

Charity number: 7868
Company number: 102700

The Alzheimer Society of Ireland
(A company limited by guarantee and not having a share capital)

Directors' report and financial statements

for the year ended 31st December 2015

The Alzheimer Society of Ireland

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The Alzheimer Society of Ireland

Directors and other information

| | | |
|------------------|------------------------------|--|
| Directors | Mr John Clifford* (Chairman) | Appointed Chairman 07/03/16 |
| | Mr Kevin Norton | Retired as Chairman 07/03/16 |
| | Mr David Fitzgerald + | |
| | Ms Mary Therese Gaughran | |
| | Mr Kieran Healy + | Resigned 01/05/15 |
| | Ms Tess Hogan | Retired 29/07/15 |
| | Mr Brian Holland* | |
| | Mr Tom Noonan* | |
| | Ms Lillian Sullivan | |
| | Mr James Nevin | Appointed 05/10/15 |
| | Brendan Walshe | Appointed 05/10/15. Resigned 14/12/15. |

* member of Finance and Audit Committee

+ member of Advocacy Committee

Charity number 7868

Company registration number 102700

National Office
Temple Road
Blackrock
Co. Dublin

Registered office
Temple Road
Blackrock
Co. Dublin

Secretary Ms Colette Kelleher. Appointed 05/10/15

Auditors
Curran Nalty and Co
10 Kennelsfort Road Lower
Palmerstown
Dublin 20

Principal Bankers
Allied Irish Bank
Blackrock
Co. Dublin
Permanent TSB
Stillorgan
Co. Dublin

Solicitors
T.P. Robinson
24 Lower Fitzwilliam Street Upper
Dublin 2

The Alzheimer Society of Ireland



THE ALZHEIMER
SOCIETY OF IRELAND

Director's report

for the year ended 31st December 2015

The Alzheimer Society of Ireland Director's Report 2015

The Directors present their report and the audited financial statements for the year ended 31 December 2015.

Our vision is an Ireland where no one goes through dementia alone and where policies and services respond appropriately to people with dementia and their carers, at the times they need support.

The Alzheimer Society of Ireland (ASI) works across the country in the heart of local communities providing dementia specific services and supports and advocating for the rights and needs of all people living with dementia and their carers.

A national non-profit organisation, ASI is person centred, with the voice of people with dementia and their carers at its core.

ASI provides a range of dementia specific services including a National Helpline and complementary Dementia Adviser Service.

ASI also delivers day care, home care and respite services, social clubs, Alzheimer cafes and cognitive stimulation therapy throughout Irish communities.

ASI also organizes support groups and training for carers.

The ASI also works to raise public awareness and understanding of dementia and to reduce stigma. In this regard it is pleasing to report continued development of the Irish Dementia Working Group and the Dementia Carers Campaign Network.

In Ireland, there are approximately 55,000 people with dementia and a similar number of carers, while it touches the lives of hundreds of thousands of family members.

Principal Activities

The principal activities of the ASI are:

- To provide information, support and care services to those with Alzheimer's /dementia and to their carers.
- To be the voice of people with dementia through advocacy and policy work.
- To promote and increase public awareness of Alzheimer's and other dementias.
- To work with the medical profession and all ancillary services in supporting people with dementia and their carers.
- To campaign for dementia specific home care, day-care, short term respite and long term residential care for persons with Alzheimer and other dementias.
- To support research in both medical and social aspects of Alzheimer's and other dementias.

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Strategic Plan 2014 to 2016

The plan focuses on 6 Strategic Priorities:

The Development of Nationwide Dementia Services

By keeping the person with dementia, and their carers, at the centre of what we do, we will be leaders in the understanding and development of quality dementia-specific services and supports.

To be an Effective Advocate for People with Dementia and their Carers

We aim to enable the voice of people with dementia and their carers to be heard by developing an active, rights based grassroots movement to bring about positive change in the lives of those experiencing dementia.

To Expand and Develop Family Advisory Services

We aim to bring about positive change in the experience of people living with dementia and their carers through improving understanding, providing information and addressing the myths, stereotypes and negative perceptions of dementia. The need for continued focus in this area is evidenced by the growing demand for our carer training programme.

To Focus on Volunteering and Branch Development

We encourage and value volunteering and active citizenship, which are central to the ethos and functioning of The Society. We will strive to further develop and grow our branch and volunteer base which is critical for the future development of our services.

Corporate Excellence

We aim to be a well-respected campaigning organisation and a professional service provider in the NGO sector and develop excellence in corporate governance, policies and organisational structures to meet the growing needs of those we serve and represent.

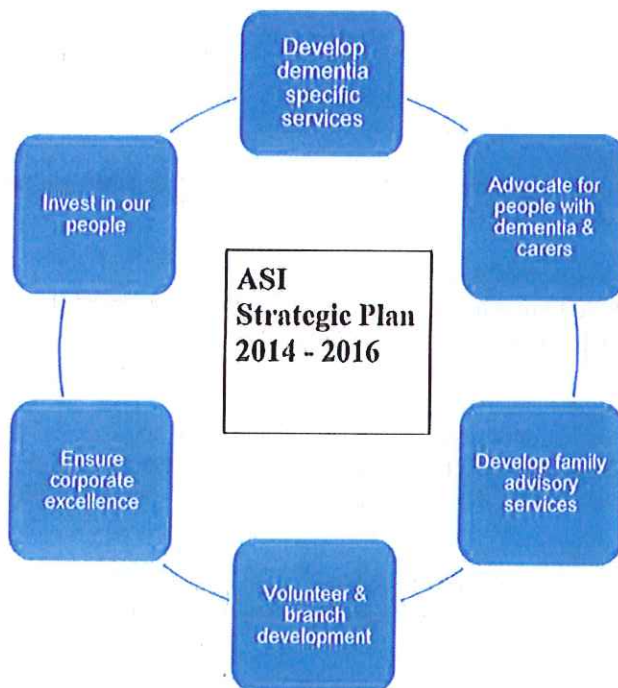
Investing in our People

We recognise the key role our employees play in meeting the needs of people with dementia and their carers. We aim to support and develop our people throughout their careers and to enable them achieve excellence in terms of organisational performance and service provision.



Director's report

for the year ended 31st December 2015



1. Financial Review

The financial results for the year are set out in the Income and Expenditure account on page 19. They show that The Alzheimer Society of Ireland has reduced its operating deficit to €337k [2014 €755k].

Significant work continues in the review of our services, together with discussions with the HSE at local and National level, to assess how ASI can achieve break-even at the operating level. All services will continue to be reviewed for sustainability, but reduction or withdrawal of services to clients is always a last option and will only be considered when all other options have been exhausted. A further key concern for ASI is the depletion of reserves in the last number of years arising from cuts to funding and exceptional items. Our care and support services are person centred and require a high ratio of staff to clients in day care and respite settings, and, naturally, a one to one ratio for home care services. Direct service costs including payroll (where wages and salaries rates have not increased for 6 years) amount to 90% of our total operating costs.

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ASI Year in Review 2015

6,355

Clients assisted through
Helpline and Dementia Adviser services

964,278

Care hours given
in 2015

"Grateful to the ASI staff
for the care, compassion,
understanding and
kindness"

"I want to raise awareness and influence the future. My mother
really wanted to fight and raise awareness so I feel like she has
given me a mandate"

Member of Dementia Carers
Campaign Network

47,000

Facebook followers



1,200

Tea Day
parties

The Alzheimer Society of Ireland



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Director's report

for the year ended 31st December 2015

2. Services Review

2.1 Helpline Information and Advice services

The Helpline and Information service had its busiest year yet with 4,685 people availing of this six day service. This 11% increase on 2014 has been achieved through the commitment of our Helpline volunteers and staff. We recruited approximately 15 new volunteers for the Helpline to complement our existing volunteer base.

Following the launch of the National Dementia Strategy in 2014, we established a new complementary Dementia adviser service. By the end of 2015, ASI had eight Dementia Advisers in place nationwide. They continued to actively engage within their local community area receiving a very positive response from clients and carers alike and among health professionals. A total of 1,670 new clients availed of this service during 2015 with 54% of all clients referred on to other ASI services for further support.

2.2 Care Services Review

Day care service continues to be ASI primary service focus with 61% of ASI overall hours dedicated to this community service. It was slightly down on 2014 due to rationalisation of services in some locations to ensure the longer term sustainability of overall services. ASI involvement in homecare continued to reduce at a similar rate to the previous year; by 10% to just over 200,000 hours. This reduction in hours is directly linked to HSE homecare packages tendering process which does not differentiate between dementia care and generic homecare. ASI only provides dementia specific care, which takes account of the specific requirements of people living with dementia and therefore does not tender for generic homecare.

