care services for people with dementia and report our findings publicly to bring about positive change – taking action to address gaps, demonstrate new approaches and extend our services throughout England, Wales and Northern Ireland.**

In 2009/10, the Society:

- Developed standardised service specifications detailing what services do, the available evidence base for the service and the intended client outcomes. Specifications were completed for nine of 16 identified types of service, providing a practical standard against which to monitor, evaluate and continually improve services.
- Campaigned on Putting Care Right. We published *Counting the Cost: caring for people with dementia on hospital wards* which provided evidence from over 2,000 carers and nurses on the quality of dementia care provided on general wards in hospitals and revealed large, costly variations in the quality of care for people with dementia.
- Worked in partnership with the All-Party Parliamentary Group on Dementia, with a membership of over 70 MPs and Peers, which published the findings of inquiries into dementia care skills of care staff in *Prepared to care: challenging the dementia skills gap*, and the initial progress made by Primary Care Trusts in England towards implementing the NDSE in *A Misspent Opportunity?*
- Commenced the establishment of a quality of life monitor following research completed in early 2010 on the factors that need to be considered when measuring quality of life.

- Provided consultation on approaches to dementia care and workforce development strategies for external care and community organisations (for example the Society acted as consultants to a private care provider network in Cheltenham and to a large voluntary organisation).

In 2010/11, the Society will:

- Continue to enhance and develop the programme of service specification and evaluation, developing evaluation tools to be rolled out across all Society services to improve and maintain its high quality service provision, sharing learning and best practice across the Society.
- Extend the geographical reach of services to reduce the number of Primary Care Trust or Local Health Board areas where there is no access to Alzheimer's Society services.
- Further the work on Putting Care Right including carrying out an investigation into care at home and social isolation.
- Undertake further work to develop the quality of life monitor, following on from the publication in April 2010 of the report *My name is not dementia* commissioned from the Mental Health Foundation.
- Work to meet the growing demand from within the Society and from external organisations for showing evidence through the experiences and views of people with dementia.
- Design and plan the development of a client record system to allow the Society to monitor and evaluate its services, collect information about the circumstances and needs of people living with dementia, provide for personalised services and continue to produce evidence to extend its service provision.

# Board of Trustees' report continued

## Campaigning and awareness-raising

**Strategic objective:** To advance recognition and acceptance of the rights of people with dementia and the people who care for them, by influencing the understanding and behaviour of opinion formers and policy makers, and moving dementia to the top of the political agenda.

In 2009/10, the Society:

- Campaigned on issues that arose from both the government's green and white papers on social care and the cost of long-term care.
- Continued to monitor and comment on the implementation of the National Dementia Strategy for England (launched in February 2009).
- Worked with the devolved governments of Wales and Northern Ireland to produce the Dementia Plan for Wales, and to develop a process to achieve a dementia plan for Northern Ireland, to provide significant opportunities for better outcomes for people with dementia.
- With the Department of Health, participated in creating a major national advertising campaign to raise awareness of dementia, launched across England in March 2010.
- Supported volunteers who are living with dementia in raising awareness and promoting understanding of dementia at local and national events.
- Established a team of regional campaigning staff to increase the number and impact of local volunteer campaigners, with the aim of increasing awareness of dementia and influencing policy makers.

In 2010/11, the Society will:

- Continue to influence and work in partnership with the Department of Health in England and the devolved administrations in Wales and Northern Ireland.

- Further develop its partnerships with organisations such as the Royal College of General Practitioners and the Royal College of Physicians.
- Build on its growing network of campaigning volunteers.
- Campaign to decrease misunderstanding and fear of dementia.
- Continue to campaign for appropriate funding of care.

**Strategic objective:** To lead on the creation, analysis and management of a body of world-class knowledge about dementia and, as a full member of the global movement, promote effective information exchange nationally and internationally.

In 2009/10, the Society:

- Worked with the BBC to help produce Smart Thinking: Cheating Dementia – a day of BBC programming across all news outputs (radio, TV and online) around the theme of reducing the risk of dementia.
- Took steps to ensure the Society's information is produced in compliance with the requirements of the Department of Health Information Accreditation Scheme Standard.
- Launched knowledge-net, the Society's online encyclopaedia of dementia information for staff and volunteers. This builds on previous work to offer staff and volunteers an easy and quick way to find information about dementia and dementia care, as well as legal and welfare matters (such as the latest benefit rates and Lasting Powers of Attorney).
- Reviewed the operations of the Dementia Knowledge Centre for cost and viability, against its aim of improving the quality of life of people with dementia by encouraging learning and best practice.

- Established a Public Health Steering Committee, comprising international experts, to increase understanding of how to prevent or delay the onset of dementia, and identify and prioritise gaps in the evidence base.

In 2010/11, the Society will:

- Continue to provide expertise to external national and international bodies working on issues of dementia and mental health, both as an adviser and a participant.
- Extend the use of knowledge-net and investigate the potential for income generation by providing this service to other organisations.
- Continue on the path to Department of Health Information Accreditation, including setting up a specialist panel to support and assure the quality of information provision.
- Develop the Dementia Knowledge Centre to improve its accessibility throughout the Society, in particular through improved use of online technology.

## Research

**Strategic objective: To drive a serious research effort in relation to causes, prevention, treatment and care in dementia through securing long-term strategic support.**

In 2009/10, the Society:

- Worked with others to raise awareness of the need to increase the resource being allocated for dementia research as outlined in the National Dementia Strategy for England.
- Committed a total of £2.0 million to new research. There were seven new project grants, five new PhD grants and one new fellowship grant. The total allocated to new projects included funding in collaboration with other research funding organisations, such as Alzheimer’s Research Trust and the Medical Research Council, for building research capacity and research into prevention of dementia.

- Oversaw the completion of five research projects, two research fellowships and the first PhD studentship funded by the Society.

- Funded research activities that led to the publication of the findings appearing 30 times in quality peer-reviewed scientific journals.

- Participated as a key stakeholder in the Department of Health Ministerial Advisory Group for Dementia Research, being represented on all five major sub-groups and chairing the sub-group on raising public awareness of dementia research.

- Worked with the BBC to launch an innovative research project to build the evidence base for maintaining cognitive function in later life.

- Applied for funding for a £1.5 million research project to provide the evidence base for a potential new service, but the application was unsuccessful. Plans are being reformulated for 2010/11.

In 2010/11, the Society will:

- Further develop and fund research that will improve the quality of life for people with dementia now or in the future.

- Investigate measures which might prevent the onset of dementia.

- Work in partnership with other organisations to develop new research projects – for example it will work in partnership with Bupa Foundation to jointly fund significant research projects into cause, cure and care for all types of dementia.

- Work with academic partners to develop and support research that could lead to better diagnosis and treatment for people with dementia.

- Encourage researchers at the start of their career to develop an interest in clinical and basic research in dementia.

# Board of Trustees' report continued

## Governance, management and infrastructure to support charitable activities

**Strategic objective:** To achieve excellence in our governance, leadership, management and financing arrangements, anticipating and adapting to changes in our operating environment, in order to fully support our staff and volunteers as we work to deliver our strategic objectives.

