

Company registration number: 02980817

Charity registration number: 1045517

DEMENTIA MATTERS

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2020

Dementia Matters

Contents

Reference and Administrative Details	1 to 2
Trustees' Report	3 to 16
Independent Auditors' Report	17 to 19
Statement of Financial Activities	20
Statement of Financial Activities	21
Balance Sheet	22
Statement of Cash Flows	23
Notes to the Financial Statements	24 to 38

Dementia Matters

Reference and Administrative Details

Trustees

Lee Ali
Paul Bell
Rosalind Dougal
Russell Ward
Lisa Davidson (appointed 30 April 2019 and resigned 25 November 2019)
Michelle Donnan (appointed 30 April 2019)
Beverley Reid (appointed 30 April 2019 and resigned 1 December 2020)
Susan Abley (resigned 20 May 2019)
Moirra Livingston (resigned 24 June 2019)
John Lee (resigned 24 June 2019)
David Lovenbury (appointed 25 November 2019)
Keith Salton (appointed 30 January 2020 and resigned 19 November 2020)
Kieran Porter (appointed 15 December 2020)

Key Management Personnel

Beverley Reid (appointed 3 December 2020)
Andrew Howie (appointed 25 October 2019)
Lindy Greenwood
Hannah Stevens
Rachel Fox
Dr Fraser Quin (resigned 30 November 2020)
Mark Hindmarsh (resigned 30 September 2019)
Mark Whitfield (resigned 3 May 2019)

Principal Office

The Bradbury Centre
Darrell Street
Brunswick Villiage
Newcastle upon Tyne
NE13 7DS

The charity is incorporated in England and Wales.

Dementia Matters

Reference and Administrative Details

Company Registration Number 02980817

Charity Registration Number 1045517

Bankers Nationwide Building Society
Northampton
Northampton
NN3 6NW

Barclays Bank Plc
Birmingham
UK Banking Service Centre
PO Box 299
Birmingham
B1 3PF

Auditor MHA Tait Walker
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

Dementia Matters

Trustees' Report

Chairman's Statement

2019/20 was a year of transition for Dementia Matters, in which the changes from 2018/19 were consolidated, and we continued to extricate ourselves from projects that were no longer in the best interests of the Charity, to progress Dementia Matters onwards for the future. Whilst the Charity continued to make a loss in this period, this was expected; and part of the wider plan to consolidate services and in readiness for 2020.

Social care funding has continued to be a national challenge and whilst this impacted on activity levels with some of our contracts we were delighted to raise circa £100k in external funding to develop a new day care service in Northumberland at Cramlington. This service opened in early 2020 and reflects a continued support for day services in Northumberland.

Despite the uncertainty around funding and all that this entails, we remain committed to our purpose. We are focused on quality and sustainability to allow as many people as possible to benefit from our quality services and support. The Trustees and management team in Dementia Matters are proposing an ambitious plan, which will be fully funded from external sources, to achieve our aims and objectives as a charity. This work commenced in 2019 and will continue throughout 2020.

Our vision is challenging, will take time to achieve and will require us to work in partnership and in collaboration with other agencies. Our growth and diversification strategy requires internal change and external expansion, both geographically and financially throughout the region. Our aim will be to continue to investigate the potential to develop substantial new projects across the north east and where appropriate, the partnerships to deliver them.

Our vision is to ensure the Charity continues as a provider of quality services alongside developing our role as a strategic partner and influencer. We are a specialist provider of dementia care and are well placed to contribute to local and national agendas and policy associated with the ageing population.

In terms of our traditional services, we continue to support over 400 people each year across a range of services: in their own homes; in our dementia-specialist day centres; and our residential respite centre.

The Newcastle Dementia Advice Centre, which was opened in 2018 has continued to provide an advisory and support service in Newcastle and Gateshead, and this made great strides in 2019. The project is funded for three years by the Ballinger Charitable Trust and is staffed by our second Admiral Nurse, co-funded by Dementia UK. This project runs through to 2021 and we continue to seek external funding for the project. In April 2020 we secured £10k from the National Lottery Community Fund to support the project.