Demand for respite on the other hand continued to grow a further 5% over 2014 which was mainly due to increased demand for Waterman's Lodge respite services (which showed a growth of 24% over 2014). By the end of 2015, both the Orchard (Dublin) and Waterman's Lodge (Killaloe) respite centres had registered with HIQA authorities. ASI is fully committed to meeting the HIQA standards, however the extra costs required to meet these standards continues to pose a significant financial challenge.

Overall, the continuous dedication of our dementia specific staff has enabled the Alzheimer Society of Ireland to deliver 964,278 care giving hours in 2015 which is slightly below 2014 in day care, home care and respite hours.

In relation to our local community initiatives i.e. social clubs, support groups and Alzheimer cafes, we extended our cognitive simulation therapy programme to four locations, Galway, Sligo, Clare and Dublin. We also conducted an external evaluation that clearly demonstrated the improvements this type of programme brings to people in the early and moderate stages of dementia.

2.3 Quality and Care

In 2015 we concentrated on improving our monitoring of quality and safety of care within ASI. Centralised automated reporting of incidents and accidents, as well as complaints, was introduced enabling management to identify key trends and training needs based on improved reporting levels. 77 health and safety audits were conducted by an external reviewer and recommendations for improvement, where they arose, were implemented. We updated and rolled out our new day care manual and commenced the auditing of each day care service over the latter part of 2015. This work will be ongoing into 2016.

The Alzheimer Society of Ireland



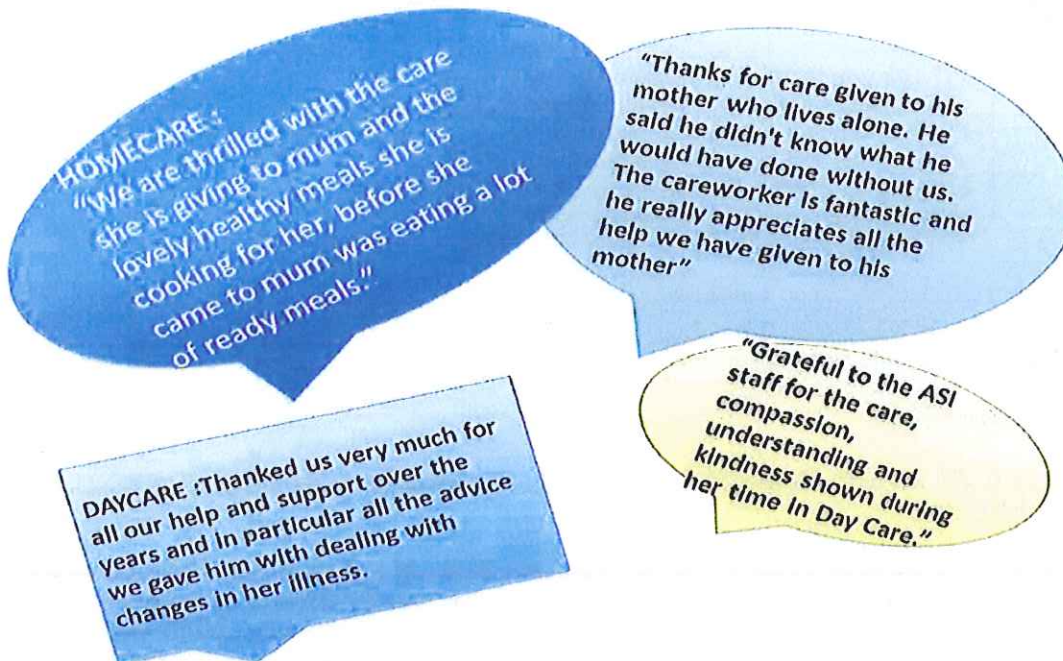
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We continued to improve our level of engagement with people with dementia and their carers by conducting two customer surveys across our main services. Below is a summary of the last survey conducted in October 2015.

- 92% were either satisfied or very satisfied in general with ASI services
- 98% of respondents were satisfied or very satisfied that clients' views, opinions and preferences were being taken into account in the decision made in relation to care
- 97% of respondents were satisfied or very satisfied that carers views, opinions and preferences were taken into account in the decision made in relation to care
- 99% were satisfied or very satisfied that ASI staff have the knowledge to provide dementia specific care.



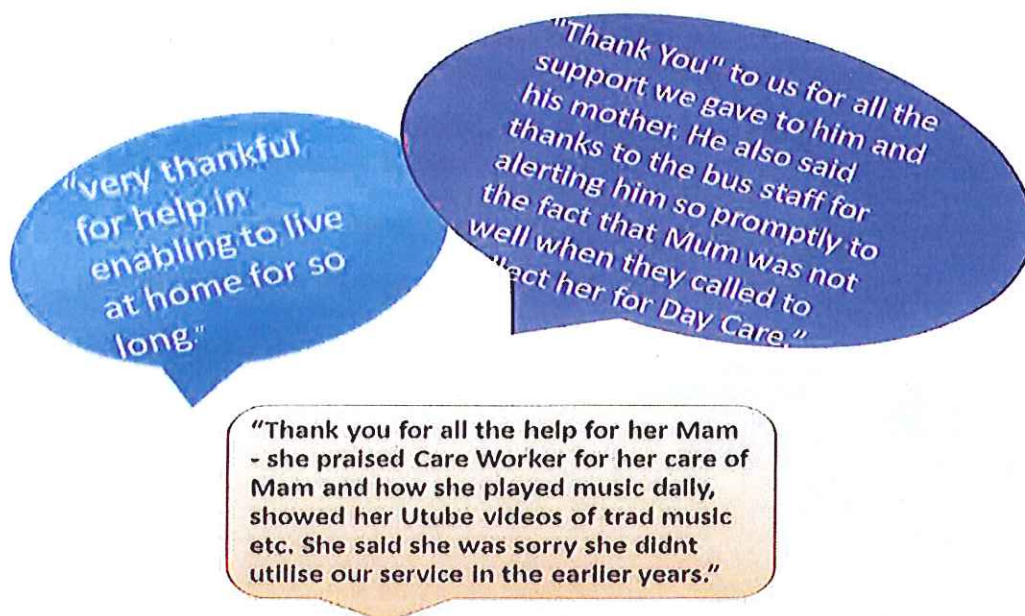
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3. Advocacy & Public Affairs Review

3.1 Developing advocacy capacity

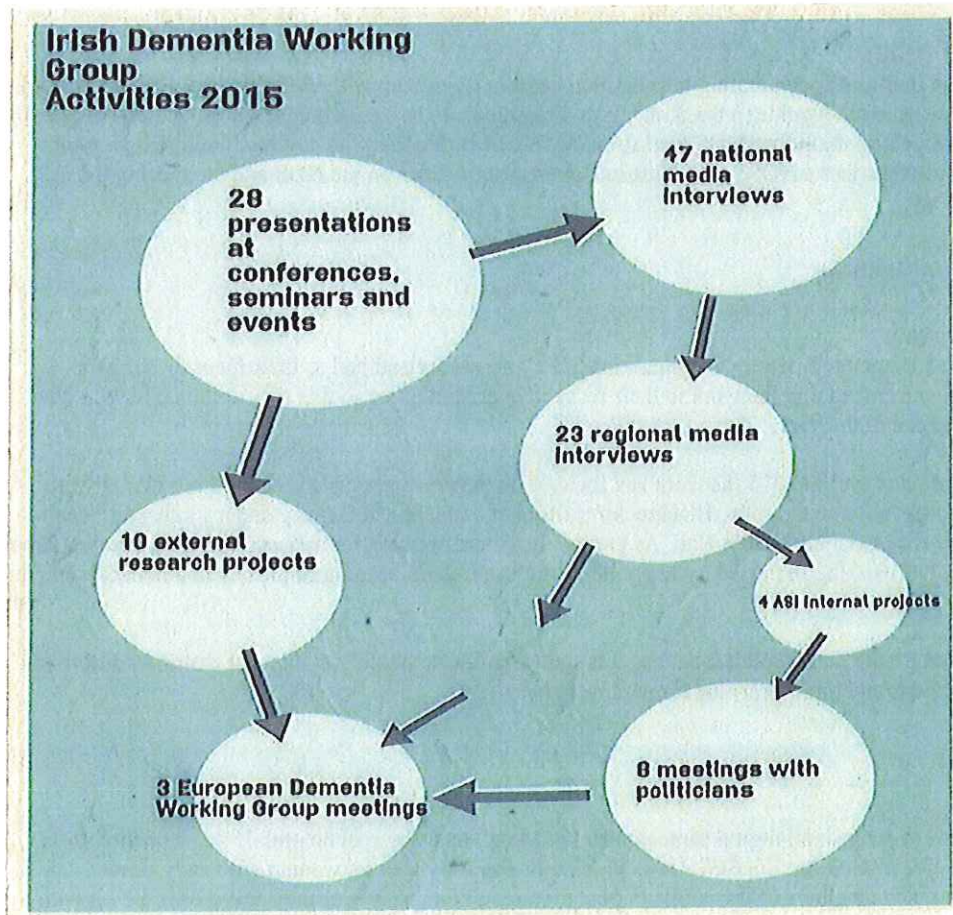
The ASI's *Advocacy Toolkit* was further developed in 2015 to consist of a suite of factsheets, infographics, guides, e-zines and an online T.D. lobby form.