In 2009/10, the Society:

- Approved a major programme of change, Fit for the Future. This has five workstreams – locality management, stakeholder engagement, workforce development (both volunteers and staff), governance review, and membership – and will enable the Society to target resources where they can make the most impact and to provide more services for more people in more places. Following consultation with staff, volunteers and stakeholders, and approval by the Board of Trustees in November 2009, steps were taken to enable the organisation of the Society's local services into 49 localities across England, Wales and Northern Ireland as from 1 April 2010.
- Linked more local premises into the Society's new IT infrastructure, providing full access to networked information and support services. A total of 170 service offices are now linked, in addition to all central, country/regional and area offices. A complete review of all sites and their connectivity was conducted as part of the Fit for the Future programme. This work is ongoing, and will continue into 2010/11.
- Approved and initiated the outsourcing of internal audit. An annual plan was developed, based on priority risks in the corporate risk register.
- Selected and launched PQASSO (Practical Quality Assurance System for Small Organisations) as the externally accredited quality framework to be applied across the Society, to demonstrate quality internally and to external commissioners and funders, strengthen risk management, and promote organisational identity, standardisation

and ongoing evaluation. The first baseline self assessments were commenced.

- Initiated a project on Information Security, improving the approach to handling personal sensitive data by staff and volunteers across the Society.
- Developed and set in place IT systems to record information on clients of the new dementia adviser and peer support demonstrator sites.
- Completed the process of VAT registration for the Society.

In 2010/11, the Society will:

- Establish and develop regional accounting centres to pool expertise in financial management, and to ensure efficient use of resources.
- Manage the outsourced internal audit service, and develop a five year internal audit plan based on priority risks in the corporate risk register.
- Undertake the baseline self assessments needed as the first step in implementing the PQASSO quality framework.
- Develop strategic plans for standardising the hardware and software to be provided to meet the IT, administrative, operational and reporting needs of local services.
- Introduce an online research grants database to automate the processing of grant applications.
- Review the business process and IT tools needed to support business planning, corporate performance management and budgeting.
- Train all staff and volunteers on compliance with data protection legislation and strengthen procedures for ensuring security of all types of information.

---

## Legal status

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 the charity changed its name to Alzheimer's Society. The Society is governed by its Memorandum and Articles of Association. Revisions to the Memorandum and new Articles of Association were adopted by special resolution at an Extraordinary General Meeting on 19 March 2005.

Following an earlier review in 2008/09 of the Society's governance framework and approval in 2009/10 of the Fit for the Future programme, changes to the Society's Rules and Guidelines were agreed by the Board of Trustees in March 2010 to facilitate the introduction of locality management. Proposals for amendments to the Articles of Association, regarding the Advisory Council, will be presented to the Annual General Meeting in September 2010.

## Local service provision

The Society provided practical services to people with dementia and those who care for them via a network of over 230 local service offices within communities across England, Wales and Northern Ireland. Many of the Society's services are commissioned by statutory or charitable bodies; significant levels of local fundraising activity also take place to support this work.

In 2009/10, Alzheimer's Society's community-based services across England, Wales and Northern Ireland supported an estimated total of over 89,600 clients through the provision of support, care and education. Of these an estimated 30,200 (34 per cent) of clients were people with dementia, 46,900 (52 per cent) were carers, family members or friends and 12,500 (14 per cent) were professionals in health or care or members of the public. (These figures cannot be directly compared with those from 2008/09 as this definitive information did not become available until part way through that year.)

Teams of staff and volunteers also responded to an estimated additional 195,600 contacts to local and national helplines and information services. (Again this is not directly comparable with the estimate from last year as precise information was not then available.) An estimated 10 per cent were contacts with people with dementia, 54 per cent were carers, family members or friends, 19 per cent were professionals in health or social care and 17 per cent were unclassified.

## Members

As of the end of March 2010, the Society had 22,010 members (2009: 23,880). All members – other than those who are staff, those who left the Society's employment within the last year, and those who are under 18 – have full voting rights under the Society's Memorandum and Articles of Association.

During 2008/09 the Society had carried out an extensive review of its membership offering, and during 2009/10 a new programme of work was launched as part of Fit for the Future, with a target to increase membership over the next five years to 100,000.

## The Board of Trustees

The Board of Trustees (members of which are also directors under company law) is composed of three Honorary Officers, nine elected Trustees and one co-opted Trustee. When vacancies arise they are advertised nationally. Trustees are elected by members by means of a postal ballot; the results of the elections are announced at the Society's Annual General Meeting.

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

# Board of Trustees' report continued

---

All members of the Board of Trustees give their time voluntarily and receive no benefits from the Society. Any expenses reclaimed from the Society are set out in note 6 to the accounts.

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

- The Audit Committee supports the Board in its oversight responsibilities in respect of corporate risk.
- The Investment Committee monitors the performance of the Society's investments.
- The Nominations Committee has primary responsibility for identifying the skills required to complement the skills base of existing Trustees, identifying suitable candidates and recommending potential Trustees to the members for election to the Board.
- The Remuneration Committee supports the Board in determining the pay of the Chief Executive and considers other issues related to Society pay and conditions.

The Board records its thanks to the independent members who assist in the work of the Audit, Investment and Nominations Committees.

## The Senior Management 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 Senior Management Team (SMT).

## Staff and volunteers

Across England, Wales and Northern Ireland, over 7,000 people contribute to the work of the Society. Everyone who works within the Society – whether on a paid basis or as a volunteer (including Trustees) – is required to act in accordance with the values and operating principles outlined in the Society's Strategic Framework and with all policies currently in force.

Alzheimer's Society is working towards being an equal opportunities employer.

## Staff

During 2009/10 the Human Resources Directorate supported a number of change management and organisational development programmes. These included the measures needed for the introduction of locality management, a whole Society pay structure and strategy to be delivered over the coming years, and the enhancement of the Society's people data capabilities.

In 2010/11 the Society will do more work in the reward and recognition arena. Key deliverables will include faster processes for agreeing new job roles, pay progression, a benefit review and the exploration and, where feasible, the implementation of career pathways.

Another key target for 2010/11 is the design and delivery of a human resources capability that fully matches the requirements of the Society, offering a portfolio of human resources services in keeping with an organisation of this size and maturity.

## Volunteers

Volunteers are vital to the work of the Society, and their number continued to grow during 2009/10. The Volunteering Development Team created and delivered a Volunteering Strategy and Action Plan to enable more volunteers to support more people living with dementia. The Society has introduced an expanded portfolio of volunteer role descriptions including the role of special volunteer to work with the new dementia adviser services across England.

Alzheimer's Society is now establishing a complete database of its volunteers, their activity and location, which will aid the roll-out of the Volunteering Development Team's An Introduction to Volunteer Management training programme to staff and to volunteer coordinators across the Society. The training programme consists of four modules, covering the skills and knowledge required by the Investing in Volunteers quality standard and the national occupational standards for volunteer management.

---

## Disabilities in the workplace

As an employer, the 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. The Society will conduct an individual risk assessment for every applicant, employee or volunteer with a disability. This will identify any reasonable adjustments that need to be made to the workplace or job in order for the person to contribute fully to the work of the Society.

## Learning and development

The Society's extensive training programme provides a wide range of learning and development opportunities for staff and volunteers. During 2009/10, a total of 2,538 training days were delivered across England, Wales and Northern Ireland (2008/09: 2,065).

The newly established Knowledge and Learning Directorate introduced an education and development pathway for staff and volunteers in 2009/10. As part of this, a new induction programme was launched, which includes an elearning element and is delivered in more locations than previously.

In 2010/11 Knowledge and Learning will be working closely with the Human Resources Directorate to ensure workforce development continues to standardise and improve for the whole Society.

## Consultation and engagement

The Society employs a range of mechanisms for consulting and engaging with its staff and volunteers, many of whom have extensive personal or professional experience of the impact of dementia on people's lives.

The Services Directorate is divided into five administrative regions/countries, within which there is a total of 15 areas. Each geographic area has operated an Area Forum, comprising staff and volunteers, who met at least twice a year (as defined within the Society's Rules and Branch Guidelines) to consider the needs of local people with dementia and their carers. The Forums also debated local issues and opportunities relating to funding, awareness-raising and service development, and provided networks for sharing information, experience and knowledge.

