



Trustees' Annual Report & Financial Statements 2021/22



Our year in numbers



4m+

Our services have been used more than **four million** times in 2021/22, and people affected by dementia tell us they are a lifeline.

“

Alzheimer's Society is a godsend. We don't get any of that extra information from doctors or psychiatrists.

Jo, cares for her husband who has dementia, Bedfordshire.



135,000+

Our campaigns were supported by more than **135,000** people across England, Wales and Northern Ireland.

The **Cure the Care System** campaign helped revive widespread social care campaigning, acquiring **23,000** new campaigners and driving our highest peak in weekly web users for two years.

The campaign also contributed to the start of significant Government social care change.



90%

We responded to changing needs amid the pandemic. When we couldn't reach people face-to-face or digitally, we turned to print. We distributed **445,840** print publications this year, a rise of **90%** from the previous year.



2,850

We identified and dealt with more than **2,850** safeguarding concerns in 2021/22.



1.3m

Talking Point, our online community, supported nearly **1.3m** people through 2021/22.



32%

Our **Dementia Connect** support line received **71,014** calls—an increase of **32%** on 2020/21.

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Trustees' Annual Report



We are incredibly saddened by the death of Her Majesty Queen Elizabeth II on 8 September 2022. We share our deepest condolences with her family at this time, including our patron Her Royal Highness Princess Alexandra, and all those that love and admire the Royal Family. Queen Elizabeth II made an immeasurable contribution to the work of charities across the world during her 70 year reign.

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In addition to the section entitled Strategic Report on pages 4-37, the following sections are also considered to make up the Strategic Report requirements as defined by s414 of the Companies Act 2006; Decision making and risk control, which begins on page 47, the Section 172 report, which begins on page 51 and overview of our financials for 2021/22 on page 56

Message from the Chair



Stephen Hill, OBE
Chair of Trustees

As you will see elsewhere in this report, it has been a very busy time at the Society. And it needs to be. As we are just, hopefully, coming out of an unprecedented global pandemic, which has affected those living with dementia particularly harshly, but, unfortunately, entering a period of great financial and economic uncertainty, our voice needs to be heard and acknowledged as never before.

I'm pleased to say that this year we were finally able to resume many of our face-to-face services, providing help to those who were unable to access the support we've been offering digitally through the peak of the pandemic.

While some prefer face-to-face services, our virtual services have, nonetheless, helped us reach thousands during periods of lock down as well as people living in care homes and those who don't have face-to-face options nearby. And our staff and volunteers have been brilliant at responding to the challenges posed by Covid, quickly adapting to change, and going the extra mile to provide support to those most in need.

Our partnership with the Football Association (FA) was launched successfully this year, including the emotive 'Football Should Be Unforgettable' theme. Our Sport United Against Dementia initiative grows from strength to strength, and is a great way to reach people of all ages and in all communities to raise awareness, reduce the stigma around dementia and keep fans engaged with the sport they love.

Our efforts to make sure we are here for people who need us most right now was balanced with an eye to the future, and we redoubled our lobbying efforts to reform social care. Our Cure the Care System campaign was our biggest yet, pooling the skills and experiences of our team,

supporters, and people living with dementia, to make a powerful case for change. This resulted in new commitments from the UK Government on social care, boosting the visibility of our work and ensuring people with dementia are seen and heard in policy making.

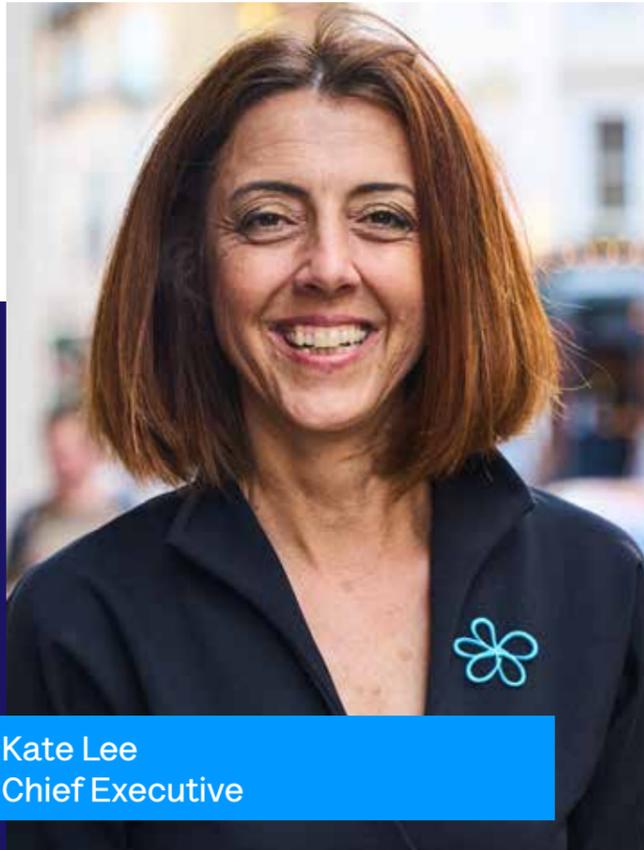
We continue to focus on diversity and inclusion throughout the Society as we recognize the difficulty we have in reaching all communities in the nations, and we will continue to push for new initiatives to enable us to do so, to ensure that no-one is left behind.

Finally, I'm also delighted to report that you raised a record-breaking £93.3m this year, which will be put to good use across all our support services and research, helping to build a brighter future for all people affected by dementia.

As ever, none of this would have been possible without your commitment and energy. We're truly grateful and it gives us great confidence that we can continue, together, to make a real difference.

Stephen Hill, OBE
Chair of Trustees

Message from the Chief Executive



Kate Lee
Chief Executive

It has been a huge honour to lead Alzheimer's Society this year and I am so grateful to everyone who supports us in any capacity – you have made a massive difference to the lives of people affected by dementia.

The lingering effects of the pandemic and repeated lockdowns were clear this year, so we needed to continue to adapt quickly. We helped ensure a sharp focus on the problems with the UK social care system was maintained, and it was essential that we revitalised social care campaigning as the Government was beginning to plan post-Coronavirus.

I'm so proud of our Dementia Action Week Cure the Care System campaign, broadening the conversation around care home provisions for dementia and the rising costs of social care, as we revived widespread campaigning interest. At last we've seen a White Paper emerge with many of our recommendations taken on board.

However this is far from job done — we will need to keep the pressure on the UK government in our pursuit of long-lasting change.

More generally, we've been reassessing where our strengths lie, ensuring we emerge from the pandemic with a much-needed stronger focus and clarity of vision. Striking the right balance between digital and face-to-face services last year was a real struggle for us, though by the end of the year approximately 60% of our support was in person. A lack of face-to-face provision has been a key concern among people living with dementia, heightened by the enduring feeling of isolation after two years of uncertainty.

What's been great is weaving in the real-life experiences of our Dementia Voice panels into our work this year. Their viewpoints have helped us highlight the everyday challenges people with dementia face to policy-makers, prioritise our work better now, and plan for the years ahead. But we have a way to go – we want people affected by dementia to see us as a shining example of participation. And we must ensure that we are fair, diverse and inclusive to all, removing any barriers to involvement and engagement, so that anyone and everyone affected feels that they can turn to us for support.

We're also thrilled about the new research we've been funding this year, following a long period in which we simply have not been able to do so. The pandemic dealt a devastating blow to dementia research and its funding so we'll be doing everything we can to inspire investment from others alongside our own. The insights and technologies developed through these programmes will bring real-world benefit to people affected by dementia, helping to unlock new pathways to treatment and diagnosis.

We're forever grateful to the people who have stuck with us during these uncertain times, and our new strategy provides the blueprint for big, positive changes in the years ahead. We're here for everyone living with dementia, their carers, and all affected by it, and we won't rest until their lives are less fearful, free from stigma and inequality.

The work we do is only made possible thanks to our supporters, partners, volunteers, staff and friends. Together we can build a world of help through our amazing people on the frontline delivering support and hope driving change and breakthroughs for people living with dementia.

I'm tremendously excited about what lies ahead, and just want to thank everyone for your continued support.

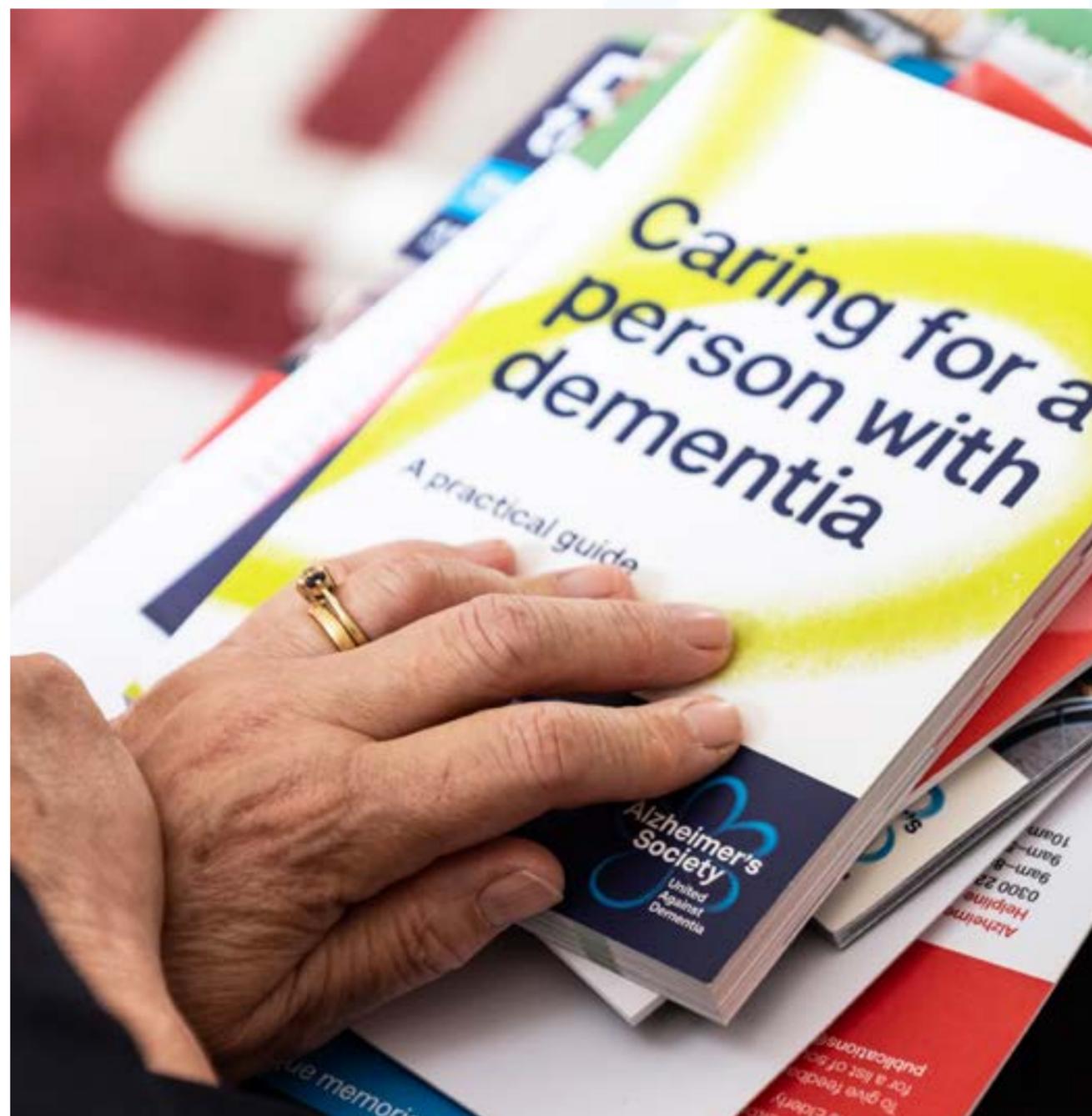
Kate Lee
Chief Executive

What was the world in which we operated?



2021/22 was a year of change for Alzheimer's Society

The turbulent events in the outside world influenced both our key areas of focus and our practical response.



The pandemic created extra challenges for people affected by dementia

Finding ourselves in the second year of restrictions and lockdowns, the impact of the pandemic on people living with dementia was now clear and visceral.

Isolation was a major concern, alongside the cognitive decline that many people with dementia experienced during this time of uncertainty.

The fear of contracting Covid prevented some people from attending face-to-face services when they resumed in-between and following periods of lockdown; a challenge as we adjusted to the new normal.

While the rest of the world was focused on the pandemic, we knew that residential care homes were facing their own challenges, and often lacked the provision necessary to help people with dementia.

Many care homes were not allowing visitors to see their loved ones, causing distress and isolation to take hold. We continued campaigning to raise

awareness of this problem while ensuring that the dire state of our social care system, exposed by the pandemic, could not be forgotten.

Towards the middle of the year, the UK government published a paper advocating a greater push for integrated care. This commitment helped us embrace opportunities for positive change.

We realised the uncertainty of the pandemic could act as a springboard for building back better than ever before – bringing rapid acceleration of the kind of care and policy change people living with dementia truly need.

“

Things are not happening quickly enough. Research is nice, but people affected by dementia need help now.

Marilyn, living with dementia, Worcestershire.

Jennifer's story



Jennifer Tobias with her mum, Veronica, who lives with dementia

Jennifer Tobias cares for her 84-year-old mother, Veronica Tobias, at her London home. She has done since Veronica was diagnosed with vascular dementia in 2017.

“Covid and the lockdowns and the restrictions took away all of the regular activities my mother valued so much. This year was trying to adapt to a constantly changing situation.

We managed short early morning walks to our favourite parks. Appreciating and being close to Mother Nature was life-affirming.

But we were soon overwhelmed with the large number of people also out doing what we were. People outside were behaving like Covid was over. Few people wore masks. But Covid was still a danger for my mother.

My mother had undergone breast cancer surgery and was vulnerable to infection. I was left to address her healing pretty much on my own and was exhausted. We were running on empty.

Conscious of Mum's weakened immune system, we reduced the number of times we ventured out each week.

Looking after Mum during this time became a new kind of challenge, and isolation set in. Mum's dementia episodes took on their next stage, leaving both of us so exhausted.

Inventing a weekly timetable of things to engage in helped, when we had the strength to access them.

Our GP services were brilliant and they offered a sensitive service, during Mum's cancer and Covid battles and more.

Alzheimer's Society in Hackney was like a friend, during an extremely difficult time. If I emailed our support worker, requesting advice on anything, she would be in contact within no time at all. We felt we were not alone.

Alzheimer's Society was present, right throughout our Covid experiences, and stayed close. When they said they were going to deliver something, they always did and we remain forever grateful for the information they shared with us, allowing us to live fear free and embrace Covid reality.”

“ Looking after Mum during this time became a new kind of challenge, and isolation set in.

Our reach and impact



We continued to build on the groundwork we had developed during the height of the pandemic, while preparing for the launch of our new strategy, Help and Hope, later in 2022/23

Our priorities, guided by our bridging plan, included:



Building exciting new partnerships and developing our ability to generate income

Maintaining our Covid-19 offer of dementia support

(through a blend of both digital and face-to-face services)

Lobbying for the rights of people affected by dementia

In 2021/22, we focused on projects that made a real difference to people affected by dementia

We campaigned to cure the care system.



As almost one million people with dementia struggled to access the right support, we campaigned to make a difference.

The Cure the Care System campaign, launched for Dementia Action Week 2021, revitalised widespread social care campaigning, building on the greater public awareness of social care issues. We called on the government to prioritise quality social care across the UK, and thousands of people agreed with our vision.

Our efforts included encouraging people to share their own experiences of living with dementia, whether following a diagnosis, as a carer, or as a family member. These experiences were shared with more than 120 MPs at political party conferences.

We urged more than 27,000 campaigners to sign a letter to the Health Secretary, urging them to allow in-person visits at care homes. This fuelled stronger and more-informed conversations with key political decision-makers.

More than 135,000 campaigners signed our petition to the UK government – making it our biggest campaign to date. In September 2021, we also pushed for greater financial support for adult social care, and while our campaigning secured an additional £800m, this fell short of the £3.9m we were seeking.

The personal experiences of campaigners were subsequently featured in the Government’s white paper committing to social care change in England, amplifying voices that often felt overlooked, and reflecting many of our recommendations. We aim to achieve similar commitments in Wales and Northern Ireland.

Our efforts helped encourage a new cap in social care fees from 2023 onwards—a first step towards fairer, more affordable care for all.



135,000+

More than 135,000 campaigners signed our petition to the UK government, making it our biggest campaign to date



**I started losing Mum
Now my family
are losing me**

Without support, a dementia diagnosis claims more than one life. Sign the petition to reform social care.

Search: Cure the Care System

The 2021 Dementia Action Week campaign included a hard-hitting tv ad (top and above, left) The campaign included print and digital channels (left and above, right)

We showed football should be unforgettable

This year we were thrilled to announce the Football Association (FA) as our official charitable partner.



The pandemic left many people with dementia missing their usual routines, activities, and hobbies. Our partnership is helping boost awareness and vital funds for our support services, as well as helping football fans with dementia stay connected to the sport. The partnership also gives them the opportunity to advise on crucial research.

The partnership kicked off in August 2021, with a launch at the Community Shield. This was followed by the first-ever Alzheimer's Society International match, between England and Switzerland, on 26 March 2022. The event achieved an amazing impact, reaching 31.5m of UK adults through the media between January-March 2022 and resulting in a 64% increase in traffic to our homepage in the week following the match. The event also raised almost £70,000 - and contributed to Alzheimer's Society's spontaneous awareness rising to 3%.

We started working closely with the FA to help make Wembley Stadium a

dementia—friendly space and hope other stadiums and sports will follow our lead.

We're aiming to combat the stigma around dementia, fostering a culture of understanding within the football community. We upskilled FA employees so they can support people with dementia and their families.

Our work also encouraged the FA to support cutting-edge research that will continue to support football fans, both now and in the future.

“

I think the Society needs to embed its presence in daily life more. Awareness needs regularity, and there need to be more regular adverts.

Madeleine, former carer, Yorkshire.

64% increase

in visits to our website following the England v Switzerland match



The partnership match between England and Switzerland featured the England team wearing shirts with no names on to raise awareness of memory loss

Steve's story



Steve Freer (right) with Geoff Hurst at the England v Switzerland International match at Wembley in March 2022

Steve Freer from Leicestershire was diagnosed with early onset dementia in December 2017 at the age of just 57. He lives with his wife Carol who supports him.

“It’s been a year of ups and downs, really,” says Steve. “The highlight was working with Alzheimer’s Society on their partnership with the Football Association and going to the England international and meeting Sir Geoff Hurst. Absolutely fantastic. It was really good to see someone like that, who we have seen on the TV so many times. But he just spoke to you nice and gently. Had a bit of fun. That’s all you want really. Lovely. I was chuffed to bits.

Anything that’s different for me is good. I think it’s a good idea for the Society to join up with the FA.”

Steve’s wife Carol agrees, adding, “There must be people who have a Season Ticket but can’t go any more because of a dementia diagnosis. Clubs could do more to be dementia friendly. For instance, digital tickets. Well, absolute nightmare digital tickets because Steve’s phone is a Doro phone (easy to use mobile). Don’t even go there.”