The *Dementia Carers Campaign Network* (DCCN) developed further in 2015 with 8 meetings held, 46 members and a core committee of 8. Actions included raising awareness at national conferences, in the media, to Government and senior officials and by involvement in monitoring the implementation of the National Dementia Strategy (NDS). In November, the group launched their first campaign on 'The Impact of Caring'. This online campaign aimed to raise awareness of the significant impact of caring for a loved one with dementia and involved six DCCN members sharing their personal experience of caring.

The *Irish Dementia Working Group* (IDWG), the unique group comprising people with dementia, formally met on six occasions in 2015, a Chair and Executive were elected and terms of reference were formally adopted.

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for the year ended 31st December 2015



3.2 Making dementia a political priority

ASI played an active role with other stakeholders and Government, in developing the National Dementia Strategy (NDS). Our pre-budget submission urged Government to allocate specific meaningful resources to begin implementation of the key recommendations in the NDS. While some progress has been made, not least the eight dementia advisers in place, much needs to be done.

General

- 17 TDs participated in ASI instigated Dáil debate on dementia
- 27 TDs attended and ASI information session in Leinster House
- 7 MEPs attended an ASI information event at the European Parliament in Brussels
- 33 Parliamentary Questions, Topical Issues Debates, Orders of Business and Written Replies on dementia.
- 1,400 letters from supporters were sent to TDs asking them to support the Pre-Budget Submission(PBS)
- 150 additional people signed up to become ASI e-campaigners, bringing the total number of e-campaigners to 2,468
- 20 TDs and Senators attended the ASI PBS launch, providing an opportunity for follow up meetings and contacts;
- 8 Parliamentary Questions on the National Dementia Strategy and funding for dementia services were raised as a direct result of the ASI PBS. In addition to this, Fianna Fail raised two questions on the National Dementia Strategy with the HSE.
- 1 presentation to the Joint Oireachtas Committee on Health.
- 3 of ASI's priorities included in Fianna Fail's alternative Budget.

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National Dementia Strategy (NDS)

The ASI played a key role in terms of disseminating information, hosting discussion with clinicians and ASI staff. Work included the production of an accessible guide to the Strategy to disseminate to key stakeholders, hosting a briefing on the NDS in Leinster House in March; running four NDS workshops with ASI staff across the country; facilitating a multi-disciplinary clinicians' round-table on the NDS; publishing and presenting articles on the NDS and monitoring the implementation of the Strategy.

3.3. Increasing public awareness

Dementia Friendly Communities

The seven areas developed as Dementia Friendly Communities (DFC) across Ireland had as their focus in 2015 the completion of key activities and embedding the work in their respective communities so that they continue beyond the lifespan of the funding at the end of the year.

Under the DFC 'small award initiative' in 2015 the work has focused on the arts and music sectors. Four choirs were supported following open competition in Crumlin, Blackrock / Stillorgan, Kildare and Galway and a successful 'Tea Dance Tunes' was hosted by the National Concert Hall. As part of the Azure network for arts and dementia two workshops were co-hosted in 2015 for staff working in museums and galleries across Ireland, leading to the development of dementia specific programmes.

Further content was produced for the DFC toolkit including a language guide, a monthly e-zine was distributed both to DFC and to relevant stakeholders and three Learning Forums were held.

Awareness Campaigns

#STILL

The #Still campaign was a week-long small digital campaign run in March that was cost neutral. It was launched to celebrate the opening of the Oscar winning film *Still Alice*, which tells the story about a woman with early onset Alzheimer's. The campaign asked members of the public to post pictures of themselves or their loved ones living with dementia on social media, tagging ASI and including the hashtag #still. More than a quarter of a million people posted on ASI's Facebook and Twitter accounts for the campaign, tweets relating to the campaign earned over 68k impressions, while total engagement across Facebook was over 246k. A panel discussion was hosted in the Irish Film Institute following a special public screening of *Still Alice* and the addition of a 'text-donate' number raised €2,000.

#ForgetTheStigma

The #forgetthestigma campaign took place in June and the overall aim was to reduce the stigma associated with dementia. The campaign involved outdoor advertising in the three biggest population centres in Ireland (Dublin, Cork and Galway), a video and a pledge to 'Learn, Listen, Link'. Messages and content of the campaign were devised by members of the Irish Dementia Working Group (IDWG) and the Dementia Carers Campaign Network who also appeared in advertising posters, online material and in media. One Facebook post alone during this campaign reached over 250,000 people, the most successful tweet had almost 10,000 impressions and there were 15 articles and radio interviews relating to the campaign.

Letters to remember

To mark World Alzheimer's Awareness Month a poignant exhibition of letters written by people affected by dementia went on display in the month of September. The letters were penned by people living with dementia, including advocates with the ASI's Irish Dementia Working Group and carers of people with dementia both living and passed on. The exhibit was just one of a number of events which took place across the country to mark September as World Alzheimer Awareness Month and they were hosted in Deansgrange, Blackrock and Shankill libraries in Dublin, in Dun Laoghaire and Galway shopping centres, in Mallow primary health care centre and in several locations throughout Co Donegal.

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#ImpactofCaring

In November, the Dementia Carers Campaign Network (DCCN) launched their first awareness campaign when six DCCN members shared their experience of caring on our social media platform and with traditional media outlets. A printed booklet was also produced and a set of carer related infographics.

Radio ads

The 'living well with dementia' radio ads produced in 2014 and featuring the voices of a person with dementia and a carer, were re-run for one week during November to promote the Helpline.

General

The ASI's general awareness programme continued and included public information events at various locations, live Facebook chats hosted by the Helpline, stands at a host of conferences and at the Ploughing Championships and the Over 50's Show. In addition a video resource was produced on tips after diagnosis and three new videos were produced showcasing ASI's day centres, social clubs and respite services.

Media

In 2015 there were 32 press releases issued, four statements and three letters written to national papers. National media coverage and interviews increased by 147% on 2014 to 176 media pieces. Targets have also been surpassed at regional level with media coverage up to 870 from 745 last year.

On social media Facebook likes increased by more than 3,300 and continued to grow directly as a result of a series of targeted digital campaigns which increased engagement exponentially- a number of our campaigns have seen engagement with up to half a million people. Twitter followers increased by almost 2,000 or 60% on the same period last year.

3.4 Developing a strong evidence base

Collaboration continued with a number of other health and ageing NGOs on several issues including; as part of Health Reform Alliance; with the Institute of Public Health on the dementia prevention paper; with the Irish Hospice Foundation on their Changing Minds programme and with the Irish Network for Research in Dementia and Neurodegeneration. There was continued engagement with NUIG-led coalition on the Assisted Decision Making legislation; with the Neurological Alliance of Ireland on the Neuro-rehabilitation Strategy implementation plan; with the Disability Federation of Ireland on their housing committee, with two HSE committees, through involvement in running two Alzheimer cafes and with Alzheimer Europe regarding their pathways of care research.

The ASI began working with the Irish Cancer Society, the Irish Heart Foundation and Diabetes Ireland in 2015 on a project on risk reduction in chronic conditions. This was a joint funding collaboration through the Medical Research Charities Group. There was also collaboration with the Centre for Ageing Research and Development on their International Ageing Training Programme which focused on dementia and cognitive impairment. A successful grant application to the Health Research Board on the 'Knowledge, Exchange, Dissemination Scheme' for the DeStress project was approved. In addition collaboration with UCD, Age Action and Irish Association of Social Workers on *Older People's Access to Appropriate Care and Support Study* worked at creating an evidence base on older people's access to services and supports and in terms of decision making around their care.

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The ASI continued its collaboration with Trinity College Dublin on the three year DeStress research project and continued to part support two early career researchers at PhD level.

In total twelve policy submissions were made in response to Government public consultation. A joint policy paper was commissioned and published on economic analysis of home care services for people with dementia was commissioned and published as was a report commissioned from the Institute of Public Health on brain health, dementia prevention and risk reduction.

ASI also drafted a policy position paper on the Assisted Decision Making (Capacity) Bill and development began on a Human Rights Charter in 2015. This has since been published.