Each Area Forum elected two representatives to the Society's Advisory Council, a volunteer body which advised the Board of Trustees on a range of matters relating to strategy and policy. Two representatives of the Quality Research in Dementia consumer network (of carers, former carers and people with dementia) were also elected to the Advisory Council.

During 2010/11 the Society will be undertaking a review of its arrangements for stakeholder engagement.

Staff and volunteers are consulted during the development of policies that will affect their roles or work through the Works Council and the Volunteer Consultation Group respectively.

In 2010/11, the Society will continue to deliver its long-term programme of developing the Works Council. This programme will ensure that the Council continues as a conduit for lasting and meaningful employee engagement in the working environment and practices of the Society.

## Management of risk

Alzheimer's Society has a comprehensive corporate risk management framework in place to identify and address the major financial, operational, governance, reputational and regulatory risks which might impact on its ability to meet its objectives. The corporate risk register records the major risks to which the charity is exposed, existing controls designed to mitigate those risks and further actions required to mitigate risks further, if appropriate. The Senior Management Team reviews and updates the risk register on a regular basis. The Board of Trustees has overall responsibility for assessing the risks faced by the Society and ensuring it has appropriate systems of internal control in place. This responsibility is delegated to the Audit Committee, which reviews the risk register at each meeting and provides regular updates to the Board.

# Board of Trustees' report continued

Mitigating action has been taken on all identified risks. The major risks which required management attention during 2009/10 were: the need to develop the Society's approach to quality assurance for all services (for which the PQASSO quality framework was selected); and the need to improve staff and volunteer understanding of their duties under data protection legislation, following an incidence of lost information which the Society reported to the Information Commissioner. A project on Information Security was initiated and data protection training has commenced for all staff and volunteers. The Society also continued to make improvements in its internal monitoring and reporting processes.

The Society has systems of control that include:

- An established and documented policy framework.
- A comprehensive annual planning and budgeting process, which is subject to ongoing review during the year by SMT and the Board of Trustees.
- Monthly review of management accounts, variances from budget and non-financial management information by SMT. This review is presented to Trustees.
- Regular monitoring of key risks and action plans by SMT and Audit Committee.

Although the Trustees are of the opinion that reasonable steps have been taken to ensure that the major risks to which the Society is exposed are identified and reviewed and that there are systems in place to mitigate them, they are aware that such processes are designed to manage rather than eliminate all major risks and they can only provide reasonable but not absolute reassurance.

## Subsidiaries

### Alzheimer's Trading Limited (ATL)

ATL is a wholly owned subsidiary of the Society which generates income from fundraising challenge events, raffles, 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 the Society. These profits amounted to £550,000 in respect of the year to 31 March 2010

(2009: £222,000). Additional donations of £268,846 were received directly by the Society as a result of ATL's raffle and catalogue activities.

In 2009/10 ATL's Board identified its structure as a risk, as there was no clear reporting line into the Board of Trustees of Alzheimer's Society. A governance review of ATL was implemented, and as a result the structure was changed. The Chief Executive of Alzheimer's Society is now the Chair of ATL, giving a clear and direct line of report into the Society's Board of Trustees, and the post of Chief Executive Officer of ATL was created.

### 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 2009/10 two grants of £150,000 each were made; one to Alzheimer's Society and the other to the Alzheimer's Research Trust.

Further details of the subsidiaries are included in note 8 to the financial statements.

## Joint venture

### Alzheimer's Brain Bank UK Limited

Alzheimer's Brain Bank UK (ABBUK) is a company limited by guarantee, and is a registered charity. The principal activities of ABBUK 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 partnership with Alzheimer's Research Trust and the Medical Research Council operates 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. Five recruitment centres are now actively registering and assessing prospective tissue donors and collecting and disseminating samples for research. A successful media launch was held in October 2009.

---

## Financial highlights

Alzheimer's Society has had another successful year financially, despite continued difficult economic conditions. Income again exceeded expectations, and for the fifth year in a row, double figure percentage growth was achieved. This increase in income, supported by our continued investment in fundraising, has led to an increase in charitable expenditure of 10 per cent. Overall, this resulted in a surplus for the year of £1.6 million before unrealised gains on investment (2009: £0.9 million). The market value of our investments increased over the year by £2.2 million, giving a consequent increase in reserves of £3.8 million.

In accordance with the Charity Statement of Recommended Practice (SORP 2005), the central and all branch financial results are included within these financial statements.

### Income

Total income grew in the year by £7.0 million or 13 per cent to £58.7 million (2009: £51.7 million). Of this growth, £3.1 million was in subscriptions, donations and fundraising income, which now represents 37 per cent of total income.

The proportion of total income raised by grants and contracts remained at 35 per cent. This was achieved through £2.2 million growth, arising from the continued demand that exists for the Society's locally based services. The Society has striven to achieve greater Full Cost Recovery (FCR) on its contracts in the year, with the result that FCR income has increased to £372,000 in 2010 (2009: £101,000).

Legacy income was again strong, growing by £1.2 million to 18 per cent of total income. Other income streams achieved more modest growth levels, and investment income fell as a result of lower interest rates and the overall reduction in investment income levels due to the general market position. Though the fundraising and trading costs increased by £1.9 million this year, the investment in fundraising has enabled increased charitable activity and has also enabled the Society to achieve substantial new partnerships with, for example, Credit Suisse, KPMG, and Bupa, which will benefit the whole Society. In addition, this investment has resulted in excellent returns

from direct mail campaigns and additional raffles, which helped the Society to make available £49.0 million (2009: £43.9 million) to spend on its charitable activities.

In 2009/10 support from pharmaceutical companies totalled £43,000. The majority of this was support for the Worried about your memory? awareness campaign, totalling £28,000 from Pfizer Ltd and Shire Pharmaceuticals Ltd, and £13,000 from Novartis Pharmaceuticals UK Ltd. There was also £2,000 general donations from Novartis Pharmaceuticals UK Ltd and AstraZenca plc.

The Society's ethical policy states that income from the pharmaceutical industry should be capped at 5 per cent of income, based on the accounts for the preceding year.

Donations from the pharmaceutical industry in 2009/10 represented 0.08 per cent of total income.

Income specifically given to the Society for research work fell by 17 per cent during the year to £1.7 million (2009: £2.1 million). This was due to a lower level of legacies given for research.

### Expenditure

Total charitable expenditure increased during the year by £4.4 million. Almost 90 per cent of this expenditure continued to be in providing care services and direct services to people with dementia and those who care for them.

There was also an increase in campaigning and awareness-raising expenditure, to £2.6 million (2009: £2.5 million), while governance costs, which covers those costs incurred in complying with constitutional and statutory requirements in line with SORP 2005, fell slightly to £272,000 (2009: £280,000).

The move towards locality management, which replaces the former branch structure with 49 localities across the Society, resulted in a number of staff roles being changed. Following trial periods in these new roles, redundancies may be necessary, and the estimated cost of these redundancies has been committed in 2009/10.

# Board of Trustees' report continued

## Research expenditure

During the year, £2.0 million (2009: £2.4 million) was awarded by the Society to research projects into the cause, prevention, treatment and care of Alzheimer's disease and other dementias. The 2009 figure included one-off grant funding of £810,000 to start up the operational phase of Alzheimer's Brain Bank UK.