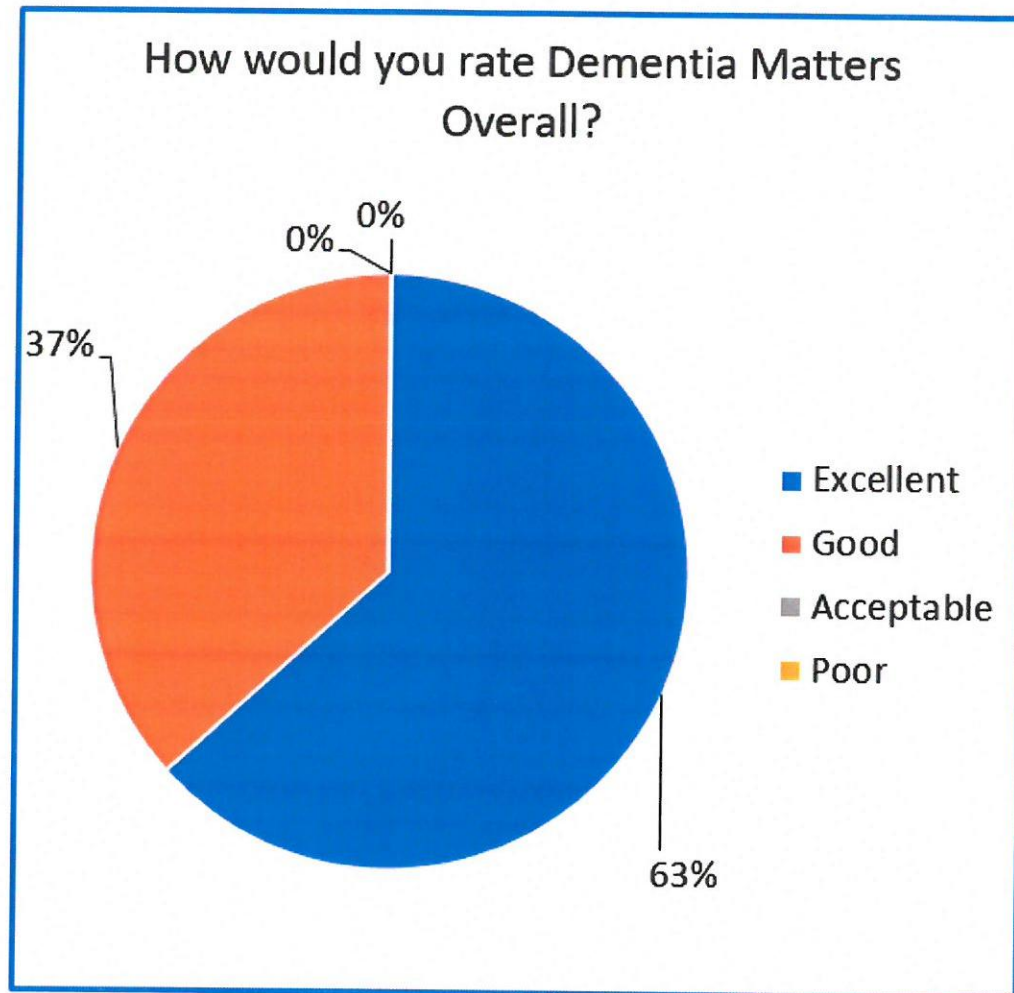
In November 2019 we once more undertook our annual feedback survey and I am pleased to report that 100% of respondents rated our services as either Good or Excellent, with more people than last year now rating our services as Excellent. Specific comments received included:

Dementia Matters

Trustees' Report

"I don't know what I would have done without the great team at Dementia Matters".

"My Dad loved Day Care and the staff really were wonderful".