4. Fundraising Review

The ASI remained fully compliant with the Statement of Guiding Principles for Fundraising. During 2015 ASI fundraising raised funds through several income streams including

- Corporates/ Sponsorship partnerships arrangements
- National Tea Day event
- VHI Women's Mini Marathon
- Dublin to Galway Cycle
- Camino Trek
- Alzheimer's Car Raffle
- Christmas Memory Ribbon

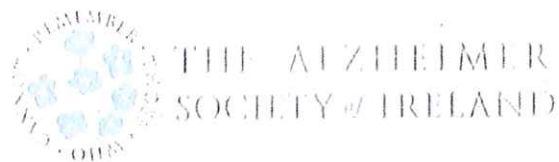
The Directors would like to thank all our donors and financial supporters for their important contribution to the work of ASI.

5. Acknowledgement of Supporters

The Directors wish to acknowledge formally the vital contributions made by many parties to the work of the ASI in supporting our clients, carers and their families:

- * Our volunteers and our branches throughout the country, many of whom are critical to our fundraising efforts, while others provide direct care support or expert services.
- * Our financial supporters, corporate sponsors and generous donors, those who support our Tea Day, Mini Marathon, and Memory Ribbon campaigns, without whose contributions ASI would not be able to continue to function effectively.
- * The many and various networks, organisations, public representatives and professionals who collaborate with us in driving the dementia agenda in the fields of research, academia, public policy, standards of care, ethics, the media and the public sphere.
- * The HSE, our main source of client referrals and our primary funder, who despite the significant funding challenges recognise the quality-of-life, as well as the value-for-money benefits of our services.
- * Atlantic Philanthropies, who assisted us to champion the rights and needs of those living with dementia through a three-year programme of education, campaigning and information provision.
- * Our dedicated and committed staff, who provide such caring and valued support to our clients and their families and who silently go the extra mile on their behalf.

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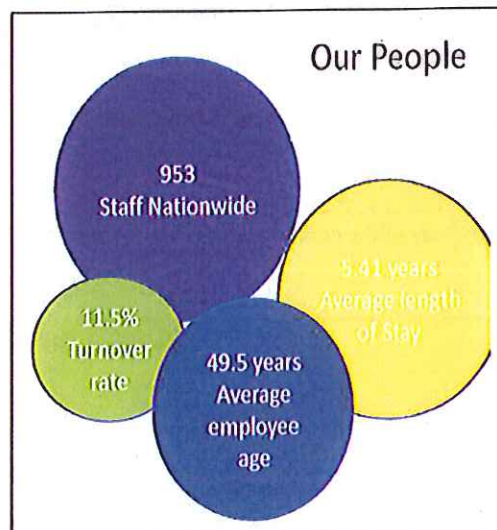
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6. Our People

ASI is committed to supporting and developing our people throughout their careers to enable them achieve excellence in terms of organisational performance and service provision. The training team continued working to implement the key elements of the three-year strategic plan. These included: the delivery of collective training needs to our 953 ASI staff nationwide in areas such as dementia specific training, manual handling, fire safety, health and safety.

ASI also conducted family carer training to 392 participants as well as reviewing and revising the structure and content of the family carer training programme for external service users.





**Director's report
for the year ended 31st December 2015**

7. Governance

In 2014, The Board adopted the Governance Code for Community, Voluntary and Charitable Organisations in Ireland, the 'Governance Code' and is working to achieve full compliance by the end of 2016.

The present membership of the Board is listed on the 'Directors and other information' page. None of the directors held any beneficial interest in the Society.

There were 8 formal Board Meetings during 2015. The Advocacy Committee was formed in May 2014 and met 2 times in 2015. The members of the committees and the number of meetings attended were as follows:

| | Board meetings | Finance & Audit sub-committee meetings | Advocacy sub- committee meetings |
|---|----------------|--|--|
| Kevin Norton (Chairman) | 8 | | |
| John Clifford | 8 | 8 | |
| David Fitzgerald | 8 | | 2 |
| Mary Gaughran | 8 | | |
| Brian Holland | 8 | 8 | |
| Tom Noonan | 8 | 8 | |
| Lillian Sullivan | 7 | | |
| James Nevin (joined board 5/10/2015) | 3 | | |
| Brendan Walshe (joined 5/10/15, resigned 14/12/15) | 1 | | |
| Tess Hogan (Retired 29/07/2015) | 4 | | |
| Kieran Healy (Resigned 01/05/2015) | 2 | | |

7.1 Risk Management and Internal Control

ASI maintains a register of the significant organisational risks that we face and how these risks are monitored and managed. Senior Management undertake regular review of our risk register and report their assessments to the Finance and Audit Committee. The major risks have been ranked by their likelihood of occurrence and their potential impact on ASI. Appropriate systems and procedures are in place to mitigate these risks.



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7.2 Principle Risks

7.2.1 Sustainability

Like many similar organisations, the ASI has been affected by the reductions in state funding over a long period of time and has had to adjust its budgets and expenditure to reflect lower levels of income. During these years of significant cuts ASI also used much of its reserves to maintain as many services as possible. This reflected the commitment ASI has to all people living with dementia, together with their carers and families. We are dependent on continued HSE funding to provide circa 70% of our current level of services and we also depend significantly on the goodwill of our public donors. We continue to be open and transparent about our services and how they are funded while aiming to maintain an appropriate level of reserves. We also continue to develop new fundraising activities and campaigns to maximize our income. We have reduced our deficit in 2015 and have set out a plan and budget to reduce it further in 2016. However, given the depletion in the cash reserves of ASI in recent years, the sustainability of all services is continuously under review. Some level of reduction in services may be unavoidable in 2016. ASI will examine all options, internal and external, and service reductions will be a last option in all cases.

7.2.2 Major Fraud and Error

Fraud or error would significantly damage the organisation's reputation as well as resulting in the loss of resources. The organisation has developed appropriate financial management and reporting systems to mitigate this risk; these systems are reviewed on a regular basis.

7.2.3 IT Security and Continuity

In common with many organisations, the ASI is dependent on several central IT and communication systems. The loss or damage of these systems could severely disrupt operations. The organization has developed IT policies and procedures to counter this risk.

7.2.4 Human Resources

ASI provides services through its trained staff and volunteers. Being able to attract and retain appropriate people is a key on-going challenge for the Society. We have developed and frequently review our human resource policies and procedures to address this risk.

7.2.5 Quality and Safety

The safety and care of clients, at all times remains our priority. Our Quality, Safety and Practice development team, along with service staff continue to improve and enhance our internal service standards through the introduction, updating and training of key policies.

The well-being of ASI's clients and its employees is safeguarded through the strict adherence to health and safety standards. The legislation imposes certain requirements on employers and the society has taken the necessary action to ensure compliance with the Act, including the adoption of a Safety policy. The Directors are satisfied that appropriate systems are in place to monitor and manage the principal risks to which the Society is exposed.



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7.3 Reserves Policy

In accordance with recommended best practice, the Board considers it appropriate that ASI should aim to maintain a revenue reserve equivalent to 90 days operating expenditure. The revenue reserve of €1,460,894 at December 2015 was sufficient to fund 27 days [as compared to 34 days in 2014] of operating expenditure and reflects the maintenance of services despite funding reductions that ASI has experienced in the last 6 years.

The funding position is improving somewhat in 2016 because of ASI securing additional HSE funding and positive fundraising trends. However, given the depletion over the last number of years, the position remains very challenging.

7.4 Important Events since the Year End

The board of ASI congratulates its CEO, Colette Kelleher, on her appointment to Seanad Éireann and wishes her every success in this important role. Her appointment is particularly timely in the context of the National Dementia Strategy launched by government last year and ASI recognises the potential of her new role to contribute to policy formation and implementation at national level. The Board has every confidence that Colette will be an influential voice in the Oireachtas for people living with dementia, their families and carers

In order to devote herself fully to this new role, Colette resigned from her position as CEO and the board is undertaking a public process to appoint a new CEO, in accordance with best practice for publicly funded organisations. Colette has volunteered to continue to contribute to the achievement of the ASI's vision for people with dementia, as a member of the board's Advocacy committee. There was no other material event affecting ASI since the year end.

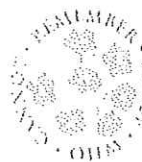
7.5 Future developments

Notwithstanding the issues referred to in 7.3 above, and in partnership with the Health Service Executive and other key stakeholders, ASI will continue to seek opportunities to review, reconfigure and develop further services throughout the country and to explore new methods of caring for and advocating for those diagnosed with dementia. The development of 'Dementia Working Groups' across the country is an excellent example in this regard.

7.6 Books of Account

The Directors acknowledge their responsibility under Sections 281 to 285 of the Companies Act 2014 to keep accounting records for ASI. We employ suitably qualified staff and operate within clearly defined policies and controls. Our books and records are kept at our registered office and at our various branches around the country.

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7.7 Taxation status

The ASI has been granted charitable status under the Taxes Consolidation Act 1997.