But Steve has found local Operation changes within the Society difficult.

“Steve used to get a real buzz from his work with Alzheimer’s Society locally,” says Carol. “He would be on interview panels and the girls who worked for you were great. There was a Dementia Voice group that met every fortnight. But Alzheimer’s Society lost the local contract. And that was a real shame. Now he’s joined with Derbyshire and Nottinghamshire, but there aren’t that many people and they are miles away and they are never going to meet up. It’s just on a Zoom. That was disappointing from our side.”

“There must be people who have a Season Ticket but can’t go any more because of a dementia diagnosis.”

We invested in research

Supporting projects designed to bring long-term benefits to people affected by dementia.

In 2021/22, we funded awards spanning clinical, biomedical and care research, while ensuring people affected by dementia remained central to the programme. We were particularly interested in early career research, and research into how best to support people following a dementia diagnosis.

£30m
invested in active research projects

311
new publications were produced via our funding

£7m
invested in **27** awards for new research through 2021/22



Early career researchers from Addenbrooke's, Cambridge

Sarah's story



Dr Sarah Ryan in her lab at the University of Manchester

Dr Sarah Ryan is an Alzheimer's Society funded early career researcher at the University of Manchester.

Dr Ryan's work focuses on Fronto-Temporal dementia (FTD).

"FTD is one of the most common causes of dementia in younger people, and typically affects people in their 50s.

In many cases, the disease is caused by a genetic error which can either happen spontaneously or be passed down in families.

I use cells grown in a dish to mimic what happens inside the brain of someone with FTD, and try to understand how a faulty gene stops brain cells from working properly.

I might be in the lab growing cells in a dish, looking down a microscope or doing experiments to detect dementia-related proteins. Lab work usually means multitasking and sticking to precise timings across the day, so I'm usually rushing around with three or four timers set at once!

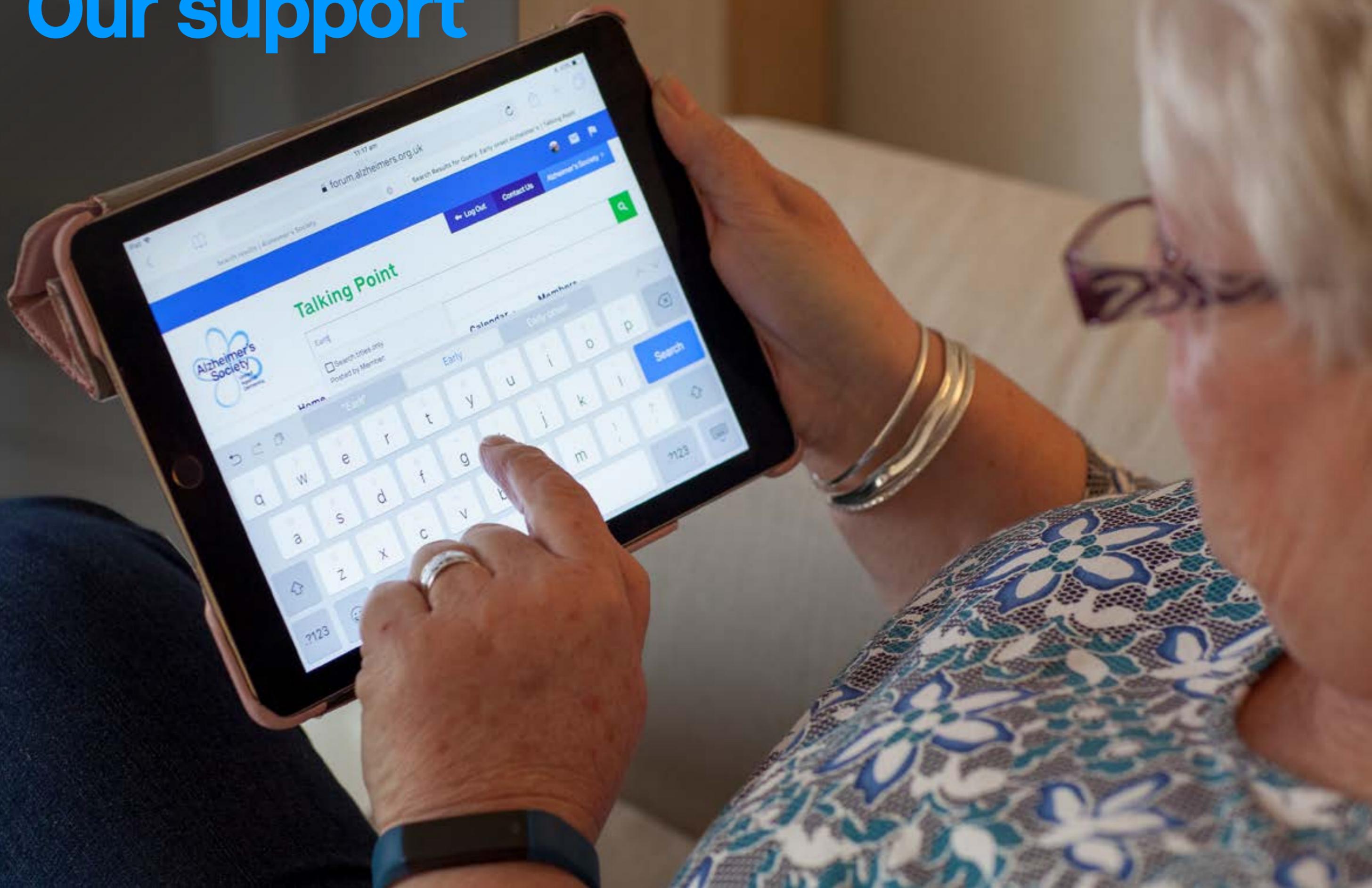
Dementia research is drastically underfunded. More than 95% of dementia researchers are forced to leave the field after completing their training due to lack of permanent jobs, simply because there

isn't enough funding to pay for them. This is a huge loss of skill and knowledge and slows progress towards a cure. Alzheimer's Society funding is essential to retain talented scientists who are passionate about dementia research and want to improve the lives of people living with dementia in future.

My hope is to secure more funding to start building my own dementia research group over the next few years. Ultimately, my research is all about understanding what changes inside the brain of someone with dementia and why that happens, which I hope will one day help us design new medicines to treat dementia."

“Dementia research is drastically underfunded. More than 95% of dementia researchers are forced to leave...simply because there isn't enough funding.

Our support



As the pandemic continued, we adapted to changing rules and regulations

By March 2022, approximately 60% of our services were delivered face-to-face.



Isolation was an additional problem faced by many during lockdown

“

On Companion Calls, I was isolated, alone and had nothing. That Companion Call was my lifeline. Also, prior to Dementia Voice and Companion Calls, I received weekly contact from a dementia adviser. That is a great package.

Kevin, caring for his wife who has dementia, North Wales.

We responded to increasingly complex needs among people affected by dementia, doing our best to blend face-to-face, telephone, and digital support.

An increased proportion of people affected by dementia went into care homes, so this sadly led to the closure of some of our group services due to low membership.

It was a process of continual testing and learning, as we moved in and out of lockdowns and started reinstating in-person services wherever possible.

There were many positive outcomes this year, like continuing to help people through Zoom with activities such as Singing for the Brain.

30,000

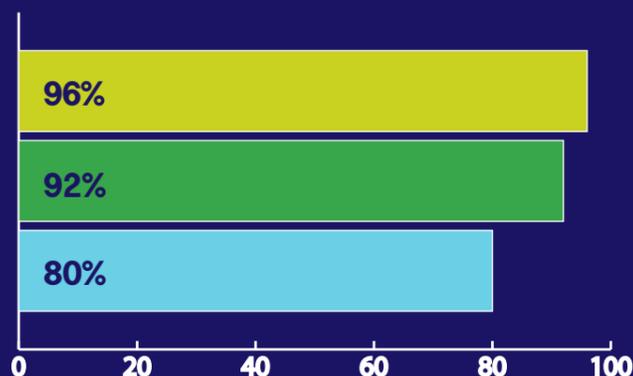
people affected by dementia used our group services in 2021-2022

12,000

people were supported via our Companion Call service

5,000

new people joined our online community Talking Point, and the platform had almost 1.3m visits



96% of carers, and 92% of people living with dementia told us they felt we understood their needs, while 80% said their life was better as a result of our help

“

It really feels like Alzheimer’s Society has withdrawn from local provision. They handed over Singing for the Brain to another group. Cognitive stimulation is now run by another group. I don’t see anything from them locally.

Vernon, living with dementia, Bedfordshire.

Local support with Dementia Voice



A Dementia Voice conference in Belfast

“

It feels good to be doing things that are still part of my skillset. For me, the opportunity to speak at conferences and to be on interview panels make me feel valued — a great source of mental and emotional support.

Clare, carer for her husband who has dementia, Cornwall.

Our Dementia Voice programme gave people affected by dementia a way to share the things that truly matter to them.

These insights helped shape our influence in health and social care, providing a space for people with dementia to have their voices heard.

Dementia Voice participants also gave feedback on our services and influenced our fundraising messaging.

People affected by dementia got involved with phone and video calls both locally and nationally.

Local Dementia Voice groups held monthly meetings, sharing insights, experiences, and ideas.

Hearing from people affected by dementia helped us make the case for real change both within and outside of our organisation and form our new strategy for 2022-27.

7,150

participations in **695** Dementia Voice activities throughout 2021/22

This included more than **27,000** online users of our nationally-recognised Dementia Experience Toolkit

Andrea's story



Andrea Elliot-Denham, who lives with Alzheimer's disease, at home in Wales

Andrea Elliot-Denham is a trans woman diagnosed with Alzheimer's disease. She lives with her partner Ella in Wales.

"I find evenings are worst for me. I get hallucinations and problems with attention. My memory is so much worse at night. I remember things from my childhood, but recent memories are nearly all gone.

It looks to most people like I'm fine. I've got used to putting on a false front. If it wasn't for my partner Ella I wouldn't be able to cope at all.

We used to live in the middle of nowhere. I knew I had to think about the future as I no longer drive. I have moved house with the support of Alzheimer's Society.

Moving house is complex and stressful for anyone. But for someone with dementia, it is an incredibly anxious time. Our dementia support worker acted as a conduit between us and the local authority. That relieved a lot of pressure for Ella and I.

Alzheimer's Society has helped a lot since my diagnosis. Earlier this year, I got a chance to make my voice heard in Dementia Together magazine. Sharing my story was good for me. It helped me by thinking back on the important turning points in my life.

Hopefully, it might help others to understand people like me. I hope it all helps.

I've had quite a few communications from the Society. Not all of them were appropriate for me in my position. I prefer face-to-face communication. I understood that the Society needed to do a lot of online and telephone work over that year. I think you got the balance about right."

**“
It looks to most people like I'm fine. I've got used to putting on a false front.**

Our fundraising



The generosity of our supporters generated a record-breaking £93.3m this year

We raised £93.3m this year, comprising Donations and Legacies £89.0m and Trading £4.3m. We're incredibly grateful to our fundraisers and to all the hard work across all areas of the organisation that has contributed to this achievement.



Trek 26 in the Brecon Beacons, Wales

As England, Wales and Northern Ireland re-opened, we started to hold in-person fundraising events like Memory Walk, Glow and Trek 26 – all of which raised vital funds towards our support services and research.



Memory Walk

24,113

people got involved in Memory Walk, raising **£2.65m** across 19 in-person events and one virtual offering



Brighton Marathon



4,173

people joined us for Glow, raising **£489k** across nine events



6,424

people took part in Trek 26 this year, raising **£3.8m** across seven events in five locations

Julie's story



Grace Salkeld, left, with daughter Julie on a Memory Walk together

Julie Salkeld lives in County Durham and looked after her mum when she was diagnosed with Alzheimer's disease.

“My Mam, Grace, was diagnosed with Alzheimer's around 20 years ago, and she lived with it for nine years. Once she was diagnosed, she didn't talk about dementia anymore. She had cared for us and she didn't like the role being reversed.

She had memory problems and confusion. She thought her husband was her dad; she thought her granddaughter was me.

Sometimes she was there, with a certain twinkle, other times she wasn't there. She steadily declined, until she just wasn't there at all. Alzheimer's robs you of that person.

We didn't really know of the support then. People need to be aware of Alzheimer's Society, whereas I don't think we were.

I've done six Memory Walks in the northeast. When you go, you realise you're not the only one who's had to deal with dementia.

Everybody out on that field knows what you went through – I get comfort from that. I also cry every year! As soon as they set everybody off, I can't help it, it just goes. It's very emotional.

You get that feeling of everybody coming together, all types of people. I've walked with people who are actually going through dementia. And I love it when people have got their dogs!

I'll talk to anybody I'm walking beside. I once spoke all the way round to a young girl, about 16 or 17, walking for her grandad. You could see she had so much love for him. She knew dementia was a big issue. She was emotional – we cried and hugged each other at one point. You get friendship and comfort from people talking about their families and what they've had to deal with.

I've got a photo of Mam on the beach which typifies the vibrant woman she was, so I wear it on my Memory Walk T-shirt. I also wear her gold sovereign, which was her pride and joy. That goes to every Memory Walk, so she's there with me.”

“
When you go, you realise you're not the only one who's had to deal with dementia.

We were also supported by our valued charitable partners such as the People's Postcode Lottery, with players raising millions of pounds towards our support and research.



The People's Postcode Trust supports the Society's work across a range of schemes

Supported by players of



Awarded funds from



“

“We first awarded funding to Alzheimer's Society in 2017, supporting a project to reduce loneliness and isolation for those living with dementia. Since then, players of People's Postcode Lottery have raised more than £3.5 million for Alzheimer's Society.

Currently someone is diagnosed with dementia every three minutes, so we know the need for support is growing fast and this has only been exacerbated by the pandemic and the cost of living crisis communities are currently facing.

Over the years, we have welcomed opportunities to connect our team with the charity's work, by offering Dementia Friends information sessions, organising visits and hearing from those working for and being supported by Alzheimer's Society.

We are proud to have established a long-term partnership with the charity, providing flexible, unrestricted funding which they can allocate where it is needed most.”

Lisa Bellett, People's Postcode Lottery

£3.5m+

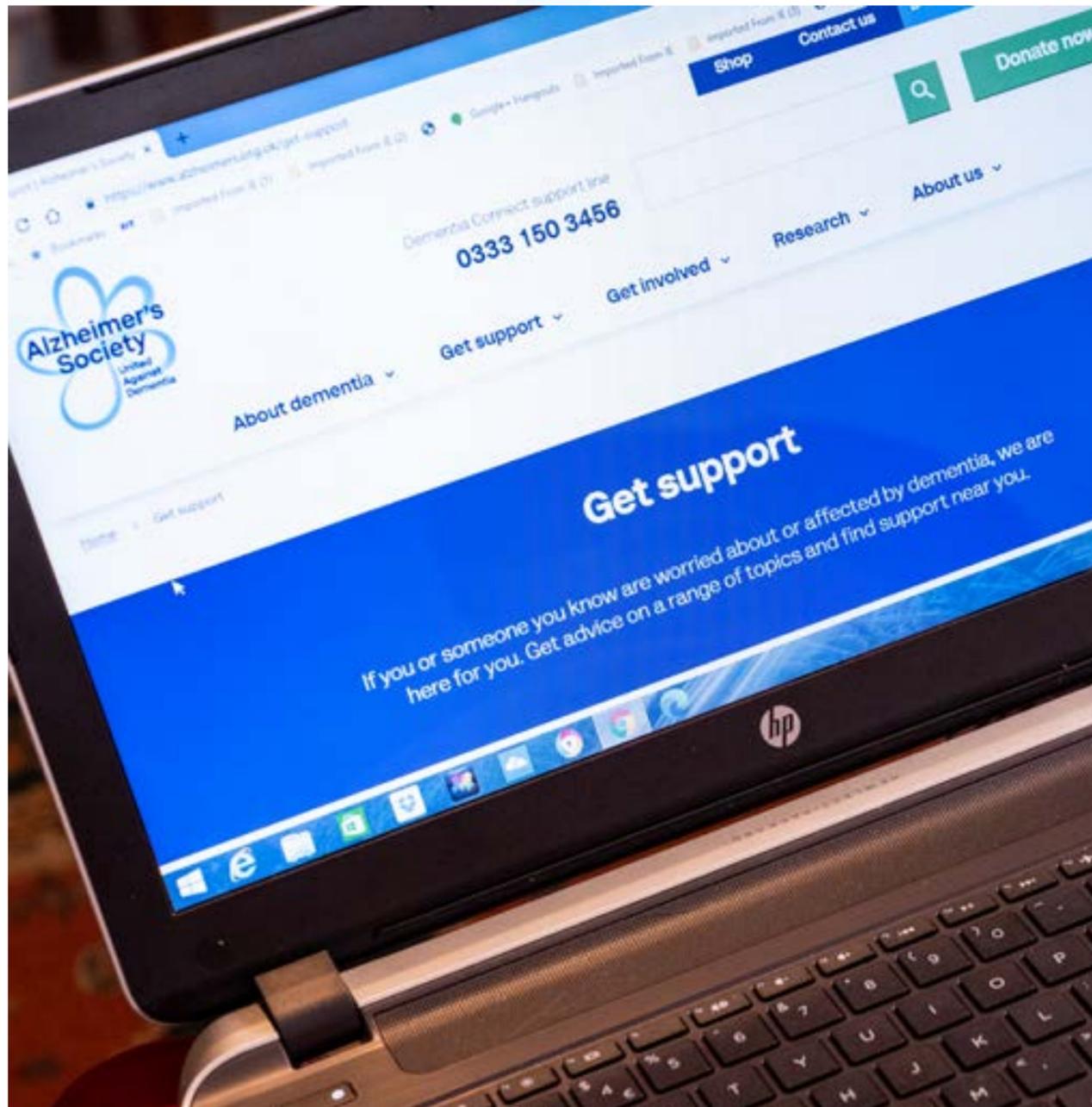
People's Postcode Lottery has raised over £3.5 million for Alzheimer's Society since 2017

Changing how we work



We made some key changes to the way we work this year

These changes were designed to make us a more efficient and equal organisation. They also helped us to deliver on promises to people affected by dementia.



We are modernising our IT systems to enable safer, more connected work

Throughout the year we expanded our networks for colleagues who identify as LGBTQIA+, those from ethnically diverse communities, and those experiencing menopause.

Changes to our Trustee Board mean there is now more diversity at Trustee level, and next year our recruitment will build on this foundation. Carers and people living with dementia also became members of one of our Board committees.

To enable our teams to deliver all they could during Covid-19 restrictions, we took the first steps towards modernisation with the development of our new IT Application Roadmap.

We realised we needed to update our IT and business systems, giving us greater access to valuable data and insights, and providing our people with the tools that will enable them to do their work more efficiently and effectively. We continued to strengthen our cyber security defences including raising awareness with our people of the risk of cyber threats.

To make our bold ambitions a reality, we needed to strengthen our leadership team. We recruited new Associate Directors, to help drive the delivery of our new strategy.