Research funding is awarded through the Quality Research in Dementia (QRD) programme. The Society invites applications for funding of research projects through a variety of media. Applications are assessed by a panel, which recognises QRD consumer network priorities as well as ensuring scientific quality and timeliness. Projects (which normally last for between two and three years) are regularly monitored by professionals and the QRD consumer network to ensure the appropriateness of continued funding.

A creditor of £4.8 million (2009: £4.3 million) has been provided to cover the full cost of research grants and fellowships outstanding at the year end. Of this, £2.4 million is due to be paid during the forthcoming financial year, and the balance of these grants is targeted to be distributed in one to five years.

## Investments

As set out in its Memorandum and Articles of Association, the Society has absolute discretion to invest money not immediately required for expenditure. The performance of the Society's investments, which are managed by Close Wealth Management Group, is overseen by the Investment Committee, which reports to the Board of Trustees.

The Investment Committee and the investment advisers consider the interests of people with dementia at all times. The Society's investment advisers 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.

It is important to note that, as in the previous year, the Society has had no exposure to any known financial institution at risk.

During the year, and in light of the volatility of the equity markets and falling deposit rates, the decision was made to hold significantly more of the Society's investments as UK Gilts (UK Treasury Stock). The year resulted in a £2.2 million profit on revaluation of the investment portfolio (2009: loss of £1.0 million). This swing in value between 2009 and 2010 is due to the volatility and overall rise in the equities market over the last year. The portfolio was valued at £24.1 million at the end of the financial year (2009: £16.0 million).

## Reserves

Total reserves as at 31 March 2010 were £28.4 million (2009: £24.5 million).

Of these, £24.1 million (2009: £20.0 million) were unrestricted, and £4.3 million (2009: £4.5 million) were restricted.

Within unrestricted reserves is a designated fund of £1.7 million (2009: £1.9 million) to finance the tangible fixed assets of the Society. In the previous year there was a nil designated reserve for investment revaluations. Due to the increase in the value of investments during the year, the reserve is £2.2 million for 2010.

It is the Society's policy to hold free reserves equivalent to at least three months of charitable expenditure. As at 31 March 2010 the Society held free reserves equivalent to 5.1 months (2009: 5.0 months) of charitable expenditure.

In the light of the economic uncertainty and the pressures on public spending at the present time, the Board of Trustees feel that the above reserves cover is prudent and also allows for future growth in our service provision.

In addition, the Society has identified, in common with many other charities, a significant risk around renewal/continuation of government contracts. As a result, managers are tightly monitoring contract income and renewal dates. Currently these are proceeding in line with expectations, but will be tracked closely in terms of any actions needed on the related expenditure and activities.

---

### Statement of the Board 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.

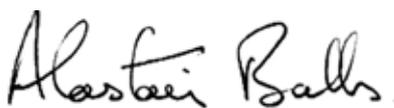
Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its net incoming resources for that period. In preparing these financial statements, the Trustees are required 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.

Insofar 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.



**Alastair Balls CB DL**  
Chair

## Independent Auditor's report to the members of Alzheimer's Society

---

We have audited the group and parent company financial statements of Alzheimer's Society for the year ended 31 March 2010 which comprise the Consolidated statement of financial activities, the Consolidated and Society balance sheets, the Consolidated cash flow statement and the related notes numbered 1 to 17. These financial statements have been prepared in accordance with the accounting policies set out therein.

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 charitable 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 auditors

The Trustees' (who are also the directors of Alzheimer's Society for the purpose of company law) responsibilities for preparing the Annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), and for being satisfied that the financial statements give a true and fair view, are set out in the Statement of the Board of Trustees' responsibilities.

We have been appointed auditors under the Companies Act 2006 and report to you in accordance with that Act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (United Kingdom and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and have been prepared in accordance with the Companies Act 2006. We also report to you if in our opinion the information given in the Board of Trustees' report is consistent with the financial statements.

In addition, we report to you if, in our opinion, the charitable company has not kept adequate accounting records, if the charitable company's financial statements are not in agreement with those records, if we have not received all the information and explanations we require for our audit or if certain disclosures of Trustees' remuneration specified by law are not made.

We read other information contained in the Annual report and consider whether it is consistent with the audited financial statements. The other information comprises only the Chair's report and the Chief Executive's report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the consolidated financial statements. Our responsibilities do not extend to other information.

---

### Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (United Kingdom and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### Unqualified opinion

In our opinion:

- The financial statements give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2010 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended.
- The financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.
- The financial statements have been prepared in accordance with the Companies Act 2006.
- The information given in the Board of Trustees' report is consistent with the financial statements.



**Tina Allison**  
Senior Statutory Auditor

10 August 2010

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

**‘Excellence in research leads to excellence in service delivery, public information and training as well as informed policies and campaigns.’**

Alastair Balls CB DL  
Chair

# Consolidated statement of financial activities

For the year ended 31 March 2010

Incorporating an income and expenditure account

	Notes	Restricted funds £'000	Unrestricted funds £'000	2010 Group Total £'000	2009 Group Total £'000
<b>Incoming resources from generated funds</b>					
<b>Voluntary income</b>					
Subscriptions, donations, and fundraising		2,140	19,345	<b>21,485</b>	18,390
Legacies	3a	712	9,753	<b>10,465</b>	9,261
<b>Activities for generating funds</b>					
Sales and fee income		13	3,023	<b>3,036</b>	2,890
Trading turnover of subsidiaries	8c	–	2,432	<b>2,432</b>	1,724
<b>Investment income</b>	3b	–	749	<b>749</b>	1,165
<b>Incoming resources from charitable activities</b>					
Grants and contracts	3c	1,701	18,839	<b>20,540</b>	18,305
Other incoming resources		–	4	<b>4</b>	6
Share of gross incoming resources in joint venture		–	30	<b>30</b>	1,123
Incoming resources		4,566	54,175	<b>58,741</b>	52,864
Less gross incoming resources from joint venture		–	30	<b>30</b>	1,123
<b>Total incoming resources</b>		4,566	54,145	<b>58,711</b>	51,741
<b>Resources expended</b>					
<b>Costs of generating funds</b>					
Trading costs of subsidiaries	8c	–	1,883	<b>1,883</b>	1,540
Fundraising and publicity costs		211	7,659	<b>7,870</b>	6,297
<b>Total costs of generating funds</b>	4	211	9,542	<b>9,753</b>	7,837
<b>Net incoming resources available for charitable application</b>		4,355	44,603	<b>48,958</b>	43,904
<b>Charitable expenditure</b>					
<b>Charitable activities</b>					
Care services	4	2,229	40,129	<b>42,358</b>	37,432
Campaigning and awareness raising	4	181	2,447	<b>2,628</b>	2,473
Research	4	2,186	102	<b>2,288</b>	2,965
Governance	4	–	272	<b>272</b>	280
<b>Total charitable expenditure</b>		4,596	42,950	<b>47,546</b>	43,150
<b>Total expenditure</b>	4	4,807	52,492	<b>57,299</b>	50,987
<b>Net (outgoing) / incoming resources</b>		(241)	1,653	<b>1,412</b>	754
Net interest in joint venture		–	25	<b>25</b>	(27)
<b>Net (outgoing) / incoming resources before transfers</b>		(241)	1,678	<b>1,437</b>	727
<b>Transfers between funds</b>	15	(17)	17	<b>–</b>	–
<b>Net (outgoing) / incoming resources</b>		(258)	1,695	<b>1,437</b>	727
Net realised gains on investments	8a	–	171	<b>171</b>	140
<b>(Deficit) / surplus for the year</b>		(258)	1,866	<b>1,608</b>	867
Net unrealised gains /(losses) on investments	8a	–	2,234	<b>2,234</b>	(1,039)
<b>Net movement in funds</b>		(258)	4,100	<b>3,842</b>	(172)
Funds balance at 1 April 2009		4,514	20,032	<b>24,546</b>	24,718
<b>Funds balance at 31 March 2010</b>		4,256	24,132	<b>28,388</b>	24,546

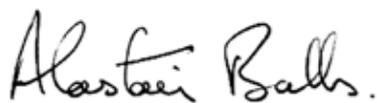
Total incoming resources includes £55.8 million (2009: £49.8 million) and net movement in funds includes £3.8 million inflow (2009: £0.1 million outflow) in respect of the Society. The notes on pages 26 to 37 form part of these financial statements.