7.8 Political contributions

The directors, on enquiry, have satisfied themselves that no political donations have been made by ASI.

7.9 Auditors

In accordance with the Sections 380 to 385 of the Companies Act 2014, the Auditors Curran Nalty & Co, will continue in office.

This report was approved by the Board on 4th August 2016 and signed on its behalf by:

John Clifford
Director

Tom Noonan
Director

The Alzheimer Society of Ireland

Statement of Directors responsibilities for the members' financial statements

Irish company law requires the directors to prepare financial statements for each financial year. Under the law, the directors have elected to prepare the financial statements in accordance with Companies Act 2014 and Charities SORP (FRS 102) "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Issued by the Financial Reporting Council. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the surplus or deficit of the company for the financial year and otherwise comply with the Companies Act 2014.

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

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards and note the effect and the reasons for any material departure from those standards.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that The Society will continue in business.

The Directors are responsible for ensuring that The Society keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of The Society, enable at any time the assets, liabilities, financial position and surplus or deficit of The Society to be determined with reasonable accuracy, enable them to ensure that the financial statements and directors report comply with Companies Act 2014 and enable the financial statements to be audited.

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

Where financial statements are to be published on the web, the directors are responsible for the maintenance and integrity of the corporate and financial information included on The Society's website.

The Finance and Audit Committee is a sub-committee of the Board. Its function is to keep under review the adequacy, scope and effectiveness of accounting and internal controls and to review the Statutory financial statements of the Society before submission to the Board for its approval.

On behalf of the board



John Clifford
Director



Tom Noonan
Director

Date: 4/08/2016

Independent auditors report to the members of The Alzheimer Society of Ireland

We have audited the financial statements of The Alzheimer Society of Ireland for the year ended 31st December 2015 which comprise the Statement of Financial Activities, the Statement of Comprehensive Income, the Balance Sheet, the Cash Flow Statement, and the related notes. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2014 and Charities SORP (FRS 102) the Financial Reporting Standard applicable in the UK and Ireland issued by the Financial Reporting Council.

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and auditors

As explained more fully in the Directors Responsibilities Statement set out on page 18, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and otherwise comply with the Companies Act 2014. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of The Society as at 31st December 2015 and of its deficit for the year then ended; and
- have been properly prepared in accordance with the relevant reporting framework and in particular with the requirements of the Companies Act 2014.

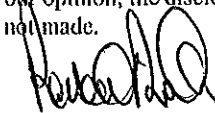
Matters on which we are required to report by the Companies Act 2014

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

- in our opinion the accounting records of The Society were sufficient to permit the financial statements to be readily and properly audited;
- the financial statements are in agreement with the accounting records;
- in our opinion the information given in the directors' report is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the provisions in the Companies Act 2014 which require us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of the Act are not made.


Peter O'Reilly
for and on behalf of
Curran Nalty and Co
Certified Public Accountants & Statutory Auditors

10 Kennelsfort Road Lower
Palmerstown
Dublin 20

Date:

04/08/2016

The Alzheimer Society of Ireland

Statement of financial activities (incorporating the income and expenditure account)

For the year ended 31st December 2015

| | | Restricted funds | Unrestricted funds | 2015 Total | 2014 Total |
|---|----------|---------------------|-----------------------|-------------------|-------------------|
| | Notes | € | € | € | € restated |
| Incoming resources | | | | | |
| Incoming resources from charitable activities | | | | | |
| Grants from government bodies and co-funders | 1.1 | 14,662,333 | - | 14,662,333 | 14,965,669 |
| Client contributions | 1.1 | - | 1,915,879 | 1,915,879 | 1,773,985 |
| Incoming resources from generating funds: | | | | | |
| Voluntary income | 1.2 | - | 2,884,608 | 2,884,608 | 2,816,874 |
| Investment Income | 1.3 | - | 13,176 | 13,176 | 56,239 |
| Other incoming resources | 1.4 | - | 54,963 | 54,963 | 24,216 |
| Exceptional other income | 1.4 | - | - | - | 1,191,300 |
| Total incoming resources | | <u>14,662,333</u> | <u>4,868,626</u> | <u>19,530,959</u> | <u>20,828,283</u> |
| Resources expended | | | | | |
| Charitable activities | 2.1 | 18,914,668 | 145,872 | 19,060,540 | 19,672,567 |
| Costs of generating funds | 2.2 | - | 578,126 | 578,126 | 513,936 |
| Governance costs | 2.3 | - | 229,455 | 229,455 | 206,231 |
| Exceptional other resources expended | 2.4 | - | - | - | 1,389,898 |
| Total resources expended | | <u>18,914,668</u> | <u>953,453</u> | <u>19,868,121</u> | <u>21,782,632</u> |
| Net incoming/(outgoing) resources for the year | 3 | <u>(4,252,335)</u> | <u>3,915,173</u> | <u>(337,162)</u> | <u>(954,349)</u> |

The statement of financial activities includes all gains and losses in the year and therefore a separate statement of total recognised gains and losses has not been prepared.

Net outgoing resources of €337,162 (2014: €755,751) relates to continuing activities. The balance of 2014 €198,598 relates to the net exceptional items outlined in Notes 1, 4 and 2, 4 to the financial statements. The 2014 results have been restated in accordance with Note 22.

The notes on pages 28 to 40 form an integral part of these financial statements.

The Alzheimer Society of Ireland

**Statement of comprehensive income
For the year ended 31 December 2015**

| | 2015 € | 2014 € restated |
|-------------------------------------|------------------|-----------------------|
| Net outgoing resources for the year | (337,162) | (954,349) |
| | <u>(337,162)</u> | <u>(954,349)</u> |

The notes on pages 28 to 40 form an integral part of these financial statements.

The Alzheimer Society of Ireland

Balance sheet
as at 31st December 2015

| | Notes | 2015 € | 2014 € restated |
|---|-------|-------------|-----------------------|
| Fixed assets | | | |
| Tangible fixed assets | 8 | 15,422,462 | 15,635,592 |
| Current assets | | | |
| Stock | 9 | 6,500 | 7,154 |
| Debtors | 10 | 741,075 | 1,012,767 |
| Bank and cash | 11 | 3,712,824 | 5,006,205 |
| | | 4,460,399 | 6,026,126 |
| Creditors: amounts falling due within one year | 12 | (2,007,944) | (3,026,143) |
| Net current assets | | 2,452,455 | 2,999,983 |
| Net assets | | 17,874,917 | 18,635,575 |
| Funds | 13 | | |
| Restricted income funds | 14 | 334,197 | 256,661 |
| Unrestricted income funds: | | | |
| Designated funds | 15 | 16,079,826 | 16,614,127 |
| General funds | 15 | 1,460,894 | 1,764,787 |
| Total unrestricted income funds | | 17,540,720 | 18,378,914 |
| Total funds | | 17,874,917 | 18,635,575 |

The financial statements were approved by the board on 4/08/2016 and signed on its behalf by


John Clifford
Director


Tom Noonan
Director

The notes on pages 28 to 40 form an integral part of these financial statements.

The Alzheimer Society of Ireland

Cash flow statement

for the year ended 31st December 2015

| | Notes | 2015 € | 2014 € restated |
|---|-------|--------------------|-----------------------|
| Net outgoing resources for the year | | (337,162) | (954,349) |
| Interest receivable | | (13,176) | (56,239) |
| Loss on disposal of fixed assets | | - | (9,576) |
| Depreciation | | 525,019 | 556,425 |
| Impairment of fixed assets | | - | 61,355 |
| Capital grants amortised | | (525,019) | (556,425) |
| Decrease in stocks | | 654 | 804 |
| Decrease/(Increase) in debtors | | 271,692 | (253,832) |
| (Decrease)/Increase in creditors | | (1,044,619) | 1,147,117 |
| Net cash from operating activities | | (1,122,611) | (64,720) |
| Returns on investments and servicing of finance | 19 | 13,176 | 56,239 |
| Capital expenditure | 19 | (311,888) | (239,350) |
| | | (1,421,323) | (247,831) |
| Financing and other fund movements | 19 | (101,524) | (1,207,421) |
| (Decrease)/Increase in cash in the year | | (1,319,799) | (1,455,252) |
| Reconciliation of net cash flow to movement in net funds | 20 | | |
| (Decrease)/Increase in cash in the year | | (1,319,799) | (1,455,252) |
| Net funds at 1 January 2015 | | 5,006,205 | 6,461,457 |
| Net funds at 31 December 2015 | | 3,686,406 | 5,006,205 |

The Alzheimer Society of Ireland

Statement of accounting policies

For the year ended 31 December 2015

Basis of preparation

These financial statements have been prepared in compliance with the Charities SORP (FRS 102), 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

The entity transitioned from previous Irish GAAP to FRS 102 as at 1st January 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 22.