Recruitment has been shaped by members of our Dementia Voice community, our volunteer advisory panel, employee forum, and diversity networks.

6

We employed six people under the government's Kickstart scheme, which is aimed at helping young people at risk of long-term unemployment

Thuy's story



Thuy Nguyen, who joined the Society via the Kickstarter scheme

Thuy Nguyen, 20, is an Employee Support Assistant working in the People directorate at Alzheimer's Society.

Thuy began at Alzheimer's Society in September 2021. She was one of six people employed under the government's new Kickstart Scheme, which is aimed at helping young people at risk of long term unemployment. Thuy went on to win a contract role with the Society.

"I was out of employment for the whole of lockdown because prior to that, I worked as a chef. I was literally not working at all and it was obviously hard to find a job because everything was closed down and a lot of people made redundant as well.

I found the kickstart scheme and I applied and that was as a People Assistant.

I haven't had experience of anything like office jobs. The only thing I had seen was on TV or movies and they seem to be pretty scary and you always see the CEO as this mean hierarchy person who's always pushing people around and if you do one thing wrong, even if you're learning, you get fired.

The first week I met so many people and they were all so lovely and supportive. They will always say like no question is a silly question.

It changed my perception of working in an office job or charities in general and I absolutely love it.

I think it's amazing. I feel like the Society truly supports their employees and really try and look after their mental health which I have never experienced in any other place I have ever worked.

Since I've been here, I feel like there's more employing more people from other cultures and countries and stuff and also from different ages. So I feel like there are more young people coming in to the Society now.

I just, I love it.

I'm just sad it's a fixed term contract, cause if it was a permanent one, there's no way I would say no to it."

“ I feel like the Society truly supports its employees and really try and look after their mental health.

During this busy year, we have kept in close contact with our people

Our Employee Engagement Survey saw 89% of team members agree that they are proud to work for Alzheimer's Society – an 8% increase from our score of 81% in 2020.



The voices of our employees and volunteers are crucial to our work

We focused on wellbeing at all levels. Our efforts recognised the impact of the pandemic on our team and provided space for them to take care of themselves while helping others.

The voices, thoughts and opinions of people affected by dementia, our employees and our volunteers are a crucial part of shaping our work. While developing our new strategy, our approach was mindful of the challenges people with dementia face.

297

conversations were held with **14** themed groups, helping to bring the views and experiences of individuals into the development of our new Help and Hope organisational strategy for 2022-27

60

focus groups were organised, with participants representing a diverse cross-section of people affected by dementia

16

sessions were organised with **1,249** employees and volunteers, each sharing their unique experiences

What lessons did we learn?

We are determined to build a more positive world for people living with dementia.



Dementia Advisers are working face-to-face whenever possible

We have been impacted this year by obstacles such as the pandemic, changes in government provision for dementia, and the challenges of responding to rapid change in real-time.

Following a review of our services, we have realised there is no single national

model for dementia care. We also recognise we need to embed an understanding of dementia and its needs across the UK's healthcare system. In the year ahead, we will aim for the right balance of efficiency and consistency in our services - alongside personalised, integrated care provision.

The number of volunteers we work with has dropped during the past year, something we attribute to changes in the way we delivered many of our services, including the shift to digital, and the ongoing disruption of the pandemic. Participation numbers for our events were also lower this year. We aim to help provide new pathways for volunteers and supporters to engage with Alzheimer's Society as we implement our new strategy.

Our digital services have continued to support thousands of people over the past year. But we know that digital is not suitable for everyone, and a blend of services works best for most. We also recognise that many people are disappointed at losing local, face-to-face services. We struggled to adapt to the challenge of managing a largely remote workforce this year, and faced obstacles to reopening regional offices, but we are working to improve this and reinstate more local support wherever possible.

We want people affected by dementia to have their voices heard. This gives

them the power to influence policy and positively impact the way dementia is seen by society at large. We are implementing co-design and co-production to help make this goal a reality - and reaching out to underserved communities to make sure their lived experiences are captured through our work.

The pandemic saw a significant drop in the number of people diagnosed with dementia. We know that timely diagnosis is key to having the best quality of life, and have carefully explored each step of the journey people with dementia go through, so we can provide the right blend of care and support. We are responding to lower dementia diagnosis rates with a pinpoint focus on both diagnosis and post-diagnosis support.

By learning from these challenges, we've emerged stronger and more focused as we start to implement our new strategy.

Lynda's story



Lynda Williams provides support to people living with dementia

Lynda Williams is a Dementia Support Worker in Northern Ireland. She joined the Society after her mother died from dementia.

“We’ve seen a huge impact on people with dementia and their carers because of lockdowns. A lot of my carers would say to me, it’s the stress of caring for someone during Covid. People have died.

People are also getting diagnosed much later than they would have been. Two years ago, they were in a very different place. They’ve had no support, they’ve had no information. Their families have just been trying to deal with it.

Things have got a lot worse. The cases that I’m getting now are really complex, and quite difficult. Chaotic is the only way to put it really – just inundated. I am back to face-to-face services quite a bit. I used to do a face-to-face visit every day, now I’m doing maybe two in a week.

My carer support groups have been back since January, which people have got so much benefit from. They really missed those during the lockdown. It’s just starting to creep into my calls now, where people are saying, ‘I don’t know how I’m going to afford the top-up fees going forward because my electricity has gone up and my gas has gone up. It’s costing me.’

I know people are going to visit less because of the cost of petrol, which is distressing them. They’re saying, you know, ‘It doesn’t feel right that I can’t go and see my loved one because I can’t afford to put petrol in the car.’ That’s what a lot of people are worried about.

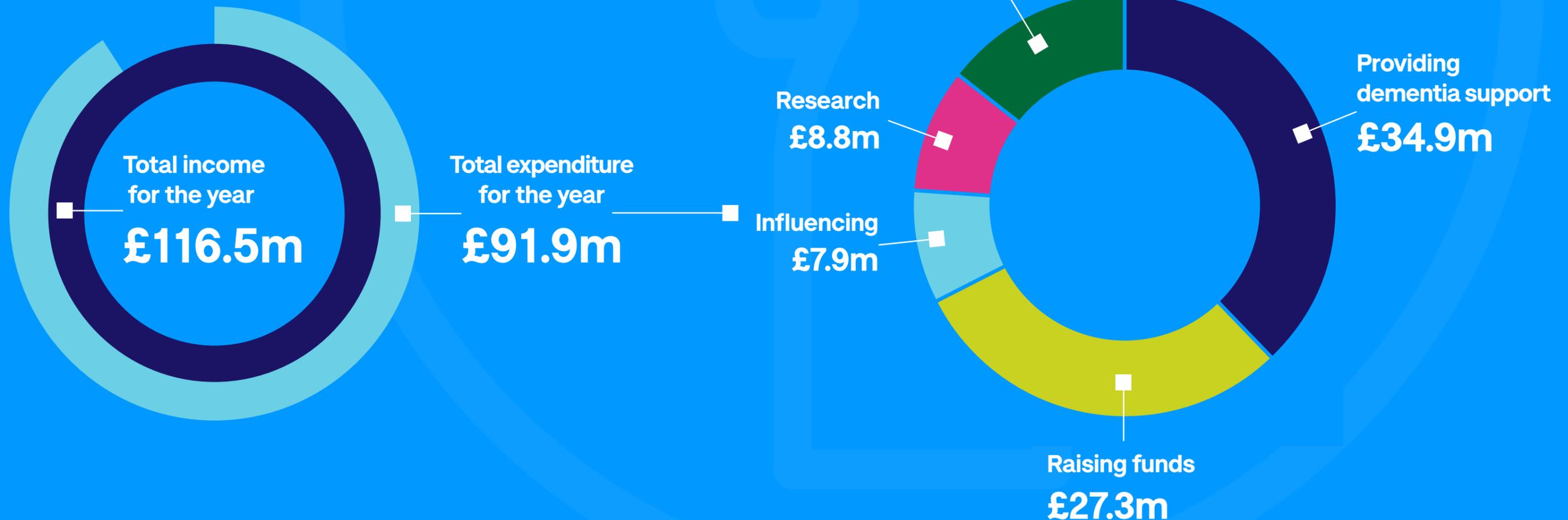
It’s that feeling of, you know - when you’re leaving and somebody gives you a hug and says, ‘Thank you so much. That really helped.’ That’s what keeps me going.”

**“
People are getting diagnosed much later than they would have been. Two years ago, they were in a very different place.**

Where did we spend our money?

We invested significantly in research this year, funding a range of new projects that will bring long-term value to people affected by dementia and their loved ones.

Our investment also spanned service delivery locally and nationally, alongside campaigning and producing new resources for people affected by dementia.



Help and hope for the future

Alzheimer's Society supports people affected by dementia through some of the hardest and most frightening times, to improve their lives and help to avoid crisis.



We continue to shine a light on the realities of living with dementia

“

I actually got to go to the House of Commons and meet MPs and talk to them about the issues that matter to us. That was good from Alzheimer's Society. I think people's real stories are important. That is the best way to get the message across.

Keith, living with dementia, Kent.

While the world moved out of the pandemic and looked towards the future, we continued to shine a light on the realities of living with dementia.

We are proud of what we achieved in 2021/22. But we know there is still more work to do.



Our strategy for 2022-27

Later this year we are launching our new five-year strategy, Help and Hope, a framework for creating long-lasting changes to the way dementia is understood and treated.



Throughout the next three years, we'll be responding to opportunities in Health and Social Care services, working closely with our external partners to deliver real change to people affected by dementia in our local communities.

This collaborative approach will also help build our position within the new integrated care systems across England, Wales and Northern Ireland.

We help people through some of the hardest and most frightening times so we can avoid them reaching crisis point wherever possible. And we provide hope, joining forces with people affected by dementia, leading scientists and policy-makers, and amplifying voices to push for cutting-edge breakthroughs and societal change that will improve lives, now and in the future.

Help and Hope is all about thinking very big in a few key areas

Grow
**direct
reach**

Ensure
**timely and
accurate
diagnosis**

Increase
**our
impact**

One of our key aims is to reach underserved communities

Working towards a timely diagnosis



Our funded researchers are working to help improve diagnosis

With dementia diagnosis rates falling, we will challenge the misconception that memory loss is a normal part of getting older — it's not called getting old, it's called getting ill — and provide pathways towards information and support.

We've already made a start, focusing on diagnosis as the central theme of Dementia Action Week 2022, helping raise awareness of just how important and beneficial people with dementia find a timely diagnosis, encouraging both people affected and doctors across the UK to act on dementia.

We launched Memory Hub and Symptoms Checklist as part of Dementia Action Week. Working with leading clinicians, our downloadable, printable checklist aims to improve diagnosis for both people affected and doctors, helping to explain symptoms.

Our Memory Hub provides a wealth of information for people at every stage of their diagnosis journey.

We're growing our support services around pre and post-diagnosis, ensuring we are there to help people living with dementia every step of the way. In June 2022, we published our Left to Cope Alone report, which details the unmet needs of people living with a dementia diagnosis.

“

I thought this year's Dementia Action Week was good. It enabled me to get in touch with my local MP and ask them to help people with dementia.

Ananga, living with dementia, Bedfordshire.

Increasing our impact



Carers play a crucial role in supporting people living with dementia

We want to deepen our understanding of living with dementia.

Our renewed focus on care research will recognise the crucial role carers play in supporting people living with dementia.

In partnership with Innovate UK and the Medical Research Council (MRC), we're incredibly excited to launch the multi-million Longitude Prize for Dementia in September 2022 aiming to develop life-changing technology for people with dementia.

We intend to award over £3m in funding and grants to innovators, alongside a £1m grand prize.

The assistive technologies developed during the programme will help people with dementia remain independent and able to do the things they love, for longer.

LONGITUDE PRIZE ON DEMENTIA

In partnership with



Delivered by



Growing our reach



We know not everyone can access our services. We're working to change that by redesigning the way our services are delivered in the years ahead.

We are reaching out to communities that rarely receive dementia support, ensuring our research paints a clearer picture of the unique challenges they face.

We will be investing in improved digital services over the next few years, enabling us to support more people in the ways that work for them.

By strengthening our understanding of the lived experience of dementia, we can also build on how people with dementia shape our organisation for the better.

We are reaching out to communities that rarely receive dementia support

The year ahead



We want to ensure far more people affected by dementia are supported

Dementia is the biggest health and social care challenge of our time, and that challenge is growing as our society ages.

We will work to implement a strong national strategy and local integrated care provision, growing our influence in policy along the way. We are also strengthening spontaneous awareness of Alzheimer's Society so more people truly understand who we are and what we do, reducing misattribution of our activities to other organisations.

Growing better awareness will allow us to grow our reach and boost our fundraising, ensuring that we can support far more people affected by dementia.

We will not rest until people with dementia and their carers live more fulfilled, happier, and less fearful lives, free from stigma and inequality.

The scale of the change needed is huge. But, with your help, we will transform the experience of dementia for generations to come.

By facing the challenge together, we can provide help and hope for everyone living with dementia.

“

The health and social care system doesn't give people with dementia the information or support they need. Charities do. That's why Alzheimer's Society is so vital.

Jim, living with dementia, Cheshire.

Governance Report

Who we are

Board of Trustees



Stephen Hill OBE, Chair

Stephen leads the Board of Trustees. As Chair, he spends time getting to know the trustees on a personal and professional level. This enables him to draw their skills, knowledge and experience into meetings to enable active debate and engagement. He has regular meetings with the Chief Executive to build a close working relationship and ensure the strategy and actions agreed by the Board are implemented effectively.



Manish Shah, Vice Chair



Sarah Weir OBE
To 22 September 2022



Prof Hugh McKenna CBE



Judith Rhys MBE



Alison Harrison
To 22 September 2022



Caroline Fawcett



Susan Allen OBE



Prof Subrata Banerjee MBE



Duncan Jones
To 22 September 2022



Andrew Lynch

Who we are

Executive Leadership team



Kate Lee, Chief Executive

As Chief Executive, Kate leads the Executive Leadership Team. She is responsible for putting the agreed strategy into action and for the day-to-day management of the Society. With support from the Executive Leadership Team, Kate is accountable for providing assurance to the Board on all aspects of the Society's performance.



Alex Hyde-Smith, Dir. Fundraising



Corinne Mills, Dir. People & Organisational Development



Fiona Carragher, Dir. Research & Influencing



Dara De Burca, Dir. Operations (1st April 2022)



Chris Gottlieb, Dir. Marketing & Communications



Robert Butler, Dir. Finance & Corporate Resources



Zoe Campbell, Interim Dir. Operations (to 31st March 2022)

Remuneration policy and CEO Pay

Trustees approve the salary for our Chief Executive and the organisational pay structures. The Society's pay framework is structured across nine distinct salary grades. Jobs are evaluated before being placed in a grade and we regularly test a sample of roles against the sector median pay. Our latest engagement survey has highlighted that more opportunities for pay and career progression would be valued by our people and this is

something we will be placing additional focus on in the future, as part of our ongoing commitment to offering a fair and transparent reward package. The Society currently has a pay ratio of under 9:1. This means in 2022 our highest paid employee, the Chief Executive, was paid £155,833, which is less than nine times more than a role within Grade One of our pay structure.

Gender pay gap

The median gender pay gap at Alzheimer's Society on the snapshot date of 5 April 2021 is 22.2% in favour of men. The mean (average) gender pay gap is 14.9%.

Our mean gender pay gap is in line with the UK average of 14.9%. Our median gender pay gap is higher than the UK median, which is 15.4%.

Our gender pay gap has widened since 2020 when we reported a gender pay gap of 11.2% in favour of men. The Workforce data estimates made at the time indicate that this led to the gender pay gap artificially appearing more positive.

80% of our workforce is female. The gender pay gap at Alzheimer's Society mainly results from the over-representation of women in lower salaried frontline roles and the larger representation of men in higher salaried roles.

This is representative of wider societal employment trends, such as more women working part time, and a higher proportion of women working in the care sector in lower-paid roles.

These types of roles are the ones we have the most of at the Society and, in our 2021 data, they make up a higher proportion of the total workforce than was the case before the COVID-19 pandemic, which means our pay gap has widened.

We will continue to monitor our gender pay gap closely. We are dedicated to narrowing the gap and have an extensive equality, diversity and inclusion programme underway, including:

- Reviewing and improving our recruitment processes.
- Promoting flexible working opportunities.
- Offering targeted development programmes.
- Maximising transparency over reward, pay and progression.

Use of settlement agreements to end an employment contract and employment tribunal claims

During 2021/22 we had ten instances where a settlement or a COT3 (COT3 agreements are a legal form used by ACAS) were agreed with employees leaving the organisation. These are only ever used as a last resort when other

efforts to find a resolution have been exhausted and employees have always sought independent legal advice in these instances. In this year ten agreements totalled £85,423.

Employment of disabled persons

We have established processes to ensure that we always make adjustments for how we support people with additional needs (including those with disabilities) and provide tailored guidance and training on this to our managers and other employees.

Trustees and ELT seek professional advice from:

Auditors

BDO LLP
55 Baker Street
London, W1U 7EU

Bankers

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

Insurance brokers

Lockton Companies LLP
The St Botolph Building
138 Houndsditch
London, EC3A 7AG

Internal Auditors

Mazars LLP
30 Old Bailey
London, EC4M 7AU

Investment managers

JP Morgan Private Bank
1 Knightsbridge
London, SW1X 7LX

Legal advisors

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

Registered charity number
296645 (England and Wales)
1128 (Isle of Man)
CH48 (Guernsey)

Company registration number
02115499 (England and Wales)
5730F (Isle of Man)

Organisational Purpose and Leadership

The Board continued to operate online and face-to-face during 2021/22. Monthly meetings took place to monitor the delivery of the Bridging Plan, remaining a sustainable charity and delivering for people affected by dementia during the pandemic. Whilst maintaining focus on the immediate needs of the Society, trustees also took a step back, to focus on the future and develop the 2022- 2027 Help & Hope Strategy. This strategy was approved by trustees in October 2021 having had a series of workshops to discuss and shape the different strategic elements.

Public Benefit Statement

In this testing time, the Board complied with their duty to have due regard to the Commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant and stayed true to the Society's objects:

- 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.

There were ten Board meetings and 30 committee meetings in 2021/22. Across the year, trustees judged and presented at our People Awards and appeared in our weekly staff and volunteer briefing sessions, several trustees have taken the time to support people living with dementia as Companion Callers.

The Board of Trustees has seven committees that support deeper conversation and scrutiny of issues. The committees have reacted to the changing needs of the Society, monitoring the change of strategic agreement with the UK Dementia Research Institute, overseeing the re-opening of offices and return to face-to-face service delivery, and setting aside funds

to improve our brand identity and awareness. The committees do not have approval powers, they discuss items and provide a summary for the Board to approve.