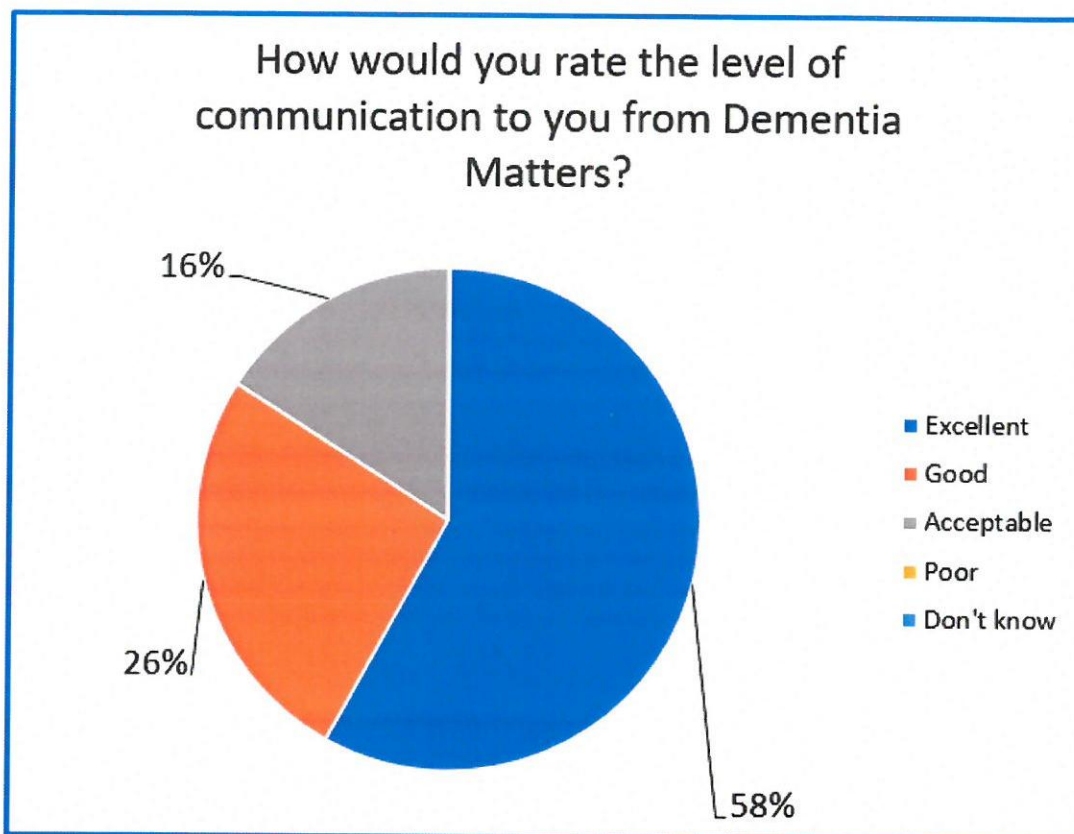


These comments are reflected in the results of our survey this year, with no negative comments regarding service provision reported, as opposed to 2% negative last year.

Service users in general feel well communicated with, 84% feeling communication was excellent or good. With 16% reporting communication as acceptable, we recognise there is still work to be done in this area.

Dementia Matters

Trustees' Report



Our greatest asset in Dementia Matters continues to be our experienced, highly trained, dedicated staff. On behalf of the Trustees, I would like to thank all the staff for their dedication and hard work throughout the last year.

We have always recognised that the highest quality of specialist dementia care can only be delivered if we invest in training and support our staff to provide the best facilities in which to provide care. We are currently aiming to become 100% compliant with training across all staff and all services. Similarly, staff satisfaction has risen significantly with 100% of staff reporting that they are proud to work for Dementia Matters, and 99% of staff reporting that they feel valued by Dementia Matters.