The activities relating to DSP schemes, where The Society is effectively liable for the shortfall arising on the running of these schemes, are included in the accounts of The Society. The Board has determined that as The Society is the guarantor of these schemes and ultimately responsible for their management through National Office and its branches, that the results should be reflected in the accounts of The Society. These schemes are independently audited by local auditors. The accounting policy adopted by The Society is that income from the schemes is included in the accounts when received.

The financial statements include the assets, liabilities and funds of The Society and its branches. The accounts for some branches have been locally audited by independently registered auditors.

The financial statements are prepared in Euro, which is the functional currency of the entity.

Tangible assets

Tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses.

Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in capital and reserves, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold and long leasehold in excess of 50 years - 2% straight line

Leasehold properties less than 50 years - Straight line over the deemed life of the lease

Equipment & fittings - 20% Straight line

Motor vehicles - 20% Straight line

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

The notes on pages 28 to 40 form an integral part of these financial statements.

The Alzheimer Society of Ireland

Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stocks to their present location and condition.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants are received prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Restricted and unrestricted funds

Restricted funds

Restricted funds represents income, which has been received and recognised in the financial statements, which is subject to specific conditions imposed by the donors or grant making institutions. Donations or grants may become repayable in the event that the conditions of the related agreements are not adhered to. These funds are not available for the general purposes of The Society.

Unrestricted funds

Designated funds: these represent amounts that The Society may, at its discretion, set aside for specific purposes which would otherwise form part of the general reserves of the charity. These include funds received in respect of capital grants and projects.

General funds: these represent amounts which can be used at the discretion of The Society, in furtherance of the objects of the charity. Such funds may be held in order to finance working capital, capital investment or new services.

The notes on pages 28 to 40 form an integral part of these financial statements.

The Alzheimer Society of Ireland

Incoming resources

All incoming resources are included in the statement of financial activities when The Society is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Operating grant income which is recorded on an accrual basis, relates to grants primarily from the Health Services Executive and other Governmental organisations and is credited to income in the year that the related expenditure is incurred.

Fund raising, donations and carer's income, are credited to income in the year in which they are received by The Society. Expenses related to fund raising projects are charged to expenses in the year in which the expenditure is incurred. Fund raising received for designated revenue expenditure is credited to income when the designated expenditure has occurred. Fund raising received and designated for specific projects is taken to capital reserves when the related capital expenditure has been incurred or capital projects where the related capital expenditure has yet to be incurred.

Income received which has been specifically designated by the donor for research is transferred to research funds until such time as the research expenditure has been incurred.

Income from investments is included in the year in which it is receivable.

Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Expenditure is analysed between resources expended on charitable activities, governance costs, the cost of generating funds and other costs.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Costs of generating funds comprise the costs associated with attracting voluntary income.

Defined contribution pension plans

Contributions to defined contribution pension plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss

Research and development

Research expenditure is written off in the year in which it is incurred.

Operational Leases

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

The notes on pages 28 to 40 form an integral part of these financial statements.

The Alzheimer Society of Ireland

Capital reserves and capital projects

The capital reserves represent grants received from funders, other donations and fund raising applied towards the acquisition of tangible fixed assets and may be repayable under certain circumstances. These grants are amortised to the statement of financial activities on the same basis as the related assets.

Capital projects represent grants received from funders, other specific donations and specific fund raising to be applied towards the acquisition of certain specified tangible fixed assets.

Judgements and key sources of estimation uncertainty

In determining the carrying amounts of certain assets and liabilities, the Board makes assumptions of the effects of uncertain future events on those assets and liabilities at the Balance Sheet date. The estimates and assumptions used by the Board are based on past experience and expectation of future events and are reviewed periodically.

Taxation

No charge for current or deferred taxation arises as the Society has been granted charitable status under the Tax Acts.

The notes on pages 28 to 40 form an integral part of these financial statements.

The Alzheimer Society of Ireland

Notes to the financial statements for the year ended 31st December 2015

1. Incoming resources

1.1. Incoming resources from charitable activities

| | Restricted funds € | Unrestricted funds € | 2015 Total € | 2014 Total € |
|---|--------------------------|----------------------------|--------------------|--------------------|
| Grants from government bodies and co-funders | | | | |
| HSE grants | 11,084,677 | - | 11,084,677 | 11,096,790 |
| Lottery grants | 74,782 | - | 74,782 | 124,831 |
| Other grants | 543,836 | - | 543,836 | 638,924 |
| DSP CE scheme income | 2,619,038 | - | 2,619,038 | 2,522,317 |
| Research grants | - | - | - | 136,807 |
| Atlantic Philanthropies | 340,000 | - | 340,000 | 446,000 |
| | <u>14,662,333</u> | <u>-</u> | <u>14,662,333</u> | <u>14,965,669</u> |
| Client contributions | | | | |
| Client contributions | - | 1,915,879 | 1,915,879 | 1,773,985 |
| | <u>-</u> | <u>1,915,879</u> | <u>1,915,879</u> | <u>1,773,985</u> |

1.2. Voluntary income

| | Unrestricted funds € | 2015 Total € | 2014 Total € |
|----------------------|----------------------------|--------------------|--------------------|
| Donations | 268,006 | 268,006 | 450,604 |
| Fund raising income | 2,616,602 | 2,616,602 | 2,290,451 |
| Donations - research | - | - | 75,819 |
| | <u>2,884,608</u> | <u>2,884,608</u> | <u>2,816,874</u> |

1.3. Investment Income

| | Restricted funds € | Unrestricted funds € | 2015 Total € | 2014 Total € |
|--------------------------|--------------------------|----------------------------|--------------------|--------------------|
| Bank interest receivable | - | 13,176 | 13,176 | 56,239 |
| | <u>-</u> | <u>13,176</u> | <u>13,176</u> | <u>56,239</u> |

The Alzheimer Society of Ireland

Notes to the financial statements for the year ended 31st December 2015

1.4. Other incoming resources

| | Restricted funds € | Unrestricted funds € | 2015 Total € | 2014 Total € |
|--------------------------|--------------------------|----------------------------|--------------------|--------------------|
| Other income | - | 54,963 | 54,963 | 24,216 |
| | - | 54,963 | 54,963 | 24,216 |
| Exceptional other income | - | - | - | 1,191,300 |
| | - | 54,963 | 54,963 | 1,215,516 |

The 2014 other exceptional income relates to the release of a capital provision of €1,041,300 to offset the exceptional expenditure in that year and the other exceptional income of €150,000 relates to proceeds of an insurance claim.

2. Resources expended

2.1. Costs of charitable activities

| | Restricted funds € | Unrestricted funds € | 2015 Total € | 2014 Total € restated |
|---------------------------------|--------------------------|----------------------------|--------------------|--------------------------------|
| Care services | | | | |
| Staff costs | 14,386,536 | - | 14,386,536 | 14,765,783 |
| Service activity costs | 1,814,294 | - | 1,814,294 | 1,680,531 |
| Establishment costs | 789,961 | - | 789,961 | 769,363 |
| Transport costs | 872,870 | - | 872,870 | 950,669 |
| Office costs | 384,839 | 125,440 | 510,279 | 638,463 |
| | <u>18,248,500</u> | <u>125,440</u> | <u>18,373,940</u> | <u>18,804,809</u> |
| Advocacy & awareness | | | | |
| Staff costs | 282,304 | - | 282,304 | 262,582 |
| Promotional activity costs | 200,459 | 20,432 | 220,891 | 358,797 |
| Other advocacy costs | 34,896 | - | 34,896 | 33,753 |
| | <u>517,659</u> | <u>20,432</u> | <u>538,091</u> | <u>655,132</u> |
| Research | | | | |
| Staff costs | 86,996 | - | 86,996 | 104,449 |
| Research activity costs | 52,391 | - | 52,391 | 104,604 |
| Other research costs | 9,122 | - | 9,122 | 3,573 |
| | <u>148,509</u> | <u>-</u> | <u>148,509</u> | <u>212,626</u> |
| | <u>18,914,668</u> | <u>145,872</u> | <u>19,060,540</u> | <u>19,672,567</u> |

The Alzheimer Society of Ireland

Notes to the financial statements for the year ended 31st December 2015

2.2. Cost of generating voluntary income

| | Restricted funds € | Unrestricted funds € | 2015 Total € | 2014 Total € |
|-----------------------------|-----------------------------------|-------------------------------------|-----------------------------|-----------------------------|
| Fundraising expenses | | | | |
| Staff costs | - | 244,101 | 244,101 | 212,281 |
| Campaign costs | - | 321,340 | 321,340 | 287,100 |
| Other fundraising costs | - | 12,685 | 12,685 | 14,555 |
| | <u>-</u> | <u>578,126</u> | <u>578,126</u> | <u>513,936</u> |

2.3. Governance costs

| | Restricted funds € | Unrestricted funds € | 2015 Total € | 2014 Total € |
|-------------------------|-----------------------------------|-------------------------------------|-----------------------------|-----------------------------|
| Staff costs | - | 186,652 | 186,652 | 162,972 |
| Direct governance costs | - | 37,899 | 37,899 | 38,455 |
| Other governance costs | - | 4,904 | 4,904 | 4,804 |
| | <u>-</u> | <u>229,455</u> | <u>229,455</u> | <u>206,231</u> |

2.4. Other resources expended

| | Restricted funds € | 2015 Total € | 2014 Total € |
|--------------------------------------|-----------------------------------|-----------------------------|-----------------------------|
| Exceptional other resources expended | - | - | 1,389,898 |
| | <u>-</u> | <u>-</u> | <u>1,389,898</u> |

The 2014 Exceptional other resources expended of €1,328,543 relate to resolution of a dispute with the builders of The Society's facilities at Blackrock, Co. Dublin. The other exceptional cost of €61,355 for 2014 relates to the impairment of a lease interest.