Our committees are:

- **Assurance, Audit and Risk**, Chaired by Andrew Lynch, met five times overseeing compliance risk and interactions with the internal and statutory auditors.
- **Delivering Support**, Chaired by Hugh McKenna met four times overseeing safeguarding, services and how the Society listens to people affected by dementia.
- **Nominations**, Chaired by Stephen Hill, met once to oversee trustee recruitment.
- **Policy, Research and Communications**, Chaired by Caroline Fawcett, met four times to oversee influencing, brand, marketing campaigns and the Society's research portfolio.
- **People**, Chaired by Ali Harrison, met six times overseeing the delivery of our People plan and volunteer journey.
- **Finance & Performance**, Chaired by Manish Shah, met five times overseeing major projects, budget, and how the Society measures success.
- **Investment**, Chaired by Stephen Hill, met six times to monitor the investment portfolio.

Integrity

Safeguarding is a key trustee responsibility

Our Delivering Support Committee is responsible for examining data and incidents and identify learning from it.

The safeguarding team received 2,859 concerns in 2021/22. Out of these, 1,286 (45%) were assessed and identified as not reaching the safeguarding threshold. 1,062 (37%) were reported to a Local Authority. The safeguarding team work closely with direct practice teams to improve understanding and capability.

The capacity of our safeguarding team was expanded in year. This included the appointment of an Interim Head of Safeguarding in response to a concern raised as to the safeguarding team's capacity to process cases raised. An independent review confirmed there were no significant issues and recommended some minor improvements.

Serious incidents we reported to the Charity Commission

have dropped year on year but remain similar in origin, being related to fraud, use of data and safeguarding.

Over a three-year period, we average six reports per year and reported six incidents to the Commission in 2021/22.

We are open and responsive to the Commission's questions; where necessary, we have undertaken internal investigations to learn from our mistakes. The Commission has not undertaken any regulatory action as a result of these reports.

The health & safety agenda

was dominated by the challenges of reducing risk around Covid-19 in the workplace. Support was given to all areas of the Society, in particular when considering the reopening of Society offices and the return to face-to-face services and fundraising activities. Tight restrictions in place due to Covid-19 meant that incidents dropped year on year and is not comparable

with previous years. We continued to develop systems, processes and procedures to support colleagues who work from home and in the community whilst focussing on the changing workplace scene to ensure new ways of working was managed in an effective way from a health and safety perspective.

Streamlined Energy Carbon Reporting 2021/22

In line with the Streamlined Energy and Carbon Reporting legislation, the Society is required to report its energy consumption and greenhouse gas emissions arising in the UK. All scope 1 & 2 sources of energy and emissions have been disclosed as well as mandatory scope 3 sources of energy and emissions.

As tenants in many of our sites we have limited influence over the choice of energy provider and limited visibility of our energy consumption. Although our overall energy consumption and emissions are down year on year as a result of our office closure program, the restarting of services following the pandemic has led to an uplift in vehicle mileage and emissions. During the last financial period the Property & Facilities Team have introduced energy saving initiatives during office fit-outs and renovations and used cradle to grave products wherever possible. Where we have a direct energy contract in place it is backed by the Renewable

Energy Guarantees of Origin (REGO) scheme. We are currently implementing changes to our expenses system which will enable for the recording of vehicle specifications alongside mileage claims. This will allow for more accurate future reporting of staff vehicle emissions and energy use. It should be noted that there are currently a number of homeworkers whose emissions have not been included.

The Society will develop a long-term carbon reduction and sustainability strategy. Our 'Green Team', an employee-led forum will continue to raise the profile of environmental sustainability as well as proposing and rolling out initiatives designed to mitigate our environmental impact.

In the next financial year ESOS surveys will be completed to look for further consumption-based savings.

Source of Energy & Emissions	Energy Consumption (KWh)		GHG Emissions (tCO ₂ e)	
	2022	2021	2022	2021
Combustion of Natural Gas *1	879,440	1,783,890	161.08	329.25
Combustion of Fuel in Company Vehicles	760		0.19	
Scope 1 Total	880,200	1,783,890	161.27	329.25
Generation of Purchased Electricity *1	696,230	1,412,250	147.83	328.00
Scope 2 Total	696,230	1,412,250	147.83	328.00
Combustion of Fuel in Staff Vehicles	498,490	89,420	122.64	22.00
Scope 3 Total	498,490	89,420	122.64	22.00
Renewable Energy	(429,280)	(1,061,520)	(90.36)	(244.31)
Grand Total	1,645,640	2,224,040	341.38	434.94
Intensity per No. of FTE Employees	1,230	1,660	0.25	0.32

Methodology

Conversion Factors

All conversion factors and fuel properties used in this disclosure have been taken from the 2021 “UK Government Greenhouse Gas Conversion Factors for Company Reporting” published by the Department for Business, Energy & Industrial Strategy (BEIS) and the Department for Environment, Food & Rural Affairs (DEFRA). All greenhouse gas emissions have been expressed in terms of their carbon dioxide equivalence.

Utilities

Where possible, energy consumption expressed in kilowatt-hours has been taken from suppliers’ invoices. Estimations have been made where actual consumption was not available, such as multi- tenanted sites with landlord controlled supplies. Electricity and gas consumption for the remaining sites has been estimating using benchmarks from “CIBSE TM46: Energy Benchmarks” (Category 1).

Transport

Where staff drive their personal vehicles and are reimbursed via mileage claims the conversion factors from the category “Cars (by size): Average Car & Unknown Fuel” have been used to calculate greenhouse gas emissions and underlying energy use per mile. For Society-owned vans and pool cars the mileage recorded has been used.

Other Fuels & Emissions:

No other fuels are used and no sources of fugitive emissions for which the Society is responsible have been identified.

Intensity Ratio

The intensity ratio has been calculated by dividing the total KWH consumption by the number of FTE staff employed at the end of each year.

2020/21 data

Please note that 2020/2021 figures have been restated to reflect the revised methodology and to allow for a like for like comparison with 2021/2022 reported figures.

Fuel	Conversion	Factor
Electricity: UK	Kg CO ₂ e/kWh	0.23314
Combustion of Fuel in Company Vehicles	Kg CO ₂ e/kWh (Gross CV)	0.18387

Vehicle Type	Conversion	Factor
Average Car: Unknown Fuel	KWh/mile (Net CV)	1.12170
	Kg CO ₂ e/mile	0.27596

Building Type	Benchmark	Factor
General Office	Electricity: KWh/m ²	95
	Fossil Thermic: KWh/m ²	120

Decision making, risk and control

We continued to manage risk associated with our ability to raise funds, to deliver services and introduce new ways of working. Managing these risks helped re-position the Society, post lockdown in preparation of our new Help and Hope Strategy 2022-27.

Principal risks to the Society managed in the year were:

- **Risk that our Financial stability would be negatively impacted by a shock to our income or expenditure.** We have effectively managed the potential impact for our financial stability from income and expenditure shocks. The Board have approved a five-year financial strategy 2022-27, based on conservative fundraising income growth assumptions and a balanced operating budget.
- **The risk that management and performance of our technology wasn't fit for purpose.** We focussed on updating and modernising the digital applications our people rely on. This work will help join up our data, enable more efficient work and improve our cyber security.
- **Risk that harm is caused to people due to a serious breach of our safeguarding framework.** As Covid-19 challenged our ability to meet face-to-face with people affected

by dementia it was harder to spot potential safeguarding incidents. We reviewed our approach and embedded learnings from the pandemic to ensure our framework was fit for purpose going forward and delivering impact for people affected by dementia.

- **Risk that do not yet fully understand changes to the external commissioning environment.** We recognise the new Integrated Care Services (ICS) landscape will be a considerable risk (both threat and opportunity) for our ability to generate contract income and increase our reach to people affected by dementia who may need our services. We have developed a significant programme of work to manage this risk over the next financial year.
- **Risk that Continuous low awareness, low knowledge and low engagement of Alzheimer's Society as a brand**

will prevent us from implementing our Help and Hope strategy and our impact on people affected by dementia. Research carried out during 2021/22 indicated the Society is significantly below where we would wish in respect of awareness, knowledge and engagement of Alzheimer's Society as a brand by the public and other key stakeholders. We consider this is a significant risk to the implementation of our Help and Hope Strategy and the impact we can achieve for people affected by dementia. We are invested in developing a brand awareness project to address this risk.

How do we manage our principal risks? Risks are managed across all levels of the Society. Trustees are accountable for the risks the Society takes. Strategic risks are considered by the Board every six months and each quarter our Board committees review the relevant section committee assigned risks. We monitor the ultimate impact of a risk and forecast

how different actions can reduce the impact. Annually the Board decide how much risk it is willing to take across several areas. This allows the Executive to work within boundaries set by the trustees when making operational decisions and planning work. During the year, we carried out a re- assessment of our definition of impact to reflect our experience during the pandemic and associated lockdown.

The Board and its committees oversaw 13 key risks at the Society level of our risk portfolio during 2021/22.

Our approach to internal audit is to identify areas of our work where controls could be improved. An annual plan of internal audits provide assurance on the operation of our control framework. We engage Mazars LLP as our internal audit partner. Mazars provide a progress report to the Assurance, Audit & Risk Committee against the annual plan and actions to improve out control framework are tracked to completion.

Fundraising

We are registered with the Fundraising Regulator and have a commitment to following the Code of Fundraising Practice (**Code**). Following a review of our commercial partnership arrangements we identified some instances where we may have fallen short of this commitment in meeting section 7.2 of the Code. Some of our commercial participator promotions had begun without a signed written agreement and issues with solicitation statements were found. A plan to fix the issue was put into place whereby our fundraising team with cross organisational support will put together a toolkit including updated guidance, checklists, templates, and e-learning. A new policy on Corporate Partnerships and Licence Fees will be introduced in 2022/23.

We believe our supporters are investing in a shared vision of a better future. We must maintain their trust and give them the very best experience across every fundraising activity. Our internal guidance to

fundraisers emphasises the individual motivations and the needs of our donors.

We must respect our donors right to make their own decisions. Where a supporter may be in vulnerable circumstances, it includes practical advice on how to spot signs and provide support to the individual's needs in line with the Treating Donors Fairly guidance issued by the Chartered Institute of Fundraising.

We use our experience of supporting those in vulnerable circumstances to provide tailored regular training materials to our volunteers, commercial partners and professional fundraisers. This covers both fundraising compliance and an understanding of what it's like to live with dementia. Our Professional Fundraisers are vital in enabling us to reach new supporters and offer an excellent experience to existing supporters. Contracts with our suppliers enable us to set the

standards that must be met, we monitor performance and engage in call listening, mystery shopping and regular reviews to benchmark supplier against our own best practice. As well as our established Telephone Fundraising and Face to Face activity, in 2021 we started Door to Door Fundraising. We worked with BRC Promotions, Capll Ltd, Capll Lotteries Ltd, Cause Led, Ethicall Limited, NTT, Quality Telephone Services Limited and DTV Optimise Limited.

In late 2021, we resumed our face-to-face fundraising activity as lockdown restrictions were eased with the aim of returning our fundraising activity to pre-pandemic levels. Following supporter feedback, we conducted a review into how we work with, and monitor our professional fundraising agencies. The review led to improved management and monitoring of the fundraising agencies that work on our behalf so that we can gain assurances of their practices and behaviours. Across all our channels and activities, including stewardship and events management, we sent almost

16 million communications to our supporters and received 443 complaints. This compares with receiving 387 complaints in the previous year having sent over 23 million communications. This data is reported to our Assurance, Audit and Risk Committee on a quarterly basis. All complaints were resolved and, where necessary, fed into process improvement plans. Our complaints policy is available on our website and linked from our Fundraising Promise.

Change of Auditor

During 2021/22 the Society completed a tender to appoint an external auditor. As a result on 19th November 2021 Crowe U.K.LLP tendered its resignation and BDO LLP was appointed.

Board effectiveness

The Board of Trustees has up to 12 members led by the Chair of the Board. Up to ten trustees are appointed through an open recruitment process and up to two trustee positions are set aside for people who already actively volunteer for the Society. They are elected through a vote that includes our pool of volunteers, Dementia Friends Champions and former members who opted in to vote.

When trustees are recruited, we introduce them to the Society as a whole and help them form connections with our people. We make sure they know about their legal duties and check if they need any professional development to thrive in the role.

Our Board makes the ultimate decisions on items such as budget, strategy and our values. Our committees cannot agree things on behalf of the Board, they provide a platform for our Executive, trustees and independent members to discuss ideas in detail before recommending to the Board for approval. This gives an opportunity for reflection and review prior to a decision being made.

As per the Charity Governance Code, the Society commissioned an external Board evaluation in year. This concluded the trustees were motivated and held a strong and healthy relationship with the Executive Team. The Board had given sufficient focus to the development of the Help & Hope strategy alongside the navigation of the Society through the pandemic. Trustees focussed support to the incoming CEO and the development and delivery of the Bridging Plan.

A key Board focus would be placed on the balance between supporting the delivery of the Help & Hope strategy and examining the impact for people affected by dementia. With more opportunities to meet face-to-face, trustees committed to increased engagement across the Society prioritising in the first instance people living with dementia, Associate Directors, Employee Forum and the Volunteer Advisory Panel.

Alzheimer's Society is a charitable company limited by guarantee, registered as a charity in November 1979 and incorporated as the Alzheimer's Disease Society on 26 March 1987. On 1 October 1999 we changed our name to Alzheimer's Society. Alzheimer's Society is governed by its articles of association, which are supported by the Rules of the Society.

Equality, diversity and inclusion (EDI)

Everyone should be able to make a full contribution to society in a world which celebrates diversity and values inclusion. To make this happen we want to be a place where everyone feels confident in engaging and involving the widest range of perspectives, ideas, and opinions to make an even bigger impact for people affected by dementia.

We believe we can achieve this best through looking at inclusion in the widest sense – where new and different voices are being heard and responded to with a desire to speak up and out to make us a better place to work, support and be supported by.

We're committed to listen and then act swiftly where we need so people can be included without fear or prejudice regardless of race, age, gender, sexual orientation, faith and belief, or a disability, like dementia. We know our culture plays a big part of this vision being achieved which is why inclusion in its widest sense is one of cultural priorities for our next five-year strategic period.

Starting at the top, we've made changes to our Board of Trustees to bring in more diversity and next year's recruitment to Trustee roles will look to improve this further. In addition, we now have a carer and someone living with dementia as members of the Delivering Support Committee and are looking to take forward this experience to further expand involvement of people with lived experience across our governance structures.

We've made good progress in the last 12 months and want to make more of diversity within our workforce, expanding and strengthening our networks for colleagues from ethnically diverse communities,

those who identify as LGBTQIA+ and for the Menopause, as well as exploring future groups to help create a platform for more voices to be heard. We're also proud to have involved people living with dementia, members of our Employee Forum and Volunteer Advisory Panel and Diversity networks in our selection processes for our senior roles over the last year.

We will build on these steps next year with the recruitment of a team of EDI experts to take actions drawn from our five-year EDI strategy.

Openness and accountability

Statement of compliance with Section 172

We believe that to have the greatest impact for people affected by dementia, we must take account of what is important to our stakeholders. This is best achieved through proactive and effective engagement with key stakeholder groups, including people living with dementia and their carers, commissioners and healthcare professionals, our supporters and employees.

Each stakeholder group requires a tailored approach to engagement. By understanding our stakeholders, we can factor their needs and concerns and potential implications for them into Board of Trustee decisions, in accordance with s172 of the Companies Act 2006.

We list here the principal decisions made by the Board of Trustees during the year, and how the interests of key stakeholder groups were considered in each of those decisions:

1. Approval of the Help and Hope Strategy.

Our strategic direction affects all our stakeholders, particularly people affected by dementia who sat at the heart of the development of the Help and Hope strategy. Trustees heard the words, and voices, of people affected by dementia explaining the main points of change they may experience following a diagnosis. The research team produced reports on the common transition or crisis points in the dementia journey and the impact model was informed by the latest evidence around enabling choice and control in dementia. Trustees considered how the strategy would be viewed by external stakeholders such as commissioners and the wider public. This has led to further work to develop the Society's brand and undertake a service review.

2. Reopening Offices and returning to face-to-face services.

Having moved to a digital experience during Covid-19, the trustees approved the return to face to face services and re-opened five offices. Both aspects were underpinned by relevant risk and health & safety assessments and task and finish groups were set up for cross Directorate staff to feed in and collaborate on the processes to make the transition as safe as possible. The Ways of Working project will continue to develop how the Society works both digitally and face-to-face to provide the greatest impact for people affected by dementia.

3. Entering into a strategic alliance Agreement with the UK Dementia Research Institute as a Founding Partner.

Trustees considered how the Society's research budget should be proportioned in the Help & Hope strategy and how this would best impact people affected by dementia in the short and long term. The Board agreed to amend the relationship with the UK DRI to focus efforts into care and technology aligning this with the Help & Hope strategy and maintaining the Society's status as a key research funder. How the Society would be perceived by the wider research community was considered in this decision, the Research Strategy Council, a group of independent researchers, were actively engaged to understand the impact of the decision.

Listening and recognising success

The Chairs of the Employee Forum and the Volunteer Advisory Panel represent the voice of our people to the Board. This year they influenced the development and implementation of our new ways of working in response to the COVID pandemic, our EDI areas of focus, our pay award, and allowances, and represented our people in all Associate Director recruitment and also the Director of Operations recruitment process.

Our rewards package goes further than a salary: it includes pension provision, life assurance, and a cash health plan. Trustees also put value in supporting the well-being of our people in recognition that work can be stressful and overwhelming at times. We provide an online wellbeing centre and free counselling for our people who need a little extra help.

Successes are also recognised via our People Awards, judged by people living with dementia, trustees, and

employees. They shine a light on those people who are absolute dynamite and have gone above and beyond for people living with dementia. This year we included extra Chairman's and CEO special mention awards to particularly recognise those people who have demonstrated all our values. Just a few highlights from this year's awards include volunteers taking their lived experience of caring for someone living with dementia to then many support others, employees transforming the way we look at audience data for our campaigns, and teams forming to make a huge impact in Dementia Action Week 2021.

The Board has signed up to the Charity Governance Code and we have broken down this report into the headers of the Code. We are comfortable with our compliance to the Code and have highlighted areas to improve throughout the report. We will continue to listen, learn, and improve.

Improving how we work

We believe in having a strong employee and volunteer voice in shaping our work. To develop our new five-year strategy during the summer of 2021, significant engagement was undertaken with workshops led by Executive Leadership Team members across 16 sessions, with 136 breakout hosts – and 1,249 attendees. For us to deliver on the promises we're making to people living with dementia and those around them in our new strategy, our culture needs to grow and change. Linking back to our values launched last year, we have developed a culture statement led by four attributes looking at agility in decision-making, clarity on accountability and expectations, learning led and evidence-informed and inclusion in the widest sense.

Linking with this drive towards a strong internal voice and the attribute around inclusion, we have also expanded and strengthened our networks for colleagues from ethnically diverse communities, those

who identify as LGBTQIA+ and for the Menopause. For our people to feel included and engaged in our work, they must be well within themselves. We've continued to raise the profile of wellbeing throughout the year, focusing on the impact of increased homeworking, resilience during the continued pandemic and highlighting external health and wellbeing moments throughout the year.

We've huge ambitions for the future and need the right skills and leadership at the right levels to achieve this. During 2021/22 we recruited internally and externally to a new community of Associate Directors to drive operational delivery of a new five-year strategy in April 2022. The recruitment process for this role has been shaped again by the lived experience of our people with members of our Employee Forum, Volunteer Advisory Panel and Diversity Networks, along with the those impacted by dementia through

our Dementia Voice community – supporting values led recruitment processes to create a team which delivers both the help and the hope in our new strategy.