# Consolidated balance sheet

As at 31 March 2010

	Notes	2010 Group £'000	2010 Society £'000	2009 Group £'000	2009 Society £'000
<b>Fixed assets</b>					
Tangible assets	7	1,689	1,689	1,911	1,911
Investments	8a	24,112	24,212	15,976	16,076
		<b>25,801</b>	<b>25,901</b>	17,887	17,987
<b>Current assets</b>					
Short term investments and deposits	8b	10,810	10,810	12,544	12,544
Stock	9	21	2	7	6
Debtors	10	3,984	5,670	3,265	4,205
Cash at bank and in hand		1,287	(870)	1,220	(489)
		<b>16,102</b>	<b>15,612</b>	17,036	16,266
Creditors – amounts falling due within one year	11	(11,027)	(10,994)	(8,330)	(8,006)
Net current assets		<b>5,075</b>	<b>4,618</b>	8,706	8,260
Total assets less current liabilities		<b>30,876</b>	<b>30,519</b>	26,593	26,247
Creditors – amounts falling due after one year	11	(2,488)	(2,488)	(2,047)	(2,047)
<b>Net assets</b>		<b>28,388</b>	<b>28,031</b>	24,546	24,200
<b>Funds</b>					
<b>Restricted</b>	15	<b>4,256</b>	<b>4,256</b>	4,514	4,514
Designated funds		1,689	1,689	1,911	1,911
Revaluation reserve		2,234	2,234	–	–
General funds		20,209	19,852	18,121	17,775
<b>Unrestricted</b>	15	<b>24,132</b>	<b>23,775</b>	20,032	19,686
<b>Total funds</b>		<b>28,388</b>	<b>28,031</b>	24,546	24,200

The financial statements on pages 23 to 37 were approved and authorised for issue by the Trustees on 10 August 2010 and signed on their behalf by:



**Alastair Balls CB DL**  
Chair



**John Grosvenor**  
Honorary Treasurer

The notes on pages 26 to 37 form part of these financial statements.

Company number 2115499

# Consolidated cash flow statement

For the year ended 31 March 2010

	Notes	2010 Group £'000	2009 Group £'000
Net cash inflow from operating activities	A	<b>3,725</b>	1,999
Returns on investment	B	<b>749</b>	1,165
Capital expenditure and financial investment	C	<b>(6,141)</b>	(10,785)
		<b>(1,667)</b>	(7,621)
Management of liquid resources	D	<b>1,734</b>	6,960
Increase / (decrease) in cash in the year	E	<b>67</b>	(661)

## Notes to cash flow statement

For the year ended 31 March 2010

	2010 Group £'000	2009 Group £'000	
<b>A. Reconciliation of operating surplus to net cash inflow from operating activities</b>			
Net incoming resources before revaluations	<b>1,437</b>	727	
Interest receivable and other investment income	<b>(749)</b>	(1,165)	
Depreciation	<b>634</b>	750	
(Profit) / loss on sale of tangible fixed assets	<b>(2)</b>	59	
(Increase) / decrease in stock	<b>(14)</b>	39	
(Increase) in debtors	<b>(719)</b>	(806)	
Increase in creditors – falling due within one year	<b>2,697</b>	922	
Increase in creditors – falling due after one year	<b>441</b>	1,473	
Net cash inflow from operating activities	<b>3,725</b>	1,999	
<b>B. Returns on investment</b>			
Interest received and other investment income	<b>749</b>	1,165	
<b>C. Capital expenditure and financial investment</b>			
Purchase of UK Treasury stock	<b>(1,718)</b>	(8,178)	
Purchase of other investments	<b>(10,799)</b>	(5,163)	
Proceeds from sale of investments	<b>6,786</b>	3,198	
Purchase of tangible fixed assets	<b>(512)</b>	(642)	
Proceeds from sale of fixed assets	<b>102</b>	–	
Net cash (outflow) from capital expenditure and financial investments	<b>(6,141)</b>	(10,785)	
<b>D. Management of liquid resources</b>			
Decrease in short term deposits	<b>1,734</b>	6,960	
<b>E. Analysis of change in net funds</b>			
	As at 1 April 2009 Group £'000	Cash flows £'000	As at 31 March 2010 Group £'000
Cash at bank and in hand	1,220	67	<b>1,287</b>

# Notes to the financial statements

For the year ended 31 March 2010

## 1. Accounting policies

The financial statements have been prepared under the historic cost convention (with the exception of listed investments which are included on a market value basis) and in accordance with the Charities (Accounts and Reports) Regulations 2005, the current Statement of Recommended Practice, Accounting and Reporting by Charities (the Charities SORP 2005), the Companies Act 2006 and applicable accounting standards.

### Basis of consolidation

The financial statements include the assets, liabilities and funds, and the statement of financial activities of the Society, its branches and its subsidiaries. The figures for branches have been compiled from locally audited or independently examined accounts or returns completed by branch staff and volunteers (see note 2 for further details). The Society's annual share of the profits or losses from joint ventures are included in the statement of financial activities (SOFA) and its share of the net assets are 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 paragraph 397 of the SORP.

### Incoming resources

All income, restricted or unrestricted, is accounted for on an accruals basis.

Legacies are recognised in the SOFA when there is adequate certainty and reliability of receipt, and their value can be accurately measured. This is based on all notifications of legacies received by 31 March 2010 for which income was received by 7 May 2010 (2009: 15 May). Legacies not recognised in the SOFA are disclosed in note 3a.

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 the accounting date.

### Expenditure

Expenditure is accounted for on an accruals basis. 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.

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 on an accruals basis as soon as it is prudent and practical to do so. 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.

### Tangible fixed assets

Tangible fixed assets, with a value of £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 and software	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 will undertake future impairment reviews in accordance with FRS11.

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

### Investments

Investments are stated at market value. Any unrealised gains or losses are transferred to reserves.

### 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.

### 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.

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

CharITyshare Limited is incorporated in the UK to provide a shared IT service to Alzheimer's Society, The Children's Society and the NSPCC. It is jointly and equally owned by the three participants. Alzheimer's Society accounts for its share of assets, liabilities and cash flow according to the shared services agreement.

## 2. Branches and support groups

The Society requires that every branch submit an annual financial return and unless its income is £10,000 or less it be audited or independently examined.

41 of 42 branches with income in excess of £250,000, representing 50 per cent of all branch income, have received full audits. In seven branches (2009: five) the accounting records consisted of bank account statements and these were used to construct trial balances. These branches have total funds of £282,000 (2009: £184,000).

## 3. Income

### a) Legacies

As stated in the accounting policies, the Society recognises income from legacies when there is certainty and reliability of receipt and their value can be accurately measured. At 31 March 2010, the Society had been notified of a further 184 legacies that have not been included in these financial statements as they did not meet these criteria. These legacies may realise approximately £4.1 million.