The Alzheimer Society of Ireland

Notes to the financial statements for the year ended 31st December 2015

3. Net outgoing resources for the year

| | 2015 € | 2014 € |
|--|-----------|-----------|
| Net outgoing resources is stated after charging: | | |
| Depreciation and other amounts written off tangible fixed assets | 525,019 | 556,425 |
| Operating lease rentals | | |
| - Land and buildings | 197,733 | 231,988 |
| Auditors' remuneration | 37,899 | 38,455 |
| and after crediting: | | |
| Profit on disposal of tangible fixed assets | - | (9,576) |
| Capital grants amortised | (525,019) | (556,425) |
| Exceptional credits | - | 1,191,300 |

4. Taxation

No charge to taxation arises as The Society has been granted exemption under the Taxes Consolidation Act 1997.

5. Directors' emoluments

| | 2015 € | 2014 € |
|-----------------|-----------|-----------|
| Directors' fees | - | - |

It is the policy of The Society that no remuneration is paid to Directors. All services rendered by Directors are voluntary.

Expenses directly incurred by the Directors in the discharge of their duties as Directors of The Society are reimbursed, if claimed, and amounted to €Nil (2014: €308).

The Alzheimer Society of Ireland

Notes to the financial statements for the year ended 31st December 2015

6. Employees

| Employment costs | 2015 € | 2014 € |
|---------------------------------------|-------------------|-------------------|
| Wages and salaries | 11,297,944 | 11,610,437 |
| Social welfare costs | 1,129,685 | 1,166,863 |
| Pension costs | 97,011 | 96,947 |
| DSP scheme wages | 2,367,745 | 2,309,921 |
| DSP scheme wages social welfare costs | 48,449 | 49,250 |
| Other costs | 245,755 | 142,119 |
| | <u>15,186,589</u> | <u>15,375,537</u> |

Number of employees

The number of employees who earned salaries of more than €50,000 during the year was as

| | 2015 Number | 2014 Number |
|----------------------|----------------|----------------|
| €50,001 to €60,000 | 8 | 4 |
| €60,001 to €70,000 | 3 | 5 |
| €70,001 to €80,000 | 3 | 1 |
| €80,001 to €90,000 | 2 | 2 |
| €90,001 to €100,000 | - | - |
| €100,001 to €110,000 | <u>0</u> | <u>1</u> |

In the salary banding section €100,000 to €110,000, no employee earned this salary in 2015. This was due to the change in personnel of the office of Chief Executive during the year. Should no change have taken place, this figure would be 1 as the annual salary of the Chief Executive for a full year is €110,000.

The average monthly number of employees during the year, calculated on the basis of full time equivalents, was as follows:

| | 2015 Number | 2014 Number |
|----------------------|----------------|----------------|
| Care staff | 422 | 411 |
| Administration staff | 35 | 39 |
| | <u>457</u> | <u>450</u> |

The staff numbers based on a full headcount of all employees including relief staff are as follows:

| | 2015 Number | 2014 Number |
|-------|----------------|----------------|
| Staff | <u>953</u> | <u>991</u> |

The Alzheimer Society of Ireland

Notes to the financial statements for the year ended 31st December 2015

7. Pension costs

The Society operates a defined contribution pension scheme. The scheme and its assets are held by independent managers. The pension charge represents contributions payable by The Society and amounted to €97,011 (2014 - €96,947).

The Alzheimer Society of Ireland

Notes to the financial statements for the year ended 31st December 2015

| 8. Tangible fixed assets | Land and buildings Freehold/ Long lease | Short leasehold property | Equipmt and fittings | Motor vehicles | Total |
|---------------------------------|---|--------------------------|----------------------|------------------|-------------------|
| | € | € | € | € | € |
| Cost | | | | | |
| At 1 January 2015 | 16,632,077 | 1,565,701 | 1,479,331 | 1,292,756 | 20,969,865 |
| Additions/Adjustments | 281,669 | 15,537 | 14,682 | - | 311,888 |
| At 31 December 2015 | <u>16,913,746</u> | <u>1,581,238</u> | <u>1,494,013</u> | <u>1,292,756</u> | <u>21,281,753</u> |
| Depreciation | | | | | |
| At 1 January 2015 | 2,301,518 | 511,433 | 1,387,400 | 1,133,922 | 5,334,273 |
| Charge for the year | 331,705 | 71,276 | 56,165 | 65,872 | 525,018 |
| At 31 December 2015 | <u>2,633,223</u> | <u>582,709</u> | <u>1,443,565</u> | <u>1,199,794</u> | <u>5,859,291</u> |
| Net book values | | | | | |
| At 31 December 2015 | <u>14,280,523</u> | <u>998,529</u> | <u>50,448</u> | <u>92,962</u> | <u>15,422,462</u> |
| At 31 December 2014 | <u>14,330,559</u> | <u>1,054,268</u> | <u>91,931</u> | <u>158,834</u> | <u>15,635,592</u> |
| In respect of prior year | | | | | |
| Cost | | | | | |
| At 1st January 2014 | 16,859,358 | 1,276,701 | 1,469,816 | 1,257,770 | 20,863,645 |
| Additions/adjustments | (159,110) | 289,000 | 10,750 | 108,286 | 248,926 |
| Impairment | (68,171) | - | - | - | (68,171) |
| Disposals | - | - | (1,235) | (73,300) | (74,535) |
| At 31st December 2014 | <u>16,632,077</u> | <u>1,565,701</u> | <u>1,479,331</u> | <u>1,292,756</u> | <u>20,969,865</u> |
| Depreciation | | | | | |
| At 1st January 2014 | 1,977,028 | 463,187 | 1,315,292 | 1,103,692 | 4,859,199 |
| Charge for the year | 331,306 | 48,246 | 73,343 | 103,530 | 556,425 |
| On disposals | - | - | (1,235) | (73,300) | (74,535) |
| Impairment deprn. | (6,816) | - | - | - | (6,816) |
| At 31st December 2014 | <u>2,301,518</u> | <u>511,433</u> | <u>1,387,400</u> | <u>1,133,922</u> | <u>5,334,273</u> |
| Net book values | | | | | |
| At 31st December 2014 | <u>14,330,559</u> | <u>1,054,268</u> | <u>91,931</u> | <u>158,834</u> | <u>15,635,592</u> |
| At 31st December 2013 | <u>14,882,330</u> | <u>813,514</u> | <u>154,524</u> | <u>154,078</u> | <u>16,004,446</u> |

In the opinion of the Directors, the service potential of the tangible fixed assets are considered to be not less than the net book values stated above.

As stated in Note 18, contingent liabilities, the Health Services Executive holds mortgages against certain of the above properties with an initial value of €2,936,000. These mortgages are by way of charge only, and are not repayable except in certain specified circumstances. The purchase, by The Society, of the site at Blackrock, Co. Dublin was subject to a covenant stating that if The Society wishes to transfer, assign or sub-let the premises within 21 years from 2008, it requires the consent of the Minister of Finance.

The Society through its Meath Branch holds an option to complete the title over lands at Navan, Co. Meath by way of purchase at an ascertained price of €50,790 plus Consumer Price Index. No amount has been included above in respect of this option.

The 2014 comparative figures above have been reclassified to show the impairment on a gross basis.