Through our programme of surveys and other listening mechanisms, we have remained connected to the view of our people. In our 2021 Employee Engagement Survey we saw 89% of employees agreeing they are proud to work for Alzheimer's Society (up from 81% in 2020), 88% agreeing their skills and talents fit well with their role and feel able to get the job done and 86% agreeing they feel motivated to persevere to find solutions to challenges. In reviewing the results we've identified that we need to work on the tools, systems and processes make working lives easier and set our people up for success – a key focus for us across 2022/23 as we look at systems and processes as well as an increased focus on simplifying.

Research grants

The Society's ethical policy states that income from the pharmaceutical industry should be capped at 5% of income, based on the accounts for the preceding year. Support from pharmaceutical companies during 2021/22 amounted to £130,502, representing 0.12% of total income.

Grant-making policy

Research funding is awarded through our research grants programme. We invite applications for the funding of research projects from a wide range of research backgrounds. Applications are assessed by external peer and lay reviews which include an expert panel of researchers, clinicians and people affected by dementia. The process recognises the priorities of people affected by dementia, as well as ensuring scientific quality and timeliness. The Society disseminates

the results of funded research, making new discoveries in dementia diagnosis, treatment and prevention for the public benefit.

We monitor projects, which normally run for between two and three years, by reviewing annual reports. Our Research Network also monitors research projects, regularly meeting with its research teams to review progress and make sure it's appropriate to continue providing funding.

Statement of trustees' responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law.

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company

and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the Society's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. In so far as each of the trustees of the Society at the date of approval of this report is aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing the audit report) of which the Society's auditors are unaware. Each trustee has taken all of the steps that he/

she should have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the Society's auditors are aware of that information.

Financial Statements

A Message from our Director of Finance and Corporate Resources

2021/22 was another challenging and unpredictable year, as we slowly emerged from the global pandemic. Throughout this period, we carefully managed the risks of an uncertain economic outlook whilst adapting and innovating as restrictions were lifted.

Where it was safe to do so, we brought people together with the gradual return of some fundraising events. Through the remarkable generosity of our supporters, we raised an incredible £93.3m of fundraising income.

We carefully balanced the need to make some key investments whilst maintaining focus on our financial sustainability. We invested in fundraising through the return of some events. We increased our research grant commitments, some of which had been paused during the pandemic. Our technology modernization programme allowed

us to migrate away from some costly and unstable IT platforms, delivering cost savings and providing better tools for our people to work and collaborate. The shift to hybrid working enabled us to close some offices and reduce the size of our London headquarters.

Through our strong fundraising performance, and a disciplined and focused approach to cost management we delivered Net income after gains on investments of £26.7m for 2021/22.

Looking forward, our strong financial position will serve us well as we embark on our new Help and Hope organisational strategy. We plan to invest in raising awareness of the Society's work, so that people affected by dementia who so desperately need our support, know we are here for them. We will continue to invest in modernising our technology, including how people

affected by dementia are able to engage with us digitally. We will invest in our research portfolio, with a focus initially on diagnosis, dementia care and on growing the dementia research community. We will invest to help our workforce manage the cost of living crisis.

Once again, I am in awe of the incredible generosity of our supporters, and of the commitment and enthusiasm of colleagues across the Society. The past two years since the start of the pandemic have been a very difficult time, but we emerge a strong and sustainable organisation. I look forward with confidence and excitement as we commence our new Help and Hope strategy and deliver on our commitments to people affected by dementia.

Overview of our financials for 2021/22

Our income held up well following the easing of pandemic lockdowns and restrictions and the ongoing generosity of our donors, supporters and partners.

This year our total income was £116.5 million (2020/21 £111.1 million), £5.4 million more than the previous year. This is despite the exceptional items we saw in 2020/21 such as the funds received from the Coronavirus Job Retention Scheme and our Covid-19 emergency appeal.

Our expenditure for the year was £91.9 million (2020/21 £87.1 million), £4.8m more than the previous year. While our costs remain lower than pre-pandemic levels, they rose this year as we reinvested in external fundraising, awareness, and research activities.

The Society's net income before gains on investments was £24.6 million (2020/21: £24.1 million). Our Investment Portfolio generated net gains £2.1 million (2020/21: gains £10.8 million) following a mixed year with instability in financial markets reducing the value of the portfolio over the second half of the year.

The total net increase in funds was £26.7 million (2020/21: £34.9 million).

Income

In 2021/22, the Society's income was £116.5 million (2020/21: £111.1 million).

The increase comes after year-on-year reductions to one-time income sources; namely the Coronavirus Job Retention Scheme (2021/22: £0.2 million vs. 2020/21 £4.5 million) and our emergency fundraising appeal launched at the onset of the pandemic (2021/22: £nil vs. 2020/21 £8.7 million).

Our legacy income increased to £38.7 million (2020/21: £27.8 million). The amount we could recognise as income was suppressed in 2020/21 following processing delays by HMRC of grants of probate. This meant the number of legacies we were able to recognise as income in 2021/22 increased significantly as the processing backlog was cleared.

Our income from donations i.e., income earned from mass participation and sporting events, corporate partners, public fundraising, and philanthropy, decreased slightly year-on-year.

Our ability to run some of these activities is subject to a gradual recovery as the public engages with new ways of working and returns to feeling at ease with larger gatherings. In contrast, in 2020/21 these income streams were bolstered by our Covid-19 emergency appeal.

Our trading income, generated through our fundraising events, raffles and lotteries, subscriptions and retail products, was £4.3 million (2020/21: restated £3.6 million). The £0.7 million increase compared to 2020/21 was due to raffle, lottery and event entries being depressed throughout the lockdown period.

Our income from charitable activities, primarily the provision of contracted dementia services, decreased to £22.4 million (2020/21: £24.6 million) following non-renewal of some contracts where we do not feel we are best able to provide the service, as well as the impact of government grants received in 2020/21 to deliver support services during the pandemic.

Expenditure

In 2021/22 the Society's expenditure was £91.9 million (2020/21: £87.1 million).

The year-on-year increase comes as we ramped up activities across fundraising, awareness building and research following the spend reductions we made in reaction to the pandemic. This is offset by the reduction in costs associated with the service contracts we have not renewed.

The Society's activities are broken down across the key areas of our strategy and the parts of the Society that support strategic delivery and fundraising. In 2021/22, our expenditure by activity and the costs incurred were:

Support: Our support work is primarily the costs of services we run such as our Dementia Support Line and the delivery of our dementia support contracts with local authorities. In 2021/22 we spent £34.9 million (2020/21: £39.3 million). The decrease relates to a reduction of services delivered including the reduction in face-to-face services. This is largely due to Covid implications, as services continued to be facilitated remotely.

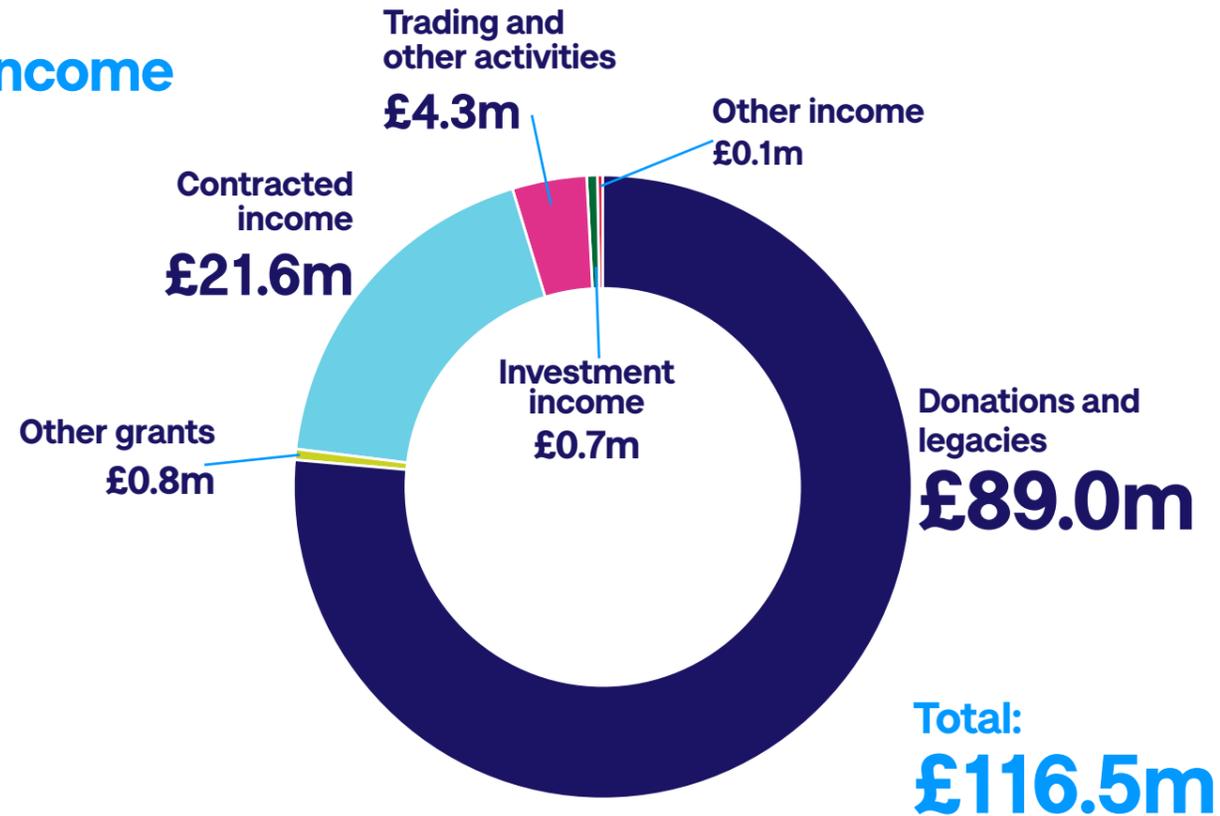
Research: Our research activities include direct support in dementia research through issuing of grants and in ensuring that people affected by dementia are at the forefront of this research. In 2021/22 we spent £8.8 million (2020/21: £7.0 million). This year we were able to make grant commitments which were paused at the onset of the pandemic, and to the UK DRI as we faced fewer uncertainties with funding.

Influencing: Influencing the health and social care agenda to highlight the inequalities faced by people affected by dementia in everyday living, particularly the inequalities faced by many in the healthcare system. In 2021/22 we spent £7.9 million (2020/21: £8.0 million).

Raising funds: Our fundraising activities include costs of running events, promotional materials, our dedicated customer care service, and the services of our marketing and media partners who help to promote our fundraising activities to our supporter base. In 2021/22 we spent £27.3 million (2020/21: £21.5 million). The year-on-year increase is largely representative of upscaling the events activities which were cancelled during the periods of lockdown in 2020/21.

Indirect costs and governance: Our indirect costs are those which we incur to run the Society and facilitate the activities of our people in front-line or fundraising roles, they include costs of our human resources, IT and technology, finance and corporate resources, and the costs of governance of the organisation such as audit. In 2021/22 we spent £13.0 million (2020/21: £11.4 million). These costs are allocated to the above categories in Note 3 to our accounts based on FTE supported in each category.

Income



In 2021/22 we earned £116.5 million. This was from:

Donations and legacies – £89.0 million

- **Legacies – £38.8 million** Income from people leaving us gifts in their will.
- **Individual Giving – £12.7 million** Income from our regular givers and lottery players.
- **Corporate – £3.2 million** Income from our corporate partners and supporters.
- **Philanthropy – £5.7 million** Gifts, grants and donations from trusts and major donors.
- **Community Fundraising – £28.4 million** Income from activities, events and other sources undertaken by our regional community fundraising teams.
- **Government's Coronavirus Job Retention Scheme. - £0.2 million**

Other grants – £0.8 million

Income from grants includes grants issued by the Government, public bodies, and other parties for specific purposes.

Contracted income – £21.6 million

Income from our contracts with local authorities to deliver dementia support services.

Trading and other activities income – £4.3 million

This includes sales from our online shop, Christmas cards, entries into events and raffles, licensing fees and royalties.

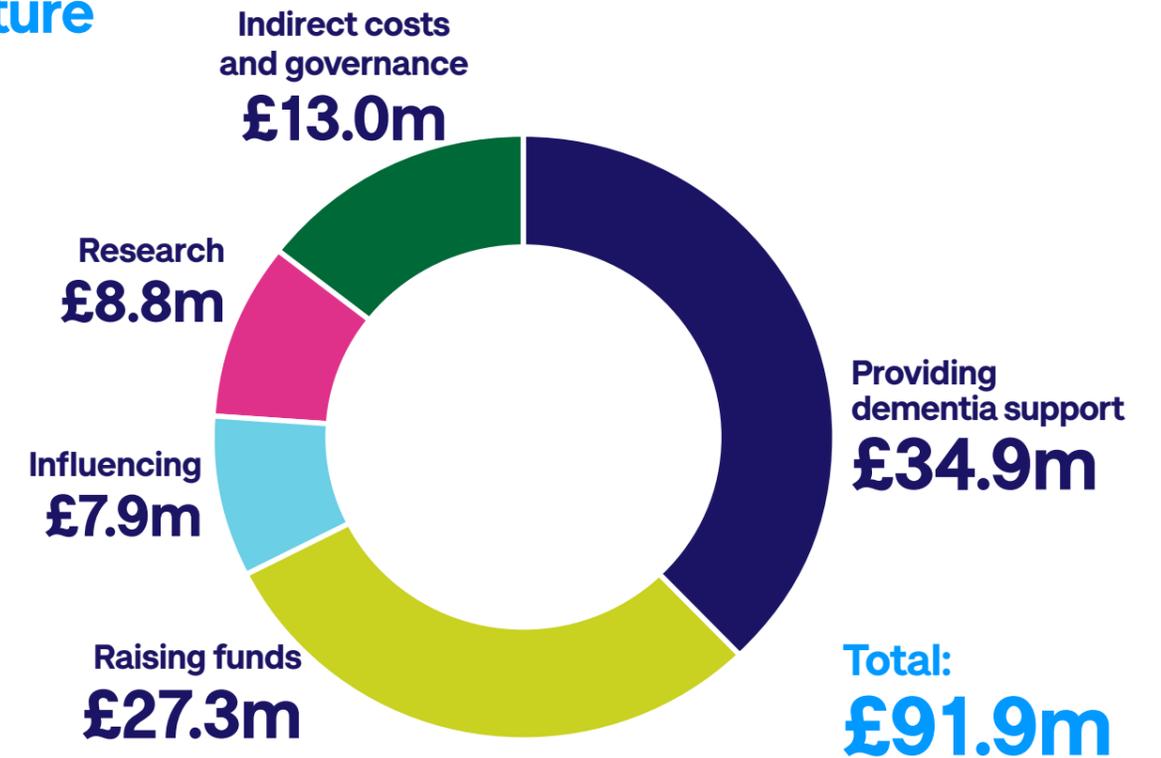
Investment income – £0.7 million

Income earned from our investment portfolio such as dividends from shareholdings.

Other income - £0.1 million

Income from the disposal of fixed assets and from secondments.

Expenditure



In 2021/22 we spent £91.9 million. This was spent on:

Support – £34.9 million

Activities to support people affected by dementia by delivering services and working with the health and social care system to improve dementia care. This includes the costs of services we run such as our Dementia Support Line and the costs incurred delivering our contracts with local authorities.

Research – £8.8 million

Activities to support dementia research and make sure people affected by dementia are at the forefront of this research. This includes a portfolio of active research projects, our contributions to the UK Dementia Research Institute (UK DRI), and our innovation programme – a way to develop and deliver solutions to the challenges of people affected by dementia quickly and effectively.

Influencing – £7.9 million

Activities to influence the health and

social care agenda to highlight the inequalities faced by people affected by dementia in everyday living, particularly the inequalities faced by many in the healthcare system.

Raising funds – £27.3 million

These are the costs of our fundraising team and the activities they undertake such as running events, design and materials for promotional materials, our dedicated customer care service, and the services of our marketing and media partners who help to promote our fundraising activities to our supporters.

Indirect costs and governance – £13.0 million

These are the costs of running the Society including the pay costs of support staff in human resources, finance and corporate resources teams, estates costs, IT and technology running costs, and costs of the governance of the organisation such as audit and other professional fees. These costs are allocated to the above categories in Note 3 of our accounts.

Subsidiary entities and joint ventures

The Society had two active operational subsidiary bodies during the year and one joint venture:

Alzheimer's Trading Ltd, our trading subsidiary, generated a net return of £0.3 million from £1.2 million income.

The Alzheimer's Foundation for Research into Alzheimer's Disease, a subsidiary charitable company, generated a net return of (£0.1) million with £0.03 million income. These results are included in the Group financial position.

Alzheimer's Brain Bank UK, a charitable company run as a 50/50 joint venture between Alzheimer's Society and Alzheimer's Research UK, generated a net return of £0.04 million with £0.2 million income. £0.02 million is therefore included in the Group financial position.

Balance sheet and cash flow

Overall, net assets including pension assets have increased from £66.7 million to £93.4 million because of the Group surplus position for the year. The Society's cash and cash equivalents increased by £2.6 million in the year.

Our funds

The Group's reserves have increased from £31.8m at March 2020 to £93.4m at March 2022 which follows surpluses generated in each of the last two years. Our strong level of reserves allows us to make critical investments required to deliver our new Help and Hope strategy. Reserves at March 2022 include £6.3m of restricted funds and £27.2m of designated funds where trustees have approved investments to modernise our IT and digital infrastructure, raise awareness of our dementia services and fund research activities at UK DRI. We plan to use our free reserves to make additional strategic investments over time, including in our research portfolio and to fund innovation in dementia care.

General funds are the reserves remaining when restricted and designated reserves are excluded from the total amount. We hold general funds to ensure that we can continue to operate in the event of an unforeseen shortfall in voluntary income or increase in costs.

At 31 March 2022 we held £59.8 million in general funds (2021: £42.7 million)

Designated funds

Designated funds are set aside by the trustees for a particular activity or investment. They represent our commitment to invest in areas we consider to be strategically or operationally important. We have five designated funds.

These funds, their values at 31 March 2022 and prior year comparatives are:

- **Technology investment:** £10.3 million (2020/21: £6.5 million). We are running several programmes to modernise our core business systems in order to de-risk our operating environment and deliver significant improvements to our data capabilities. This year the Trustees designated a further £4.4 million to provide a better digital offering for our service users.

- **Investments in the UK DRI:** £5.2 million (2020/21: £6.5 million). As part of our multi-year commitment to the UK DRI we have designated a fund to guarantee future years' expenditure dedicated to supporting key facets of the Institute's work that complement our own strategic priorities. This year we made our first grant award from these funds towards funding care and technology research within the UK DRI.
- **Fundraising investment:** £1.1 million (2020/21: £2.2 million). We are investing in strengthening and broadening our fundraising portfolio to provide better resilience to shocks and economic changes.
- **Branding:** £9.0 million (2020/21: £nil). We will be investing in our brand to tell people about our Help and Hope strategy and to raise awareness of the service we provide, and of critical role that we play in supporting people affected by dementia.
- **Fixed assets:** £1.6 million (2020/21: £2.6 million). This fund represents the value of the assets we use to help deliver and support our core activities. The year-on-year decrease is due to depreciation and net disposal of offices.