### b) Investment income

	2010 Group £'000	2009 Group £'000
Bank and other interest	85	718
Income from fixed interest investments	358	224
Income from listed equity investments	306	223
	<b>749</b>	1,165

### c) Grants and contract income includes:

	2010 Group £'000	2009 Group £'000
The Henry Smith Charity	257	358
Northern Rock Foundation	164	75
Department of Health	126	150
Welsh Assembly Government	65	65
Comic Relief – campaigning networks	50	141
The City Bridge Trust	50	–
Department of Health, Social Services and Public Safety Northern Ireland	43	42
Comic Relief – advocacy	23	–
The John Ellerman Foundation	22	22
Herbert & Peter Blagrove Charitable Trust	10	–

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

### d) Gift aid recovery

The consolidated SOFA includes £783,000 (2009: £802,000) for gift aid on voluntary fundraising. Additionally, profits of Alzheimer's Trading Limited of £550,000 (2009: £222,000) were paid under gift aid to the Society.

# Notes to the financial statements continued

For the year ended 31 March 2010

## 4. Resources expended

						2010	2009
	Fundraising	Care services	Campaigning and awareness raising	Research	Governance	Group Total	Group Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Activities undertaken directly	9,085	35,783	2,335	291	255	<b>47,749</b>	41,475
Grant funding of activities (note 5)	1	53	–	1,957	–	<b>2,011</b>	2,397
<b>Direct cost</b>	<b>9,086</b>	<b>35,836</b>	<b>2,335</b>	<b>2,248</b>	<b>255</b>	<b>49,760</b>	43,872
IT costs	217	2,120	95	13	6	<b>2,451</b>	2,289
Premises costs	201	1,970	89	12	5	<b>2,277</b>	1,940
Human resources	114	1,114	50	7	2	<b>1,287</b>	1,230
Finance and corporate services	132	1,289	58	8	4	<b>1,491</b>	1,253
Branch administration	3	29	1	–	–	<b>33</b>	403
<b>Support costs</b>	<b>667</b>	<b>6,522</b>	<b>293</b>	<b>40</b>	<b>17</b>	<b>7,539</b>	7,115
<b>Total resources expended</b>	<b>9,753</b>	<b>42,358</b>	<b>2,628</b>	<b>2,288</b>	<b>272</b>	<b>57,299</b>	50,987

### Basis of support cost allocation

Support costs are allocated to service departments based on staff numbers. Fundraising costs include the trading costs of subsidiaries.

### Activities undertaken directly for care services were:

	2010 Group £'000	2009 Group £'000
Day care	<b>6,145</b>	6,096
Dementia support	<b>5,906</b>	5,074
Home care	<b>2,202</b>	1,919
Information provision	<b>529</b>	460
Support groups	<b>867</b>	821
Befriending	<b>1,262</b>	841
Advocacy	<b>403</b>	416
Care staff costs attributable over multiple activities	<b>10,885</b>	9,754
Other services	<b>7,584</b>	5,853
	<b>35,783</b>	31,234

### Governance costs were:

	2010 Group £'000	2009 Group £'000
Audit costs – Horwath Clark Whitehill	<b>42</b>	44
Other audit costs	<b>64</b>	77
Other professional services – Horwath Clark Whitehill	<b>2</b>	5
Board of Trustees	<b>25</b>	35
AGM and other governance meetings	<b>84</b>	91
Internal audit and strategic support	<b>38</b>	10
	<b>255</b>	262

## 5. Grant giving

Grants awarded during the financial year include:

	2010 Group £'000	2009 Group £'000
<b>Research grants to institutions:</b>		
<b>By Society:</b>		
Kings College London	405	403
University of Manchester	270	–
Cardiff University – Medicine	205	224
University of Nottingham	200	198
University of Leeds	155	–
University of Bristol	105	134
University of Edinburgh	100	159
University of York	75	–
University of Reading	75	–
University College London	75	–
University of Cambridge	50	–
ABBUK	30	810
University of Bath	30	–
National Prevention Research Initiative	25	–
University of Oxford	18	–
University of London – Institute of Education	17	–
Dissemination Grants on Research Projects	3	–
University of Southampton	–	165
Keele University	–	75
National Hospital	–	75
University of Newcastle	–	50
Underspend on completed projects written back	(31)	(37)
	<b>1,807</b>	<b>2,256</b>
<b>By Foundation:</b>		
Alzheimer's Research Trust	150	100
	<b>1,957</b>	<b>2,356</b>
	<b>2010 Group £'000</b>	<b>2009 Group £'000</b>
<b>Caring grants to individuals and institutions:</b>		
The Queen's Nursing Institute	15	–
Gateshead Council	15	–
Netley Waterside Care	8	–
Clive Project	3	–
Guernsey Hospital	–	3
Barkham Day Hospital	–	2
Grants below £1,000	13	36
	<b>54</b>	<b>41</b>

# Notes to the financial statements continued

For the year ended 31 March 2010

## 6. Staff costs

	2010 Group £'000	2009 Group £'000
Gross wages and salaries	<b>27,291</b>	23,503
Employer's National Insurance	<b>2,371</b>	2,253
Pension contributions	<b>739</b>	693
	<b>30,401</b>	26,449

### 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 per cent of gross pensionable salary for all eligible employees are charged to expenditure as they are incurred.

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

	2010 Group		2009 Group	
	Full-time No.	Part-time No.	Full-time No.	Part-time No.
Fundraising	<b>100</b>	<b>21</b>	75	32
Care services	<b>452</b>	<b>1,258</b>	405	1,199
Campaigning and awareness raising	<b>42</b>	<b>13</b>	39	36
Research	<b>6</b>	<b>1</b>	4	1
Governance	<b>3</b>	<b>–</b>	3	–
	<b>603</b>	<b>1,293</b>	526	1,268

The number of employees in total emolument bands (excluding pension contributions) in excess of £60,000 were as follows:

	2010 No.	2009 No.
£60,001 – £70,000	<b>5</b>	2
£70,001 – £80,000	<b>1</b>	–
£80,001 – £90,000	<b>–</b>	2
£90,001 – £100,000	<b>3</b>	2
£100,001 – £110,000	<b>1</b>	–
£110,001 – £120,000	<b>–</b>	1
£210,001 – £220,000	<b>1</b>	–

	2010 £'000	2009 £'000
For staff paid over £60,000, the following pension scheme contributions were made:	<b>64</b>	41

	2010 No.	2009 No.
The number of staff paid over £60,000 to whom retirement benefits are accruing is:	<b>10</b>	7

All employees participate in the same pension arrangements.

### Members of the Board

None (2009: 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 16 (2009: 13) Trustees during the year totalling £27,200 (2009: £27,957).