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Notes to the financial statements for the year ended 31st December 2015

| | | |
|---|------------------|------------------|
| 9. Stock | 2015 | 2014 |
| | € | € |
| Finished goods | <u>6,500</u> | <u>7,154</u> |
| 10. Debtors | 2015 | 2014 |
| | € | € |
| Debtors | 724,595 | 986,197 |
| Prepayments | <u>16,480</u> | <u>26,570</u> |
| | <u>741,075</u> | <u>1,012,767</u> |
| 11. Cash at bank and in hand | 2015 | 2014 |
| | € | € |
| General balances held by National Office/Branches | 2,721,447 | 3,771,009 |
| Amounts held for research | 334,197 | 256,661 |
| Amounts held for capital projects | <u>657,180</u> | <u>978,535</u> |
| | <u>3,712,824</u> | <u>5,006,205</u> |
| 12. Creditors: amounts falling due within one year | 2015 | 2014 |
| | € | € |
| | | restated |
| Creditors | 535,737 | 1,464,395 |
| PAYE/PRSI | 236,528 | 246,129 |
| Deferred income | 455,714 | 525,357 |
| Accruals | <u>753,547</u> | <u>790,262</u> |
| Bank overdraft | 26,418 | - |
| | <u>2,007,944</u> | <u>3,026,143</u> |

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**Notes to the financial statements
for the year ended 31st December 2015**

13. Analysis of net assets between funds

| | 2015 € | 2014 € restated |
|--|-------------------|-----------------------|
| | Total funds | Total funds |
| Fund balances at 31 December 2015 as represented by: | | |
| Tangible fixed assets | 15,422,462 | 15,635,592 |
| Current assets | 4,460,399 | 6,026,126 |
| Current liabilities | (2,007,944) | (3,026,143) |
| | <u>17,874,917</u> | <u>18,635,575</u> |

14. Restricted funds

| | At 1st Jan 2015 € | Incoming resources € | Outgoing resources € | At 31st Dec 2015 € |
|----------------|----------------------------|----------------------------|----------------------------|-----------------------------|
| Research funds | <u>256,661</u> | <u>77,536</u> | <u>-</u> | <u>334,197</u> |

15. Unrestricted funds

| | At 1st Jan 2015 € restated | Incoming resources € | Outgoing resources € | At 31st Dec 2015 € |
|---------------------------|--|----------------------------|----------------------------|-----------------------------|
| Designated funds | | | | |
| Capital grants & reserves | 15,635,592 | 312,073 | 525,019 | 15,422,646 |
| Capital projects | 978,535 | - | 321,355 | 657,180 |
| | <u>16,614,127</u> | <u>312,073</u> | <u>203,664</u> | <u>16,079,826</u> |
| General funds | | | | |
| Revenue reserve | 1,764,787 | 33,269 | (337,162) | 1,460,894 |
| | <u>1,764,787</u> | <u>33,269</u> | <u>(337,162)</u> | <u>1,460,894</u> |

The incoming resource in revenue reserves of €33,269 refers to a release back to revenue reserves from funds that had been designated for Capital projects.

The Alzheimer Society of Ireland

Notes to the financial statements for the year ended 31st December 2015

16. Financial commitments

At 31 December 2015 the company had annual commitments under non-cancellable operating leases as follows:

| | Land and buildings | |
|----------------------------|--------------------|----------------|
| | 2015 | 2014 |
| | € | € |
| Expiry date: | | |
| Within one year | 194,608 | 231,988 |
| Between one and five years | 92,245 | 92,245 |
| In over five years | - | - |
| | <u>286,853</u> | <u>324,233</u> |

17. Capital commitments

| | 2015 | 2014 |
|---|----------|----------------|
| | € | € |
| Details of capital commitments at the accounting date are as follows: | | |
| Committed for but not executed for in the financial statements | <u>-</u> | <u>492,535</u> |

18. Contingent liabilities

The Society has received capital grants in respect of the acquisition of certain assets and in the event that The Society should cease to use the properties or in the case of other specified breaches of the grant agreement, these grants could become repayable in part or in whole.

In addition, the Health Services Executive, the principal provider of such grants, has registered mortgages/undertakings in respect of grants over specified properties amounting to €2,936,000 at 31st December 2015 (2014: €2,936,000). This sum is included in capital reserves.

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Notes to the financial statements for the year ended 31st December 2015

19. Gross cash flows

| | 2015 € | 2014 € |
|--|------------------|--------------------|
| Returns on investments and servicing of finance | | |
| Interest received | 13,176 | 56,239 |
| | <u>13,176</u> | <u>56,239</u> |
| Capital expenditure | | |
| Payments to acquire tangible assets | (311,888) | (248,926) |
| Receipts from sales of tangible assets | - | 9,576 |
| | <u>(311,888)</u> | <u>(239,350)</u> |
| Financing and other fund movements | | |
| Capital grants received/ Capital projects transfers | (20,500) | 1,059,925 |
| Movement on research reserve | (77,536) | (67) |
| Fund raising used to purchase fixed assets | (3,488) | (147,429) |
| | <u>101,524</u> | <u>(1,207,421)</u> |

20. Analysis of changes in net funds

| | Opening balance € | Cash flows € | Closing balance € |
|--------------------------|-------------------------|--------------------|-------------------------|
| Cash at bank and in hand | 5,006,205 | (1,293,381) | 3,712,824 |
| Overdraft | - | (26,418) | (26,418) |
| | <u>5,006,205</u> | <u>(1,319,799)</u> | <u>3,686,406</u> |
| Net funds | <u>5,006,205</u> | <u>(1,319,799)</u> | <u>3,686,406</u> |

21. Going concern

The directors are conscious of the fragile nature of the Society's financial position in a number of services and of the fact that the Society has incurred an operating deficit in recent years as it maintained service levels for existing clients, despite cut-backs in funding, and responded as positively as possible to the pressing needs of new clients.

Significant progress has been made in reducing the operating deficit during 2015 and continuing improvements are indicated for 2016. It is the ambition of the Board not to reduce service levels but it will have no option but to do so if additional HSE funding, together with improved fundraising does not materialise.

Having reviewed the outlook for the Society over the next twelve months, the directors have satisfied themselves that the management plans to match service levels to the funding available are sufficiently robust to justify completion of these accounts on a going concern basis.

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Notes to the financial statements for the year ended 31st December 2015

22. Transition to FRS 102

FRS 102 was introduced for accounting periods beginning on or after 1st January 2015 and these are the first financial statements that comply therewith. The financial adjustments relative to the year 2014 as a consequence of this introduction are shown below.

Reconciliation of reserves

| | FRS 102 | Previously stated | Effect of transition | FRS 102 (restated) |
|--|--------------------|----------------------|-------------------------|-----------------------|
| | At 1st Jan 2014 | 31st Dec 2014 | 31st Dec 2014 | 31st Dec 2014 |
| | € | € | € | € |
| Fixed Assets | 16,004,446 | 15,635,592 | - | 15,635,592 |
| Current assets | 7,228,350 | 6,026,126 | - | 6,026,126 |
| Creditors amounts falling due within one year | (1,879,026) | (2,902,696) | 123,447 | 3,026,143 |
| Net current assets | 21,353,770 | 18,759,022 | (123,447) | 18,635,575 |
| Total assets less current liabilities | 21,353,770 | 18,759,022 | (123,447) | 18,635,575 |
| Total funds | 21,353,770 | 18,759,022 | (123,447) | 18,635,575 |

Reconciliation of Income & expenditure for the year

| | Previously stated 31st Dec 2014 | Effect of transition 31st Dec 2014 | FRS 102 (restated) 31st Dec 2014 |
|-------------------------------------|--|---|---|
| | € | € | € |
| Incoming resources | 20,828,283 | | 20,828,283 |
| Resources expended | (21,659,185) | (123,447) | (21,782,632) |
| Net outgoing resources for the year | (830,902) | (123,447) | (954,349) |

Under Irish GAAP, provisions for holiday pay accruals were not recognised and holiday pay was charged to the income and expenditure as it was paid. FRS 102 requires short term employee benefits to be recognised as the employee service is received. The impact of this resulted in the Society recognising a liability of €123,447 in 2014.

23. Related party transactions

The total amount paid to key management personnel (Senior management team) including Employer PRSI and pension contributions was €572,562 (2014 €505,917). The Society provides annual administration services at nil charge for three dormant companies. The companies are Alzheimer Association (Research) Limited, ASI Housing Association Limited and Alzheimer Society of Ireland Home Support Limited. There were no other related party transactions.

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Notes to the financial statements for the year ended 31st December 2015

24. Company limited by guarantee

The Alzheimer Society of Ireland is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding €1.27 to the assets of the charitable company in the event of its being wound up while he or she is a member.

25. Accounting Periods

The current accounts are for the full year, 2015. The comparative accounts are for the full year, 2014.


26. Comparative Figures

Comparative figures have been restated as per Note 22 to comply with FRS 102. Otherwise where necessary, comparative figures have been regrouped on a basis consistent with the current year.

27. Approval of financial statements

The financial statements were approved by the Board on 4/08/2016 and signed on its behalf by


John Clifford
Director


Tom Noonan
Director