Our funds (continued)

Restricted funds

Restricted funds represent amounts given to us and held for use in a particular activity as specified or agreed by donors. A breakdown of the purposes for which we hold these funds can be found in Note 14 of the accounts.

We held £6.3 million of restricted funds (2020/21: £6.3 million).

Reserves policy

The Society's reserves policy is reviewed annually and measures both our reserves cover i.e., the number of months' expenditure covered by the value of our free reserves, and our liquidity i.e., ensuring we can at any one time cover an estimated value of the risks that could result in net cash outflow from the Society in a short timeframe.

We value these two measures as they allow us to understand both the appropriateness of the reserves we hold and the form in which they are held, which in turn enables better risk management.

Free reserves exclude restricted funds and designated funds, which include the net book value of the assets used by the Society to provide its services and activities e.g., leasehold buildings.

We define liquidity as those monies which could be made available from free cash (total cash less the value of restricted funds which are ring-fenced for specific activities) or liquid investments e.g., investments held in equities on listed stock exchanges. Our required liquidity and free reserves levels are determined through an assessment of the risks we expect we may face at any one time and their likelihood. We raised our reserves requirements following the onset of the pandemic, recognising that in the event of a significant shock we may be unable to react appropriately and with the best outcomes for the users of our services.

We believe setting a range of values for reserves is appropriate as it

allows us some flexibility with regards to the levels we hold based on our perceptions of the financial risks the Society might face. For 2021/22 our reserves requirements remain unchanged, with a range from £20 million to £32 million or 2.5 to 4 months' expenditure cover being considered an appropriate level of free reserves. Our liquidity requirement similarly remained unchanged, requiring that we can obtain the £32 million maximum level of free reserves in liquid cash at short notice. At the end of 2021/22, we estimated the net value of assets which we could readily liquidate to be £85 million.

Our free reserves excluding designated funds are £59.8million, this is £27.8 million above our reserves ceiling target. The Board of Trustees has approved a series of investments in activities core to our Hope and Help strategy commencing 2022/23 to reduce free reserves to within the target range.

Parent Entity Disclosure Exemptions

In preparing the separate financial statements of the Society, advantage has been taken of the following disclosure exemptions available in FRS 102:

- No cash flow statement has been presented for the Parent Charity.
- Disclosures in respect of the Parent Charity's financial instruments have not been presented, as equivalent disclosures have been provided in respect of the Group as a whole.
- No disclosure has been given for the aggregate remuneration of the key management personnel of the Parent Charity as their remuneration is included in the totals for the Group as a whole.

Our funds (continued)

Going concern

Following continued strong fundraising performance and a cost base which we have grown only tentatively, our financial position has further strengthened since 31 March 2021. With efficiency and effectiveness programmes both delivered and ongoing, we believe our operating model continues to be cost effective and robust. As we progress our new strategy, we intend to deliver changes and improvements to services for our users which we believe will strengthen our position when bidding for contracts.

The trustees considered whether it remains appropriate to prepare the accounts on a going concern basis, and whether there was any material uncertainty relating to going concern. The Trustees reviewed the Society's five-year financial plan to March 2027

including scenario analysis, stress testing of key assumptions, and risk mitigation proposals and found these to be robust. The large balance of free reserves at 31 March 2022 and the overall outlook for the five-year strategy period therefore provided the Trustees with the confidence that the Society will have sufficient resources to continue to operate for the foreseeable future.

These accounts have been prepared on a going concern basis.

Investment policy and performance

It is our policy to preserve and, where possible, increase the value of our assets by pursuing a risk assessed capital management plan. Our portfolio is managed by JP Morgan; their performance and investment decisions are internally governed by our Investment Committee.

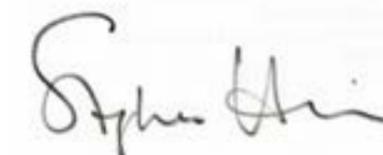
We instruct and seek confirmation from JP Morgan that they avoid investing on our behalf in companies that materially profit from products that may be harmful to people with dementia or contribute to the cause of dementia, specifically tobacco and boxing.

We hold in an investment portfolio some of our free reserves as well as some of the money that we will eventually pay out to committed research projects. JP Morgan are set a target return of RPI + 4% on any funds held in the investment portfolio, adjusted for planned draw downs.

During 2021/22 our portfolio saw net capital gains of £2.1 million (2020/21: £10.8 million) plus investment income of £0.7 million (2020/21: £0.7 million).

Annual Report of the trustees

This combined Annual Report of the trustees incorporating the Strategic Report and the Directors' report, under the Charities Act 2011 and the Companies Act 2006, was approved by the Board of trustees on 22 September 2022, and is signed and authorised on its behalf by



Stephen Hill, OBE
Chair of Trustees

Independent Auditor's Report to the members of Alzheimer's Society

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 31 March 2022 and of the Group's incoming resources and application of resources and the Parent Charitable Company's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Alzheimer's Society ("the Parent Charitable Company") and its subsidiaries ("the Group") for the year ended 31 March 2022

which comprise the consolidated statement of financial activities, the consolidated and charity balance sheets, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the

financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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

Conclusions related to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to

events or conditions that, individually or collectively, may cast significant doubt on the Group and the Parent Charitable Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Impact and Accountability Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express

Independent Auditor's Report (continued)

any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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

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

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

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

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

Responsibilities of Trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the Parent Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either

Independent Auditor's Report (continued)

intend to liquidate the Group or the Parent Charitable Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are

considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

Based on our understanding of the charity and the industry in which it operates, we identified that the principle laws and regulations

that directly affect the financial statements to be relevant are the Charities Act in the UK, UK GAAP and tax legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

We considered the Parent Charity's own assessment of the risks that irregularities may occur either as a result of fraud or error. We also considered financial performance and key drivers for any performance targets. We also considered the risks of non-compliance with other requirements imposed by the Charity Commission and we considered to extent to which non-compliance might have a material effect of the financial statements.

In addition the charity is subject to many other laws and regulations where the consequences of non-compliance could have a material

effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We have identified the following areas as those most likely to have such an effect: employment law and data protection. In order to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, we made enquiries of management and those charged with Governance about whether the entity is in compliance with such laws and regulations and we inspected any relevant regulatory and legal correspondence.

Audit procedures performed by the engagement team included:

- We made enquiries of management and those charged with Governance about whether the entity is in compliance with laws and regulations.

Independent Auditor's Report (continued)

- We inspected any relevant regulatory and legal correspondence including Serious Incident Reports submitted during the year.
- We made enquiries of management, staff and those charged with Governance regarding known or suspected instances of fraud.
- We made enquiries of management and those charged with Governance around actual and potential litigation and claims.
- Reviewing minutes of meetings of those charged with Governance.
- Assessing the design and operating effectiveness of controls and procedures relevant to the preparation of the financial statements and the detection and prevention of irregularities and fraud.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Identifying and testing the appropriateness of journal entries and other adjustments, with particular focus on unusual account combinations and postings by unexpected users or senior management.
- Challenging the assumptions and judgements made by management for key estimates, in particular the legacy accruals, deferred income, dilapidation and onerous lease provisions, valuation of investments and assumptions used in provision calculations.
- We considered management's incentives and opportunities for fraudulent manipulation of the financial statements (including revenue recognition and the risk

of override of controls) and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates.

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

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: <https://www.frc.org.uk/auditorsresponsibilities>

This description forms part of our auditor's report.

Independent Auditor's Report (continued)

Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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.

DocuSigned by:

Fiona Condron

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Fiona Condron, (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
London, UK

13 October 2022

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

Consolidated statement of financial activities

For the year ended 31 March 2022
Incorporating an income and expenditure account

	Notes	Unrestricted funds £'000	Restricted funds £'000	2022 Group Total £'000	2021 Group Total £'000
Income and endowments from					
Donations and legacies	2a	81,673	7,308	88,981	82,346
Charitable activities	2b	22,258	164	22,422	24,608
Other trading activities	2c	4,276	3	4,279	3,582
Investments	2d	659	–	659	730
Share of net income in joint venture	2e	22	–	22	12
Other	2f	172	–	172	(151)
Total		109,060	7,475	116,535	111,127
Expenditure on					
Raising funds	3	29,253	233	29,486	23,329
Charitable activities	3	55,248	7,188	62,436	63,739
Total		84,501	7,421	91,922	87,068
Net gains on investments	14	2,077	–	2,077	10,829
Net income		26,636	54	26,690	34,888
Transfer between funds	14	–	–	–	–
Net movement in funds		26,636	54	26,690	34,888
Reconciliation of funds:					
Total funds brought forward		60,437	6,268	66,705	31,817
Total funds carried forward		87,073	6,322	93,395	66,705

Balance sheet

As at 31 March 2022

Total income includes £117.6m (2021: £120.8m) and net income includes £26.8m surplus (2021: £34.5m surplus) in respect of the Society.

The financial statements on pages 68 to 105 were approved and authorised for issue by the Trustees on 22 September 2022 and signed on their behalf by:



Stephen Hill
Chairman



Andrew Lynch
Chair of the Assurance,
Audit & Risk Committee

The notes on pages 72 to 105 form part of these financial statements.
Company Number 02115499

	Notes	2022 Group £'000	2022 Society £'000	2021 Group £'000 As Restated	2021 Society £'000 As Restated
Fixed assets					
Intangible assets	6a	9	9	94	94
Tangible assets	6b	1,628	1,628	2,489	2,489
Investments	7a	59,231	59,331	49,850	49,950
Total fixed assets		60,868	60,968	52,433	52,533
Current assets					
Short term investments and deposits	7b	8,008	8,008	10,495	10,495
Stock	8	99	–	76	–
Debtors	9	28,681	28,761	20,786	21,169
Cash at bank and in hand		29,485	28,935	24,425	23,648
Total current assets		66,273	65,704	55,782	55,312
Liabilities					
Creditors: Amounts falling due within one year	10	(22,412)	(22,229)	(36,380)	(36,388)
Net current assets		43,861	43,475	19,402	18,924
Total assets less current liabilities		104,729	104,443	71,835	71,457
Creditors: Amounts falling due after one year	10	(10,267)	(10,267)	(3,481)	(3,481)
Provision for liabilities	11	(1,067)	(1,067)	(1,649)	(1,649)
Total net assets		93,395	93,109	66,705	66,327
The funds of the charity					
Restricted income funds	14	6,322	6,322	6,268	6,268
Unrestricted funds:					
Designated funds: Dementia Research Institute		5,200	5,200	6,500	6,500
Designated funds: fixed assets		1,637	1,637	2,583	2,583
Designated funds: technology investment		10,306	10,306	6,500	6,500
Designated funds: fundraising investment		1,103	1,103	2,200	2,200
Designated funds: brand		9,000	9,000	–	–
General funds		59,827	59,541	42,654	42,276
Total Unrestricted funds	14	87,073	86,787	60,437	60,059
Total charity funds		93,395	93,109	66,705	66,327

Consolidated cash flow statement

For the year ended 31 March 2022

	2022 Group Total £'000	2021 Group Total £'000 As Restated
Cash flows from operating activities:		
Net cash provided by operating activities	13,945	23,106
Cash flows from investing activities:		
Dividends, interest and rents from investments	659	730
Proceeds from the sale of property, plant and equipment	287	24
Purchase of property, plant and equipment	(14)	(146)
Proceeds from sale of investments	1,180	858
Purchase of investments	(8,484)	(1,686)
Net cash used in investing activities	(6,372)	(220)
Cash flows from financing activities:		
Repayments of borrowing	(5,000)	–
Cash inflows from new borrowing	–	5,000
Net cash (used in)/provided by financing activities	(5,000)	5,000
Change in cash and cash equivalents in reporting period	2,573	27,886
Cash and cash equivalents at the beginning of the reporting period	34,920	7,034
Cash and cash equivalents at the end of the reporting period	37,493	34,920
Net income for the reporting period (as per the statement of financial activities)	26,690	34,888
Adjustments for:		
Depreciation charges	803	1,097
Impairment of assets	–	7
Gains on investments	(2,099)	(10,841)
Dividends, interest and rents from investment	(659)	(730)
(Profit)/loss on the sale of fixed assets	(108)	77
(Increase)/decrease in stocks	(23)	10
Increase in debtors	(7,895)	(1,521)
(Decrease)/increase in creditors and provisions	(2,764)	119
Net cash provided by operating activities	13,945	23,106

Consolidated cash flow statement (continued)

For the year ended 31 March 2022

	2022 Group Total £'000	2021 Group Total £'000 As Restated
Analysis of cash and cash equivalents		
Cash in hand	29,485	24,425
Notice deposits (less than 3 months)	8,008	10,495
Total cash and cash equivalents	37,493	34,920

	At start of year £'000 As Restated	Cash flows £'000	At end of year £'000
Analysis of changes in net debt			
Cash in hand	24,425	5,060	29,485
Cash equivalents	10,495	(2,487)	8,008
Loans falling due within 1 year	(5,000)	5,000	–
Total	29,920	7,573	37,493

Notes to the financial statements

For the year ended 31 March 2022

Alzheimer's Society is a registered charity (charity no 296645) and a company limited by guarantee and registered in England (company no 02115499. Registered address: 43-44 Crutched Friars, London EC3N 2AE). It meets the definition of a public benefit entity under FRS 102.

1. Accounting policies

The financial statements have been prepared in accordance with the Charities SORP (FRS102) 2019 edition applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland, the Charities Act 2011 and UK Generally Accepted Accounting Practice and Companies Act 2006.

The Trustees review annually the current and anticipated future state of the finances of the Society and its subsidiary bodies ("the Group") with a view to determining whether all elements of the Group should continue to operate as a going concern. This review encompasses a detailed review of current income, expenditure and cash positions and the projections of

these for the forthcoming five-year period; and analysis of the various risks it is envisaged the Society could face in the short and medium term, how these might impact the five-year projections, and how the Society is placed to mitigate them.

The conclusion of this analysis has given the Trustees a reasonable expectation that the Group has sufficient resources to continue to continue in operational existence for the foreseeable future and that there are no material uncertainties that call into doubt the ability of the Group to continue as a going concern. The Group continues to adopt the going concern basis in preparing its consolidated financial statements.

Basis of consolidation

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

- Alzheimer's Trading Limited. Company no. 02737333
- Alzheimer's Foundation for Research into Alzheimer's Disease. Company no. 03655393
- Alzheimer's UK Limited. Company no 03086855
- Caring for Dementia Limited. Company no 03086851

Each of these share Alzheimer's Society registered address: 43-44 Crutched Friars, London EC3A 2AE.

We use the equity method of accounting to account for joint ventures. The Society's annual share of the profits or losses from joint ventures, being a gain of £21,953 (2020/21: £11,729) is included in the statement of financial activities ("SOFA") and the Group share of the net assets is included on the balance sheet.

The joint venture is Alzheimer's Brain Bank UK. Company no. 05762960.

No separate SOFA has been prepared for the parent charity as is permitted by section 408 of the Companies Act 2006 and the Charities SORP.

The consolidated financial statements present the results of the Group as if they formed a single entity. Intercompany transactions and balances between group companies are eliminated in full.

1. Accounting policies (continued)

Income

All income, restricted or unrestricted, is accounted for on a receivable basis and is reported gross of related expenditure. We recognise income in the SOFA when the Society becomes entitled to the income, when the amount can be quantified with reasonable accuracy and there is probability of receipt. Where entitlement is contingent upon the Society undertaking activities to earn the income, it is deferred until these conditions are met.

Legacy Income

Legacy income is recognised either at the point that the future income from an estate meets the recognition criteria detailed below or, for legacies not previously recognised due to not meeting these criteria, the point that a cash payment is received with third party confirmation of our entitlement to the funds.

Residuary legacies are recognised as income receivable once probate

has been granted, notification has been received and where they can be reliably valued e.g., using draft estate accounts. Residuary legacies with a life interest are only valued where legal title has passed to the Society.

Pecuniary legacies are recognised as income receivable once probate has been granted and notification has been received.

We provide for an assumed element of non-recovery of the overall accrued legacy income due to either disputes or material changes in realised estate values once assets are sold – see critical accounting judgements and key sources of estimation uncertainty.

Grant Income

Grants receivable are recognised as income when the Society becomes entitled to the funds, there is probability of receipt and the amount can be quantified. Grants received for a specific purpose are accounted for

as restricted funds. Grant income is only deferred where the donor imposes fulfilment conditions on the income that prevent it being recognised on receipt.

Included within grant income is Coronavirus Job Retention Scheme (“CJRS”) which has been accounted for as a government grant. CJRS grants are receivable in respect of qualifying employees placed on furlough and are recognised in line with the underlying employee expenditure. CJRS grants do not have restrictions applied to them. Grant income received without conditions is included within the SOFA under donations and legacies, whereas those with conditions are included within charitable activities.

Contract Income

Contract income is accounted for when earned. Income received in advance is deferred until entitlement to the income has arisen.

Income from trading activities

Income from trading activities is credited to the Statement of Financial

Activities when received or receivable whichever is earlier, unless it relates to a future period in which case it is deferred. Income received from raffles and lotteries is recognised when the draw is made. Income received from future raffles and lottery draws is deferred until the draw takes place.

Donation income

Donations of cash are recognised as income once the Society has the right to receive the donation, it is probable that the economic benefits will be received, and the amount of the donation can be measured reliably. Gift Aid receivable is included in the SOFA based on the amounts recoverable at the point at which it is claimable. Donated goods and services are valued and included as both income and expenditure at the point of receipt, at a price that we estimate the Society would pay for equivalent goods or services if sourced from the open market.

1. Accounting policies (continued)

Expenditure

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

Indirect costs have been allocated to activity categories in proportion to the staff numbers undertaking each activity.

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

Governance costs are those incurred in delivering the Society's strategy and those incurred in order to comply with constitutional and statutory requirements. This includes related

professional fees and a proportion of the salary costs of relevant staff.

Grant commitments

Grants payable are accounted for on an accruals basis.

Research grants payable to third parties are recognised in the accounts when a constructive obligation arises, for example where a formal agreement is made to commit funds to a specific project. Payment of funds associated with grant expenditure may be made at a later date.

Contractual commitments

Where the Society has entered into binding contracts which require making payments, expenditure is recognised once the supplier of the goods or services has performed their part of the contract. This may not be directly aligned to the cash payments made under the contract. Any discounts are

applied over the term of the contract.

Cash at bank and in hand, short-term investments and deposits, long-term deposits

Cash at bank and in hand includes deposits with banks and/or other financial institutions as cash which is not held for the purposes of investing. Short-term investments and deposits include deposits with banks and other financial institutions that can be readily converted to cash at its carrying value. These investments are not held for investment purposes.

Long-term deposits represent cash deposits held with banks and/or other financial institutions as cash which is not held for the purposes of investing and which we do not expect to require the use of in our operating activities within the next year.