## 7. Tangible fixed assets – Group and Society

	Freehold property £'000	Leasehold improvements £'000	Service user transport £'000	Furniture and fittings £'000	Office and computer equipment £'000	Total £'000
<b>Cost</b>						
As at 1 April 2009	226	1,884	682	559	2,236	5,587
Additions	5	51	99	76	281	512
Disposals	–	(15)	(54)	(4)	(437)	(510)
As at 31 March 2010	<b>231</b>	<b>1,920</b>	<b>727</b>	<b>631</b>	<b>2,080</b>	<b>5,589</b>
<b>Depreciation</b>						
As at 1 April 2009	–	1,025	519	462	1,670	3,676
Charge for the year	–	167	81	50	336	634
Disposals	–	–	(54)	(3)	(353)	(410)
As at 31 March 2010	<b>–</b>	<b>1,192</b>	<b>546</b>	<b>509</b>	<b>1,653</b>	<b>3,900</b>
<b>Net book value</b>						
As at 31 March 2009	226	859	163	97	566	1,911
As at 31 March 2010	<b>231</b>	<b>728</b>	<b>181</b>	<b>122</b>	<b>427</b>	<b>1,689</b>

## 8. Investments

### (a) Fixed asset investments

	2010 Group £'000	2010 Society £'000	2009 Group £'000	2009 Society £'000
Opening valuation 1 April	<b>15,976</b>	<b>16,076</b>	6,732	6,826
Additions	<b>12,517</b>	<b>12,517</b>	13,341	13,341
Disposals	<b>(6,786)</b>	<b>(6,786)</b>	(3,198)	(3,192)
Realised gains on disposals during year	<b>171</b>	<b>171</b>	140	140
Unrealised gain / (loss) on valuation	<b>2,234</b>	<b>2,234</b>	(1,039)	(1,039)
Closing valuation 31 March	<b>24,112</b>	<b>24,212</b>	15,976	16,076
Equity Investments listed on a recognised stock exchange	<b>13,912</b>	<b>13,912</b>	6,229	6,229
Fixed Interest Investments listed on a recognised stock exchange	<b>10,195</b>	<b>10,195</b>	9,768	9,768
Investment in subsidiary and associated undertakings	–	<b>100</b>	–	100
Share of assets in joint venture	<b>939</b>	<b>939</b>	1,123	1,123
Share of liabilities in joint venture	<b>(934)</b>	<b>(934)</b>	(1,144)	(1,144)
Total	<b>24,112</b>	<b>24,212</b>	15,976	16,076
Investment assets in the UK	<b>17,472</b>	<b>17,572</b>	14,867	14,967
Investment assets outside the UK	<b>6,640</b>	<b>6,640</b>	1,109	1,109
Total	<b>24,112</b>	<b>24,212</b>	15,976	16,076

The cost price of investments listed on a recognised stock exchange is £22.0 million.

All of the investments at 31 March 2010 and 31 March 2009 were held to the order of the Society.

# Notes to the financial statements continued

For the year ended 31 March 2010

At 31 March 2010 the following individual investments exceeded 5 per cent by value of the total portfolio:

	£'000
UK Treasury 4% stock 2016	1,996

## Joint venture investment

Alzheimer's Brain Bank UK Limited (ABBUK) is a company limited by guarantee (number 5762960) and a registered charity (number 1114579). It has two members, Alzheimer's Society and the Alzheimer's Research Trust. 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 per cent share in ABBUK and its share of the net assets is £5,000 (2009: net liabilities £21,000).

This joint venture is accounted for in accordance with FRS 9 and the Charities SORP under the gross equity method.

## (b) Short-term investments and deposits

	2010 Group £'000	2010 Society £'000	2009 Group £'000	2009 Society £'000
Short-term investments and deposits held at:				
Close Wealth Management Group	419	419	3,507	3,507
HSBC	10,391	10,391	9,037	9,037
	<b>10,810</b>	<b>10,810</b>	12,544	12,544

## (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 challenge events, raffles and 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 2009/10, a grant of £150,000 was made to Alzheimer's Society's research programme (2009: £100,000) and £150,000 to the Alzheimer's Research Trust (2009: £100,000).

## Profit and loss accounts for the year ended 31 March 2010

	Alzheimer's Trading Ltd £'000	The Alzheimer's Foundation for Research into Alzheimer's Disease £'000	<b>Total 2010 £'000</b>	Total 2009 £'000
Turnover	2,432	–	<b>2,432</b>	1,724
Donations and legacies	–	344	<b>344</b>	193
Cost of sales	(1,229)	–	<b>(1,229)</b>	(1,028)
Gross profit	1,203	344	<b>1,547</b>	889
Bank interest	7	1	<b>8</b>	45
Distribution expenses	(379)	–	<b>(379)</b>	(398)
Administration expenses	(275)	–	<b>(275)</b>	(114)
Charitable activities	–	(300)	<b>(300)</b>	(200)
Governance costs	(6)	(4)	<b>(10)</b>	(8)
Net profit	550	41	<b>591</b>	214
Payment to the Society under gift aid	(550)	–	<b>(550)</b>	(222)
Surplus – retained in subsidiaries	–	41	<b>41</b>	(8)

## Balance sheets at 31 March 2010

Stock	19	–	<b>19</b>	1
Debtors	175	140	<b>315</b>	225
Cash at bank and in hand	1,936	221	<b>2,157</b>	1,707
Creditors – amounts falling due within one year	(2,030)	(4)	<b>(2,034)</b>	(1,517)
<b>Net assets</b>	100	357	<b>457</b>	416
<b>Financed by:</b>				
Ordinary Share Capital	100	–	<b>100</b>	100
Unrestricted funds	–	357	<b>357</b>	316
<b>Total funds</b>	100	357	<b>457</b>	416

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 2009 and 2010.

## 9. Stock

	<b>2010 Group £'000</b>	<b>2010 Society £'000</b>	2009 Group £'000	2009 Society £'000
Finished goods and goods for re-sale	<b>21</b>	<b>2</b>	7	6

# Notes to the financial statements continued

For the year ended 31 March 2010

## 10. Debtors

	2010 Group £'000	2010 Society £'000	2009 Group £'000	2009 Society £'000
Trade debtors	902	727	746	521
Legacy debtors	1,062	1,062	901	901
Prepayments	702	702	553	553
Accrued income	1,035	1,035	787	787
Other debtors	283	283	278	278
	<b>3,984</b>	<b>3,809</b>	3,265	3,040
Amounts due from subsidiary undertaking	–	1,861	–	1,165
	<b>3,984</b>	<b>5,670</b>	3,265	4,205

Accrued income includes income receivable of £281,000 (2009: £275,000) for gift aid recovery.

## 11. Creditors

	2010 Group £'000	2010 Society £'000	2009 Group £'000	2009 Society £'000
<b>Amounts falling due within one year</b>				
Research grant creditors	2,354	2,354	2,244	2,244
Trade creditors	1,016	980	1,275	1,137
Other taxes and social security	693	693	472	472
Other creditors	1,445	1,441	1,736	1,733
Accruals	3,453	3,320	1,390	1,180
Deferred income (see note 12)	2,066	2,066	1,213	1,213
	<b>11,027</b>	<b>10,854</b>	8,330	7,979
Amounts due to subsidiary undertaking	–	140	–	27
	<b>11,027</b>	<b>10,994</b>	8,330	8,006

### Amounts falling due after one year:

Research grant creditors	2,488	2,488	2,047	2,047
--------------------------	-------	-------	-------	-------

### Research grant creditors are payable:

Within one year	2,354	2,354	2,244	2,244
Between one and two years	1,510	1,510	1,136	1,136
Between two and five years	978	978	911	911
<b>Total research grant creditors</b>	<b>4,842</b>	<b>4,842</b>	4,291	4,291

Included in research grant creditors are amounts due to the joint venture, ABBUK, of £885,000 (2009: £1.1 million)

## 12. Deferred income

	2010 Group £'000	2010 Society £'000	2009 Group £'000	2009 Society £'000
Balance at 1 April 2009	1,213	1,213	1,321	1,321
Amounts released to incoming resources	(1,213)	(1,213)	(1,321)	(1,321)
Amounts deferred in the year	2,066	2,066	1,213	1,213
	<b>2,066</b>	<b>2,066</b>	1,213	1,213

### 13. Share capital

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

### 14. Taxation

Alzheimer's Society is a registered charity and its activities fall within the exemptions of the Income and Corporation Taxes Act 1988. The Society is therefore not liable for Corporation Tax.

### 15. Funds

	At 1 April 2009 Group £'000	Incoming resources £'000	Resources expended gains and losses £'000	Transfers £'000	At 31 March 2010 Group £'000
<b>Big Lottery Fund</b>					
Care services (a)	184	479	(478)	(20)	<b>165</b>
	184	479	(478)	(20)	<b>165</b>
<b>Other funders</b>					
Research	1,137	1,722	(2,072)	(26)	<b>761</b>
Care services (branches and regions)	2,031	1,380	(1,378)	45	<b>2,078</b>
Brain Bank (ABBUK)	–	–	(30)	30	<b>–</b>
Geographically restricted funds	544	536	(514)	–	<b>566</b>
Worried about your memory?	48	221	(136)	–	<b>133</b>
Other	570	228	(199)	(46)	<b>553</b>
	4,330	4,087	(4,329)	3	<b>4,091</b>
<b>Total restricted funds</b>	4,514	4,566	(4,807)	(17)	<b>4,256</b>
<b>Unrestricted funds</b>	20,032	56,575	(52,492)	17	<b>24,132</b>
<b>Total funds</b>	24,546	61,141	(57,299)	–	<b>28,388</b>

Unrestricted funds includes Designated Funds of £1.7 million (2009: £1.9 million) which represent the Society's investment in tangible fixed assets which are not immediately realisable.

## Notes to the financial statements continued

For the year ended 31 March 2010

(a) During the year the Society was in receipt of 13 grants from the Big Lottery Fund. In accordance with their terms, an analysis by activity is reported below:

	At 1 April 2009 Group £'000	Incoming resources £'000	Resources expended £'000	Transfers £'000	At 31 March 2010 Group £'000
<b>Care services</b>					
Community Fund Grant – Bromley	57	–	(17)	–	<b>40</b>
Stem Cell Research	10	(5)	–	(5)	–
Outreach and Support – Tower Hamlets	10	64	(74)	–	–
Family Support – Eden	3	–	–	(3)	–
Outreach and Information Provision Southport	–	83	(92)	–	<b>(9)</b>
Outreach and Support – New Forest	–	53	(53)	–	–
Southwark Outreach Support	13	–	(13)	–	–
Awards 4 All – Merthyr Tydfil	3	–	–	(3)	–
Awards 4 All – Northern Ireland	–	27	–	–	<b>27</b>
Befriending – North Yorkshire	85	142	(137)	(8)	<b>82</b>
Family Support Service – Carlisle	1	–	(1)	–	–
Family Support West Cumbria	1	115	(91)	(1)	<b>24</b>
Go For It	1	–	–	–	<b>1</b>
	<b>184</b>	<b>479</b>	<b>(478)</b>	<b>(20)</b>	<b>165</b>

## 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:

	2010 Land and buildings £'000	2010 Other £'000	2009 Land and buildings £'000	2009 Other £'000
<b>Operating leases which expire:</b>				
Within one year	1,869	34	1,070	69
In two to five years	5,488	61	3,227	11
After five years	3,148	–	2,051	1
	<b>10,505</b>	<b>95</b>	6,348	81

### b) Other commitments

The Society had no commitments through its branches providing contractual services to local authorities and other statutory and non-statutory bodies that required a capital expenditure commitment (2009: nil).

## 17. Analysis of group net assets between funds

	Tangible fixed assets £'000	Fixed asset investments £'000	Net current assets £'000	Creditors due after 1 year £'000	Total £'000
Restricted Funds	–	–	4,256	–	4,256
Designated funds	1,689	–	–	–	1,689
General funds	–	24,112	819	(2,488)	22,443
	<b>1,689</b>	<b>24,112</b>	<b>5,075</b>	<b>(2,488)</b>	<b>28,388</b>

## Reference and administrative details of the Society, its Trustees and advisers

---

### Royal Patron

**HRH Princess Alexandra GCVO**

### President Emeritus

**Sir Jonathan Miller CBE**

### Board of Trustees

#### Honorary Officers

Chair

**Alastair Balls CB DL<sup>++</sup>**

Elected 14 September 2007

Vice-Chair

**Eileen Winston<sup>+++</sup>**

Re-elected 18 September 2009

Treasurer

**John Grosvenor<sup>+#^</sup>**

Elected 18 September 2009

#### Board members

**Ann Beasley CBE**

Elected 18 September 2009

**Richard Crace<sup>#^</sup>**

Re-elected 14 September 2007

**Thomas Haverty**

Co-opted 19 September 2008

**Christine Holloway**

Elected 18 September 2009

**Carys Howell<sup>\*</sup>**

Elected 14 September 2007

**Prof Robin Jacoby**

Elected 18 September 2009

**Wendy Jones**

Resigned 18 September 2009

**Peter Laycock**

Resigned 18 September 2009

**Marilynne Morgan CB<sup>\*</sup>**

Resigned 18 September 2009

**Dr Carolyn Popham**

Re-elected 14 September 2007

**David Richardson<sup>#^</sup>**

Elected 14 September 2007

**Annette Southcott**

Re-elected 18 September 2009

**Alan Wells OBE<sup>\*</sup>**

Elected 18 September 2009

All Trustees are elected by the Society's membership, or co-opted, in accordance with the Society's Memorandum and Articles of Association.

<sup>#</sup> Audit Committee Member

<sup>\*</sup> Nominations Committee Member

<sup>+</sup> Remuneration Committee Member

<sup>^</sup> Investment Committee Member

---

## Chief Executive

**Neil Hunt** to 1 March 2010

**Ruth Sutherland** from 1 March 2010  
Interim Chief Executive

## Senior Management team

### Prof Clive Ballard

Director of Research

### Andrew Ketteringham

Director of External Affairs

### Matthew Sellen

Director of Corporate Resources

### Dr Susanne Sorensen

Head of Research

### Ruth Sutherland

Chief Operating Officer

### Jo Swinhoe

Director of Fundraising and Marketing

### Brett Terry

 from 4 January 2010

Director of Human Resources

### Ian Thomas

 from 1 March 2010

Acting Director of Services

### Caroline Wayment

 to 4 January 2010

Acting Director of Human Resources

## Company Secretary

**Matthew Sellen**

## Professional advisers

### Auditors

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

### Bankers

HSBC Bank Plc  
2nd Floor  
1 Beadon Road  
Hammersmith  
London W6 0EA

## Insurance brokers

Giles Insurance Brokers Ltd  
Temple Point  
1 Temple Row  
Birmingham B2 5YB

## Investment managers

Close Wealth Management Group  
10 Crown Place  
London EC2A 4FT

## Legal advisers

Charles Russell LLP  
8-10 New Fetter Lane  
London EC4A 1RS

## Registered office

Devon House  
58 St Katharine's Way  
London E1W 1LB

## Registered charity number

296645

## Company registration number

2115499

## Constitution

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 the charity changed its name to Alzheimer's Society. The Society is governed by its Memorandum and Articles of Association. Revisions to the Memorandum and new Articles of Association were adopted by special resolution at an Extraordinary General Meeting on 19 March 2005.

**‘We have set the ambitious target of increasing our revenue by 10 per cent over the coming year. I am aware that there is much**

Alastair Balls CB DL  
Chair

us, but achievable,  
reach by a further  
ing year... We are all  
more to be done.'

Alzheimer's Society National Dementia Helpline  
0845 3000 336

Supporter Care Team  
0845 3060 898

Alzheimer's Society  
Devon House  
58 St Katharine's Way  
London E1W 1LB

T 020 7423 3500  
F 020 7423 3501  
E [info@alzheimers.org.uk](mailto:info@alzheimers.org.uk)

Alzheimer's Society operates in England,  
Wales and Northern Ireland.

Registered charity no. 296645.  
Company limited by guarantee  
and registered in England no. 2115499.

SRP0910