Tangible and intangible fixed assets

Tangible fixed assets, with a value of £2,500 or more, are stated at

cost or valuation when acquired and depreciated over their estimated useful lives on a straight-line basis as per the following:

- Freehold property is held at fair value
- 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 33.3% per annum

Intangible fixed assets, being computer software, are stated at cost or valuation when acquired and amortised on a straight-line basis at 33.3% per annum.

1. Accounting policies (continued)

The Trustees undertake impairment reviews in accordance with FRS102. Items costing less than £2,500 are expensed immediately to the SOFA.

Financial instruments

Alzheimer's Society has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at the present value of future cash flows (amortised cost).

Financial assets, held at amortised cost, comprise cash at bank and in hand, short term cash deposits and the group debtors excluding prepayments. Financial liabilities held at amortised cost comprise the group short- and long-term creditors excluding deferred income and taxation payable. No discounting has been applied to these financial instruments on the basis that the periods over which accounts will be settled are such that any discounting would be immaterial.

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

Forward Contracts

Forward contracts are used to hedge the portfolio against currency fluctuations rather than against the risk associated with any future liability.

Stock

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

Pension costs

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

Operating leases

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

Critical accounting judgements and key sources of estimation uncertainty

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described in the accounting policies and are summarised below. Two main provisions are made in the accounts where there is estimation uncertainty:

Property dilapidation costs and charges that may be incurred on the termination of leases are provided. Where a stripping out of any changes made are required in accordance with the lease obligations, a provision of £15 per square foot has been provided. Where redecoration and other remedial works are required, a provision has been made based on prior actual costs. The value of the provision has reduced

following the closure of 22 offices during the year.

The value of the provision has reduced following the closure of 22 offices during the year to £849k and consequently a 1% change in this provision value would increase or decrease costs in the SOFA by £8k.

An amount of residuary and pecuniary legacy income is provided for by assessing the historical differences between the actual value of cash received compared to income values recorded at point of recognition, this provision is then applied to all new residuary and pecuniary income recognised. We review the estimates for this annually.

For 2021/22 we consider an appropriate value of this provision to be 5% of the accrued balance (£1.2 million), a 1% change to this provision value would therefore increase or decrease legacy income by £0.2 million. Legacy accrued

1. Accounting policies (continued)

income is presented in Note 9 to the financial statements.

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

Funds

Restricted funds are those specified by the donor only to be used for particular purposes, within the objectives of the Society or those raised to be used for a specific purpose or in a specific geographical area.

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

Designated funds are funds set aside for specific purposes by the Trustees out of unrestricted funds. At 31 March

2022 these include the fixed asset fund, technology investment fund, fundraising investment fund, Dementia Research Institute fund and brand fund.

General funds are unrestricted funds less the balance of designated funds.

Agency Arrangements

Where the Society holds funds as an agent for a consortium, the balances and commitments of the consortium partners are not recognised in the financial statements. Individual members of the consortium will record this separately in their own financial statements. The Society provides administrative support to the arrangement. Details of consortium arrangements to which the Society is party are disclosed in Note 19 to the financial statements.

UK Dementia Research Institute

The entity has been formed under a joint agreement with Alzheimer's Society, Alzheimer's Research UK,

and the Medical Research Council, to which each entity will commit to supporting UK DRI Ltd with grants to undertake research. The legal form of this arrangement is one of a joint venture, but substance of the funding agreement does not align to that of a traditional joint venture as it has been constructed as an agreement underpinned by three parties to fund a specific area of research. A joint venture typically requires unanimous consent of the parties for strategic decision making, instead the agreement makes the Society one of three members who then has a right to nominate a member to the board, who make the strategic decisions. Amounts committed under the agreement are decided upon annually and once committed are therefore treated as grants in the financial statements of Alzheimer's Society.

Shared Services

Charityshare Limited is incorporated in England and Wales to provide IT

shared services. At 31 March 2022 it is jointly and equally owned by the three member charities, Alzheimer's Society, The Children's Society and Age UK. During 2018/19, the three member charities transitioned their IT services from Charityshare Limited to Coforge U.K. Limited (formerly NIIT Technologies Limited). Alzheimer's Society accounts for its share of assets, liabilities and cash flow according to the shared services agreement.

We have no assets or liabilities related to Charityshare Limited recognised in the accounts for the year ended 31 March 2022.

Charityshare Limited is expected to be wound up during 2022/23 via a Member Voluntary Liquidation process. There have been delays in this process due to a backlog of applications at HMRC.

2. Income

a) Donations and legacies	2022 Group £'000	2021 Group £'000
Donations	47,278	48,355
Legacies	38,735	27,838
Grants	2,682	6,082
Gifts in kind	286	71
Total cash and cash equivalents	88,981	82,346

During the year, the Group received £199k (2021: £4,549k) from the Government's Coronavirus Job Retention Scheme which contributed to recouping the payroll costs of furloughed employees. £43k was received through the Government's Kickstart Scheme (2021:£nil). The Kickstart Scheme provides funding to employers to create jobs for 16 to 24 year olds on Universal Credit.

b) Charitable activities	2022 Group £'000	2021 Group £'000
Sale of goods and services	–	18
Contracts	21,610	22,937
Grants – performance related	812	1,653
Total charitable activities	22,422	24,608

2. Income (continued)

c) Other trading activities	2022 Group £'000	2021 Group £'000
Trading activities	1,338	955
Membership subscription and sponsorship	335	361
Fundraising events	522	130
Lotteries	2,084	2,136
Total cash and cash equivalents	4,279	3,582
d) Investment income	2022 Group £'000	2021 Group £'000
Dividends	648	728
Bank interest	11	2
Total cash and cash equivalents	659	730
e) Share of net income in joint venture	2022 Group £'000	2021 Group £'000
Alzheimers Brain Bank UK	22	12
Total share of net income in joint venture	22	12

2. Income (continued)

f) Other income / (expenditure)	2022 Group £'000	2021 Group £'000
Profit / (loss) on disposal of fixed assets	108	(77)
Other income / (expenditure)	64	(74)
Total share of net income/(loss) in joint venture	172	(151)

g) Government income	2022 Group		2021 Group	
Included in grant income above was the following income from Government Agencies:	£'000	£'000	£'000	£'000
Donations:				
Department for Work and Pensions	242		4,549	
Shropshire County Council	1		–	
Community Fund England	–		500	
Community Fund NI	–		100	
NHS England	–		5	
North Somerset Council	–	243	2	5,156
Charitable Activities:				
Buckinghamshire Council	2		10	
Department of Health, Social Services and Public Safety	32		40	
NHS Kernow CCG	5		5	
Nottinghamshire County Council	7		14	
Welsh Government	61		65	
Wokingham Borough Council	3		2	
Dept of Digital, Culture, Media and Sport	–	110	1,216	1,352
		353		6,508

The Department of Health provided a revenue core grant for the sum of £32k in 2021/22 (£40k in 2020/21), the grant is used to fund part of the salary costs of the County Director. The grant has been awarded for the purpose of achieving a number of dementia related projects.

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

There were no other unfulfilled contract conditions during the year.

3. Expenditure

2021/22	Direct staff costs £'000	Other direct costs £'000	Indirect costs and governance £'000	Group total £'000
Support	26,836	8,030	9,520	44,386
Influencing	4,333	3,528	1,203	9,064
Research	1,414	7,368	204	8,986
Charitable activities	32,583	18,926	10,927	62,436
Raising funds	9,441	17,887	2,158	29,486
Total costs	42,024	36,813	13,085	91,922

The direct costs of charitable activities and raising funds of £78.8m are 86% of the total expenditure of £91.9m.

Basis of support cost allocation	Direct staff costs £'000	Other direct costs £'000	Group total £'000
Governance	284	153	437
People and Organisational Development	2,657	1,430	4,087
Finance and Corporate Resources	5,264	2,833	8,097
Other organisational support costs	301	163	464
Total costs of support	8,506	4,579	13,085

3. Expenditure (continued)

2020/21	Direct staff costs £'000	Other direct costs £'000	Indirect costs and governance £'000	Group total £'000
Support	29,097	10,200	8,284	47,581
Influencing	5,252	2,709	1,047	9,008
Research	1,017	5,951	182	7,150
Charitable activities	35,366	18,860	9,513	63,739
Raising funds	9,025	12,426	1,878	23,329
Total costs	44,391	31,286	11,391	87,068

The direct costs of charitable activities and raising funds of £75.7m are 87% of the total expenditure of £87.1m.

Basis of support cost allocation	Direct staff costs £'000	Other direct costs £'000	Group total £'000
Governance	270	145	415
People and Organisational Development	1,503	809	2,312
Finance and Corporate Resources	5,392	2,902	8,294
Other organisational support costs	240	130	370
Total costs of support	7,405	3,986	11,391

The indirect costs of the organisation are allocated to service departments based on staff numbers. Indirect costs consist of Finance and Corporate Resources (IT, premises, finance and corporate resource costs), People and Organisational Development (human resources and volunteer costs), Governance costs and other support costs.

Costs of raising funds include the trading costs of subsidiaries.

3. Expenditure (continued)

Governance costs were:	2022 £'000	2021 £'000
Direct and people costs incurred to deliver the effective governance and statutory affairs of the Society	246	299
Fees payable to the Charity and Group auditors for the provision of external audit services	77	74
Assurance and professional services	4	4
Board of Trustees, AGM and other governance meeting costs	60	10
Internal audit and strategic support	50	28
	437	415

3. Expenditure (continued)

Charitable activities 2021/22	Activities undertaken directly £'000	Grant funding of activities £'000	Indirect costs and governance £'000	Group total £'000
Support	34,866	–	9,520	44,386
Influencing	7,861	–	1,203	9,064
Research	1,926	6,856	204	8,986
Charitable activities	44,653	6,856	10,927	62,436
Raising funds	27,328	–	2,158	29,486
Total costs	71,981	6,856	13,085	91,922

Charitable activities 2020/21	Activities undertaken directly £'000	Grant funding of activities £'000	Indirect costs and governance £'000	Group total £'000
Support	39,297	–	8,284	47,581
Influencing	7,961	–	1,047	9,008
Research	1,549	5,419	182	7,150
Charitable activities	48,807	5,419	9,513	63,739
Raising funds	21,451	–	1,878	23,329
Total costs	70,258	5,419	11,391	87,068

3. Expenditure (continued)

Activities undertaken directly for Support were:	2022	2021
	£'000	£'000
Dementia support and advisers	24,768	25,553
Side by side	330	1,270
Support groups	1,188	1,430
Information provision	2,209	1,863
Advocacy	122	237
Day care	675	1,790
Other services	4,343	6,173
Care staff costs attributable over multiple activities	1,231	981
	34,866	39,297

The costs of governance and statutory affairs of the Society include costs of the Chief Executive's office, Company Secretary, Information Governance and other costs incurred in delivering the Society's strategic objectives.

Net income for the year	2022 Group	2021 Group
This is stated after charging:	£'000	£'000
		As Restated
Depreciation	803	1,097
Remuneration paid to external auditor:		
Audit work	77	74
Other services	4	5
Operating lease rentals:		
Property	2,334	2,710
Vehicles and equipment	243	58

External audit fees and fees for other services exclude VAT.

The comparatives for remuneration paid to external auditor has been restated to exclude irrecoverable VAT.

4. Grant giving

Grants awarded during the financial year include:	2022	2021
Research grants to institutions:	Group	Group
By Society:	£'000	£'000
ABBUK	433	416
Brighton and Sussex Medical School	9	75
Cambridge Public Health	–	289
Dementia Research Institute	1,300	1,000
Exeter College of Education	–	817
Imperial College London	106	–
King's College London	361	–
Nottingham Trent University	–	291
Queens University Belfast	384	–
University College London	1,201	1,198
University of Bangor	353	–
University of Bath	9	92
University of Birmingham	3	–
University of Bristol	195	–
University of Cambridge	302	23
University of Cardiff	216	85
University of Dublin	66	75
University of Dundee	13	–
University of Edinburgh	784	523
University of Exeter	354	–
University of Glasgow	–	6
University of Highlands and Islands	88	–
University of Leeds	11	85
University of Liverpool	160	–
University of Manchester	3	–
University of Newcastle	358	–

4. Grant giving (continued)

Grants awarded during the financial year include:

Research grants to institutions:

By Society:

	2022 Group £'000	2021 Group £'000
University of Oxford	256	–
University of Portsmouth	–	5
University of Salford	9	84
University of Sheffield	95	–
Sheffield Institute for Neuroscience	14	–
University of Southampton	273	3
University of St Andrews	6	–
University of Strathclyde	190	–
University of Stirling	8	85
University of Sussex	10	–
University of West Scotland	–	257
Watford General Hospital	–	7
Underspend on projects written back	(570)	(17)
Total Society Research grants	7,000	5,399
By Foundation:		
Alzheimer's Research UK	60	20
Total Foundation Research grants	60	20
Total grants	7,060	5,419

Support costs allocated to grant making activities were £204k (2021: £182k).

5. Staff costs

	2022 Group £'000	2021 Group £'000
Gross wages and salaries	43,538	44,909
Employer's National Insurance	4,011	4,081
Pension contributions	2,669	2,815
Redundancy costs	312	969
	50,530	52,774

At 31 March, there were £48k redundancy costs for 2022 outstanding (2021: £39k unpaid).

Pension costs

The Society operates a group personal pension scheme, administered by Scottish Widows Limited (formerly Zurich Assurance Ltd), which is open to all staff on completion of entry requirements. Pension costs of up to 8% of gross pensionable salary for all eligible employees are charged to expenditure as they are incurred. The Society implemented auto-enrolment in September 2013, in line with the Workplace Pension reforms. All employees participate in the same pension arrangements.

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

	2022 Group		2021 Group	
	Full time	Part-time	Full time	Part-time
Fundraising	284	14	260	10
Support	636	595	684	710
Society	108	15	137	18
Research	31	4	23	2
	1,059	628	1,104	740

5. Staff costs (continued)

The number of employees in total emolument bands (excluding pension contributions) in excess of £60,000 were as follows:	2022 no.	2021 no.
£60,001 - £70,000	15	9
£70,001 - £80,000	21	26
£80,001 - £90,000	3	2
£90,001 - £100,000	–	2
£100,001 - £110,000	2	–
£110,001 - £120,000	4	3
£120,001 - £130,000	–	–
£130,001 - £140,000	–	–
£140,001 - £150,000	–	–
£150,001 - £160,000	1	1

The total employment costs (including employers National Insurance contributions) of the Executive Leadership Team, comprising of the Chief Executive Officer, Directors of Fundraising, Research & Influencing, Finance & Corporate Resources, People & Organisational Development, Operations, Marketing & Communications and includes the newly formed Associate Directors for the year was £1,485k (2021 : £1,109k). For clarification, the Associate Directors are part of the Senior Leadership Team, and not the Executive Leadership Team. Key Management Personnel includes all members of the Senior Leadership Team.

Ex-gratia payments

During the year, the Group made 10 ex-gratia payments totalling £85k to former employees as part of settlement agreements.

Members of the Board

None (2021: 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 6 (2021: 1) Trustees during the year totalling £331 (2021: £390).

Role of volunteers

During 2022, 6,696 volunteers contributed to the work of the Society (2021: 7,499 volunteers). 91% were predominantly in fundraising and operations (2021: 93%) but there is a growing proportion supporting our research and influencing, people and other corporate functions, including Employer Supported Volunteer roles. The pandemic continues to impact both recruitment and retention of volunteers, and there have been further changes to volunteering roles, such as Dementia Friends Champions, that impact where and how volunteers support our work.

6. Fixed assets

6a. Intangible fixed assets – Group and Society

	Computer software £'000	Total £'000
Cost		
As at 1 April 2021	747	747
As at 31 March 2022	747	747
Amortisation		
As at 1 April 2021	653	653
Charge for the year	85	85
As at 31 March 2022	738	738
Net book value		
As at 31 March 2021	94	94
As at 31 March 2022	9	9

6b. Tangible fixed assets - Group and Society

	Freehold property £'000	Leasehold improvements £'000	Furniture & fittings £'000	Office & computer equipment £'000	Total £'000
Cost					
As at 1 April 2021	157	2,948	786	1,256	5,147
Additions	–	–	–	14	14
Disposals	(157)	–	–	–	(157)
As at 31 March 2022	–	2,948	786	1,270	5,004
Depreciation					
As at 1 April 2021	–	1,197	712	749	2,658
Charge for the year	–	341	35	342	718
As at 31 March 2022	–	1,538	747	1,091	3,376
Net book value					
As at 31 March 2021	157	1,751	74	507	2,489
As at 31 March 2022	–	1,410	39	179	1,628

7. Investments

a) Fixed asset investments	2022	2022	2021	2021
	Group	Society	Group	Society
	£'000	£'000	£'000	£'000
			As Restated	As Restated
Opening valuation 1 April	49,850	49,950	38,193	38,293
Additions	8,484	8,484	1,686	1,686
Disposals	(1,180)	(1,180)	(858)	(858)
Realised gains on disposals during year	1,631	1,631	2,924	2,924
Unrealised gains on valuation	446	446	7,905	7,905
Closing valuation 31 March	59,231	59,331	49,850	49,950

	2022	2022	2021	2021
	Group	Society	Group	Society
	£'000	£'000	£'000	£'000
			As Restated	As Restated
Equity Investments listed on a recognised stock exchange	38,060	38,060	31,981	31,981
Fixed Interest Investments listed on a recognised stock exchange	13,987	13,987	11,737	11,737
Alternative Asset investments listed on a recognised stock exchange	7,043	7,043	6,013	6,013
Investment in subsidiary and associated undertakings	–	100	–	100
Share of assets in joint venture	808	808	1,002	1,002
Share of liabilities in joint venture	(667)	(667)	(883)	(883)
Total	59,231	59,331	49,850	49,950

Investment assets in the UK	25,340	25,440	20,773	20,873
Investment assets outside the UK	33,891	33,891	29,077	29,077
Total	59,231	59,331	49,850	49,950

All of the investments at 31 March 2022 and 31 March 2021 were held to the order of the Society.

As part of the overall management of funds, the investment managers have entered into commitments to purchase a total of GBP £22,047k under forward rate contracts at 31 March 2022. All contracts matured at 28 April 2022 and are included within total investments at a market value of GBP (£687k) at 31 March 2022.

The prior year figures have been adjusted to reflect that £13.7m disclosed as long term deposits within fixed assets as at 31 March 2021 were misclassified and has been restated within cash at bank and in hand. More details can be found in note 20.

7. Investments (continued)

Joint venture investment

Alzheimer's Brain Bank UK (ABBUK) is a company limited by guarantee (number 05762960) and a registered charity (number 1114578). It has two members, Alzheimer's Society and Alzheimer's Research UK. The main objectives of the charity are to protect and promote the health of the public, in particular by establishing, promoting and maintaining banks of brain tissue for research into the cause, prevention, treatment and cure of Alzheimer's disease and associated neurodegenerative diseases and disorders.

The Society owns a 50% share in ABBUK and its share of the net assets is £141k (2021: £119k). This joint venture is accounted for in accordance with Charities SORP and FRS 102 under the equity method.

a) Investments with values greater than 5% of the portfolio

The table below summarises the positions held at 31 March 2022 representing greater than 5% of the total market value.

Fund	Market Value as at 31 March 2022 (GBP)	Percentage of total portfolio as at 31 March 2022
iShares Edge MSCI USA Value ETF	£3,643,736.44	6.13%
J.P. Morgan Multi-Manager Liquid Alternatives Fund	£3,562,144.22	5.99%
iShares MSCI USA ESG ETF	£3,460,048.69	5.82%

b) Short-term investments and deposits

	2022 Group £'000	2022 Society £'000	2021 Group £'000	2021 Society £'000
Short-term deposits in cash and cash equivalents held by:				
JP Morgan Current Account	379	379	5,376	5,376
HSBC	7,512	7,512	5,002	5,002
C Hoare & Co	117	117	117	117
	8,008	8,008	10,495	10,495

7. Investments (continued)

c) Subsidiary companies

Alzheimer's Trading Limited, registered number 02737333, is a wholly owned subsidiary of Alzheimer's Society whose profits are gifted to Alzheimer's Society. The trading company receives income from licensing charges and markets a wide range of gifts, merchandise and products with each sale helping to support our cause in improving the lives of people with dementia.

The Alzheimer's Foundation for Research into Alzheimer's Disease (Charity Registration Number 1075535) is a subsidiary of Alzheimer's Society by virtue of all of the members being nominees of the Society. In 2021/22, £60k grants were made to Alzheimer's Society's research programme (2021: £20k) and to Alzheimer's Research UK £60k (2021: £20k).

Profit & loss accounts for the year ended 31 March

	Alzheimer's Trading Ltd £'000	The Alzheimer's Foundation for Research into Alzheimer's Disease £'000	Total 2022 £'000	Alzheimer's Trading Ltd £'000	The Alzheimer's Foundation for Research into Alzheimer's Disease £'000	Total 2021 £'000
				As Restated		As Restated
Turnover	1,188	–	1,188	898	–	898
Donations and legacies	–	32	32	–	392	392
Cost of sales	(809)	–	(809)	(629)	–	(629)
Gross profit	379	32	411	269	392	661
Distribution expenses	(44)	–	(44)	(35)	–	(35)
Administration expenses	(80)	–	(80)	(73)	–	(73)
Charitable activities	–	(120)	(120)	–	(40)	(40)
Governance costs	–	(6)	(6)	–	(5)	(5)
Net profit / (loss)	255	(94)	161	161	347	508
Qualifying charitable donation	(255)	–	(255)	(161)	–	(161)
(Deficit) / Profit retained in subsidiaries	–	(94)	(94)	–	347	347

7. Investments (continued)

7. c) subsidiary companies (continued)

	Balance sheets at 31 March			The Alzheimer's Foundation for Research into		
	Alzheimer's Trading Ltd £'000	Alzheimer's Disease £'000	Total 2022 £'000	Alzheimer's Trading Ltd £'000	Alzheimer's Disease £'000	Total 2021 £'000
Stock	99	–	99	76	–	76
Debtors	184	253	437	40	359	399
Cash at bank and in hand	511	39	550	752	25	777
Creditors - amounts falling due within one year	(694)	(6)	(700)	(768)	(5)	(773)
Net assets	100	286	386	100	379	479
Financed by:						
Ordinary share capital	100	–	100	100	–	100
Unrestricted funds	–	286	286	–	379	379
Total funds	100	286	386	100	379	479

The comparatives for Alzheimer's Trading Limited were restated following the review of prior periods VAT previously credited to the profit and loss account.

Alzheimer's Trading Limited owns all the ordinary share capital of two other companies i.e. Alzheimer's UK Limited (Registration Number 03086855) and Caring for Dementia Limited (Registration Number 03086851).

Both of these companies are registered in England.

8. Stock

	2022 Group £'000	2022 Society £'000	2021 Group £'000	2021 Society £'000
Finished goods and goods for re-sale	99	–	76	–

9. Debtors

	2022 Group £'000	2022 Society £'000	2021 Group £'000	2021 Society £'000
				As Restated
Trade debtors	2,618	2,280	1,756	1,493
Prepayments	1,236	1,236	1,521	1,521
Accrued income	24,494	24,403	17,146	17,137
Other debtors	333	332	363	364
	28,681	28,251	20,786	20,515
Amounts due from subsidiary undertaking	–	510	–	654
	28,681	28,761	20,786	21,169

The comparatives for amounts due from subsidiary undertaking were restated to include the qualifying distribution owed from Alzheimer's Trading Limited.

Accrued income includes legacy income of £23,234k (2021: £15,121k) net of a £1,225k provision for a reduction in the amount receivable as a result of costs incurred (2021: £844k).

Alzheimer's Society use a 'legacy pipeline' to record those legacies that are known to the Society, but do not yet fulfil the criteria for income recognition. At 31 March 2022, the value of the legacy pipeline was £11.0m (2021: £12.0m).

10. Creditors

	2022 Group £'000	2022 Society £'000	2021 Group £'000	2021 Society £'000
Research grant creditors	9,751	9,751	17,991	17,991
Trade creditors	4,360	4,336	4,035	3,984
Other taxes and social security	1,085	1,093	2,435	2,435
Loan facility drawn down & repayment	–	–	5,000	5,000
Other creditors	1,171	1,154	1,375	1,368
Accruals	1,542	1,427	1,940	1,906
Deferred income	4,503	4,468	3,604	3,604
	22,412	22,229	36,380	36,288
Amounts due to subsidiary undertaking	–	–	–	100
	22,412	22,229	36,380	36,388
Amounts falling due after one year:				
Research grant creditors	10,267	10,267	3,481	3,481
Research grant creditors are payable:				
Within one year	9,751	9,751	17,991	17,991
Between one and two years	5,893	5,893	2,693	2,693
Between two and five years	4,374	4,374	788	788
Total research grant creditors	20,018	20,018	21,472	21,472

Included in creditors are amounts due for research grants to the joint venture, ABBUK, of £433k (2021: £416k) and amounts due to the UK Dementia Research Institute (UKDRI) Limited of £1,300k (2021: £1,000k).

Included under deferred income was income for the provision of service contracts of £2,773k (2021: £1,019k).

11. Provision for liabilities and charges

	2022 Group £'000	2022 Society £'000	2021 Group £'000	2021 Society £'000
Balance at 1 April	1,649	1,649	1,091	1,091
Amounts provided for during the year	(458)	(458)	539	539
Amounts released to expenditure during the year	(124)	(124)	19	19
	1,067	1,067	1,649	1,649

Provisions include the estimated cost of repairing dilapidations in properties currently rented at the end of their leases, onerous lease contracts and redundancy costs.

We anticipate that costs for redundancies and onerous contracts will be substantially committed within twelve months, costs for dilapidations will be committed over the course of the expected periods of occupancy of our leasehold properties, with majority committed by 2025.

12. Deferred income

	2022 Group £'000	2022 Society £'000	2021 Group £'000	2021 Society £'000
Balance at 1 April	3,604	3,604	1,468	1,468
Amounts provided for during the year	1,830	1,795	3,604	3,604
Amounts released to income during the year	(931)	(931)	(1,468)	(1,468)
	4,503	4,468	3,604	3,604

Deferred income represents income relating to multi-year contract payments and performance related grants paid in advance.

13. Taxation

As a charity, Alzheimer's Society is potentially exempt from taxation of income and gains to the extent that these are applied to its charitable objectives. The company is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010. Accordingly the company is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

No tax charge arose in the period.

The subsidiary company Alzheimer's Trading Limited make qualifying charitable donations of all taxable profit to Alzheimer's Society under Part 6 of Corporation Tax Act 2010. No corporation tax liability on the subsidiaries arises in the accounts.

14. Funds

2021/22	At 1 April 2021 Group £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains £'000	At 31 March 2022 Group £'000
Restricted funds						
Government of Wales – Geographic Rest Funds						
Dementia Friends and DFC	1	–	–	–	–	1
	1	–	–	–	–	1
Other funders						
Research	3,066	3,295	(2,741)	–	–	3,620
Care services	1,143	2,389	(2,788)	–	–	744
Geographically restricted funds	1,572	1,674	(1,395)	–	–	1,851
Other	486	117	(497)	–	–	106
	6,267	7,475	(7,421)	–	–	6,321
Total restricted funds	6,268	7,475	(7,421)	–	–	6,322
Total designated funds	17,783	14	(3,951)	13,400	–	27,246
Total general funds	42,654	109,046	(80,550)	(13,400)	2,077	59,827
Total unrestricted funds	60,437	109,060	(84,501)	–	2,077	87,073
Total funds	66,705	116,535	(91,922)	–	2,077	93,395

Restricted funds are grouped into four categories. Research funds are those that have been provided to fund dementia research into treatments and interventions for people living with dementia. Care services funds are those funds that support frontline workers including the Dementia Connect Service and the Helpline. Geographically restricted funds are those funds that have been provided to support services in a specific local area, and other funds include funding for innovative projects.

Designated funds include £1.6m (2021: £2.6m) which represent the Society's investment in tangible and intangible assets which are not immediately realisable; £5.2m (2021: £6.5m) designated to be invested in the UK DRI Ltd., £10.3m (2021: £6.5m) designated to be invested in technology; and £1.1m (2021: £2.2m) designated to be invested in fundraising, and newly created designated fund for Brand £9.0m (2021: £nil).

Gains includes both investment gains and the net interest in the joint venture.

During the year the Society was in receipt of £120k (2021: £27k) from the Isle of Man which is restricted for use within the Isle of Man Dementia services.

14. Funds (continued)

2020/21	At 1 April 2020 Group £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains £'000	At 31 March 2021 Group £'000
Restricted funds						
Government of Wales – Geographic Rest Funds Dementia Friends and DFC	–	65	(64)	–	–	1
	–	65	(64)	–	–	1
Other funders						
Research	2,321	3,272	(2,527)	–	–	3,066
Care services	67	4,944	(3,935)	67	–	1,143
Geographically restricted funds	1,498	1,215	(1,097)	(44)	–	1,572
Other	148	1,613	(1,271)	(4)	–	486
	4,034	11,044	(8,830)	19	–	6,267
Total restricted funds	4,034	11,109	(8,894)	19	–	6,268
Total designated funds	10,129	8,846	(1,192)	–	–	17,783
Total general funds	17,654	91,172	(76,982)	(19)	10,829	42,654
Total unrestricted funds	27,783	100,018	(78,174)	(19)	10,829	60,437
Total funds	31,817	111,127	(87,068)	–	10,829	66,705

15. Financial and other commitments

a) Operating leases – Group

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

	2022 Land and buildings £'000	2022 Other £'000	2021 Land and buildings £'000	2021 Other £'000
Operating leases payments due:				
Within one year	2,219	243	1,741	20
In two to five years	5,602	425	5,432	68
After five years	525	–	650	–
	8,346	668	7,823	88

b) Capital commitments not yet contracted for

There were no capital commitments at the year end (2021: none).

16. Analysis of group net assets between funds

2021/22

	Tangible and intangible assets £'000	Investments £'000	Net current assets £'000	Long term Liabilities £'000	Total £'000
Restricted funds	–	–	6,322	–	6,322
Designated funds	1,637	–	25,609	–	27,246
General funds	–	59,231	11,930	(11,334)	59,827
	1,637	59,231	43,861	(11,334)	93,395

2020/21

	Tangible and intangible assets £'000	Investments £'000 As Restated	Net current assets/ (liabilities) £'000 As Restated	Long term Liabilities £'000	Total £'000
Restricted funds	–	–	6,268	–	6,268
Designated funds	2,583	–	15,200	–	17,783
General funds	–	49,850	(2,066)	(5,130)	42,654
	2,583	49,850	19,402	(5,130)	66,705

Investments and net current assets/(liabilities) have been restated following the prior period adjustment of £13.7m for cash previously disclosed within fixed assets. More details can be found in note 20.

17. Consolidated statement of financial activities

For the year ended 31 March 2021
Incorporating an income and expenditure account

	Notes	Unrestricted funds £'000	Restricted funds £'000	2021 Group Total £'000
Income and endowments from				
Donations and legacies	2a	72,825	9,521	82,346
Charitable activities	2b	23,024	1,584	24,608
Other trading activities	2c	3,578	4	3,582
Investments	2d	730	–	730
Share of net income in joint venture	2e	12	–	12
Other	2f	(151)	–	(151)
Total		100,018	11,109	111,127
Expenditure on				
Raising funds	3	23,307	22	23,329
Charitable activities	3	54,867	8,872	63,739
Total		78,174	8,894	87,068
Net gains on investments		10,829	–	10,829
Net income		32,673	2,215	34,888
Transfer between funds		(19)	19	–
Net movement in funds		32,654	2,234	34,888
Reconciliation of funds				
Total funds brought forward		27,783	4,034	31,817
Total funds carried forward		60,437	6,268	66,705

18. Related party transactions

In 2021/22, Alzheimer's Society charged £43k (2021: £43k) to Alzheimer's Trading Ltd for the provision of staff and the purchase of goods. The balance owed to Alzheimer's Society at 31 March 2022 was £512k (2021: £621k). During the year, the Society received a qualifying distribution from Alzheimer's Trading Limited of £198k (2021: £355k), being all of its prior year profits.

Alzheimer's Society collected legacy income on behalf of The Alzheimer's Foundation, to the value of £126k (2021: £39k). During the year, £60k (2021: £20k) was granted to Alzheimer's Foundation for research. The balance owed to The Alzheimer's Foundation at 31 March 2022 was £nil (31 March 2021 £100k).

During the year, £433k (2021: £416k) was granted to ABBUK. As at 31 March 2022, ABBUK owed the Society £nil (2021: £nil). As at 31 March 2022, the Society owed ABBUK £433k (2021: the Society owed ABBUK £416k).

Alzheimer's Society agreed funding of £1.3m (2021: £1m) to the UK DRI Limited and recognised this as a grant. The balance owed to UKDRI at 31 March 2022 was £1.3m (2021: £1m).

Trustee Professor Subrata Banerjee received funding amounting to £100.5k from Health Education England via a research group at Brighton and Sussex Medical School and the University of Plymouth, which was then provided via a subcontract to Alzheimer Society to support the coordination of families enrolled in the time for Dementia Programme.

The Director of Finance and Corporate Resources Robert Butler is also a Director of Charityshare Limited. There were no transactions during the year with Charityshare (2021: refund of £7k).

The Commercial and Trading Manager Jon Wingrave was a Director of Cards For Good Causes Limited (CFGC) until 31 March 2021. CFGC sell Christmas cards on our behalf. During the year sales with CFGC were £120k (2021: 123k), and costs of sales were £83k (2021: £61k). At 31 March 2022 the balance owed to Alzheimer's Trading Limited was £16k (2021: £9k).

19. Agency agreement for JPND external grants

Alzheimer's Society has acted as collecting agent for research grants for a EU Joint Programme–Neurodegenerative Disease Research (“JPND”) which was launched a European call for proposals to fund Multinational research projects on Health and Social Care for Neurodegenerative Diseases. Alzheimer's Society acts as a collecting agent for :- the Department for Health and Social Care (DHSC), the Welsh Government and PHANI.

The funding held by the partners is shown below:

Remaining grant funding schedule	31 March 2022 £'000	31 March 2021 £'000	Costs committed by funders	31 March 2022 £'000	31 March 2021 £'000
Alzheimer's Society	216	294	Alzheimer's Society	78	140
DHSC	589	803	DHSC	214	383
Welsh Government	84	115	Welsh Government	31	55
PHANI	59	80	PHANI	21	38

As at 31 March 2022, £1,555k had been received in total since the beginning of the project in 2018/19. There was no movement in funding in the year to 31 March 2022. The total amounts received per the original agreement from the Welsh Government (£180k), DHSC (£1,250k) and PHANI (£125k). These amounts are held on behalf of the partners in a separate account with the Society's bankers HSBC. The Society is acting as an agent on behalf of the partners. A further uplift of £48k was requested from each of the partners (split as :- Alzheimer's Society (£11k), DHSC (£30k), Welsh Government (£4k) and PHANI (£3k)) in 2021/22 and the funds received in June 2022.

As at 31 March 2022, £1,063,577 had been spent against funding of £2,011,750 over the course of the project (i.e. £2,011,750 original funding. A further £48k uplift was granted in 2021/22 but not received until June 2022). The cumulative amount spent as at 31 March 2022 was £1,064k.

The Society recognised its own contribution for grant commitments amounting to £457k in respect of JPND (£457k in 2018/19) A further £11k was received in June 2022. There were no own funding contributions in 2019/20, 2020/21 or 2021/22.

19. Agency agreement for JPND external grants (continued)

Analysis of funds received and paid by the Society as agent in the period.

Funds received	2022 £'000
Alzheimer's Society	–
DHSC	–
Welsh Government	–
PHANI	–
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Funds paid by the Charity as an agent	2022 £'000
Anglia Ruskin University	127
University of Exeter	19
London School of Economics and Political Science	36
Cardiff University	59
Queen's University Belfast	14
University College London	37
Newcastle University	21
University College London	–
University of Southampton	31
	344
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Further funds receivable by Society after grant uplift	2022 £'000
Alzheimer's Society	11
DHSC	30
Welsh Government	4
PHANI	3
	48

£48k Grant uplift for (Grant 465) Cardiff University was approved in 2021/22 and received in June 2022.

20. Prior period adjustment

The prior year figures have been adjusted to reflect that £13.7m disclosed as long-term deposits within fixed asset as at 31 March 2021 was misclassified and has been restated within cash at bank and in hand.

The effect on the balance sheet is to reduce the value of fixed assets by £13.7m from £66,133k to £52,433k for the Group (from £66,233k to £52,533k for Society), and increase the value of cash at bank and in hand by the same amount, from £10,725k to £24,425k for the Group (from £9,948k to £23,648k for Society).

Similarly, the value of fixed asset investments as found in note 7 (Investments) has been reduced by £13.7m from £63,550k to £49,850k for the Group (from £63,650k to £49,950k for Society), and the value of investment assets in the UK has reduced from £34,473k to £20,773k for the Group (from £34,573k to £20,873k for Society).

The effect on the Group cash flow statement is to increase the value of cash at bank and in hand, from £10,725k to £24,425k.

The effect on note 16 analysis of Group net assets between funds as at 31 March 2021, is to reduce investments in general funds from £63,550k to £49,850k and decrease net current liabilities in general funds from £15,766k to £2,066k.

Thank you

A heartfelt thank you to all our partners and supporters, who helped achieve more for people affected by dementia in 2021/22, including:

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Dr Nori Graham
Professor Gordon Wilcock
Professor Jim Edwardson

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Simon Beale, Ian Branagan, Andrew Brooks, Graham Clarke, Jo Coles, Richard & Kerry Dudley, Sian Fisher, Paul Galvin, Andrew & Sophie Horton, Paul & Julie Jack, Sir Laurie Magnus, Graeme Moore, Julian & Catherine Taylor, and those wishing to remain anonymous

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The Joy Charitable Trust
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The Anthony and Pat Charitable Trust
The Liz and Terry Bramall Foundation
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