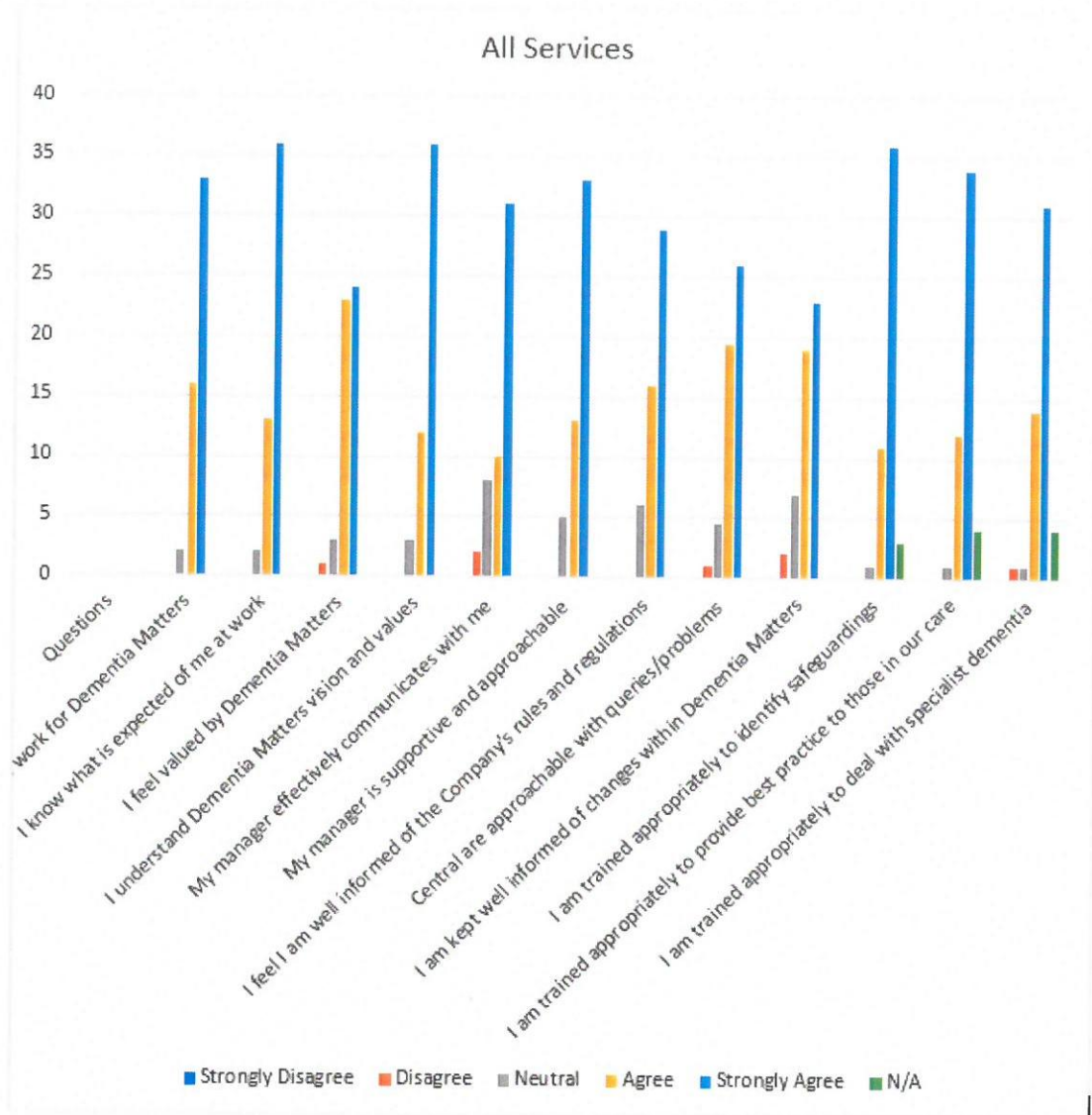
A great deal of work has been carried out this year around communication and culture. We have created a no blame culture based on honesty and openness. This work has been recognised by staff in their feedback to the survey, and in the comments made:

"I really feel there's been big steps forward in terms of culture and the openness of the central team. Everyone works together with the best interests of the charity and those we support at the heart of everything".

96% of staff reported that their manager communicated effectively with them. The presentation below indicates a significant improvement in staff satisfaction from the previous year and again, this is something that the Central Team has worked very hard to achieve.

Dementia Matters

Trustees' Report

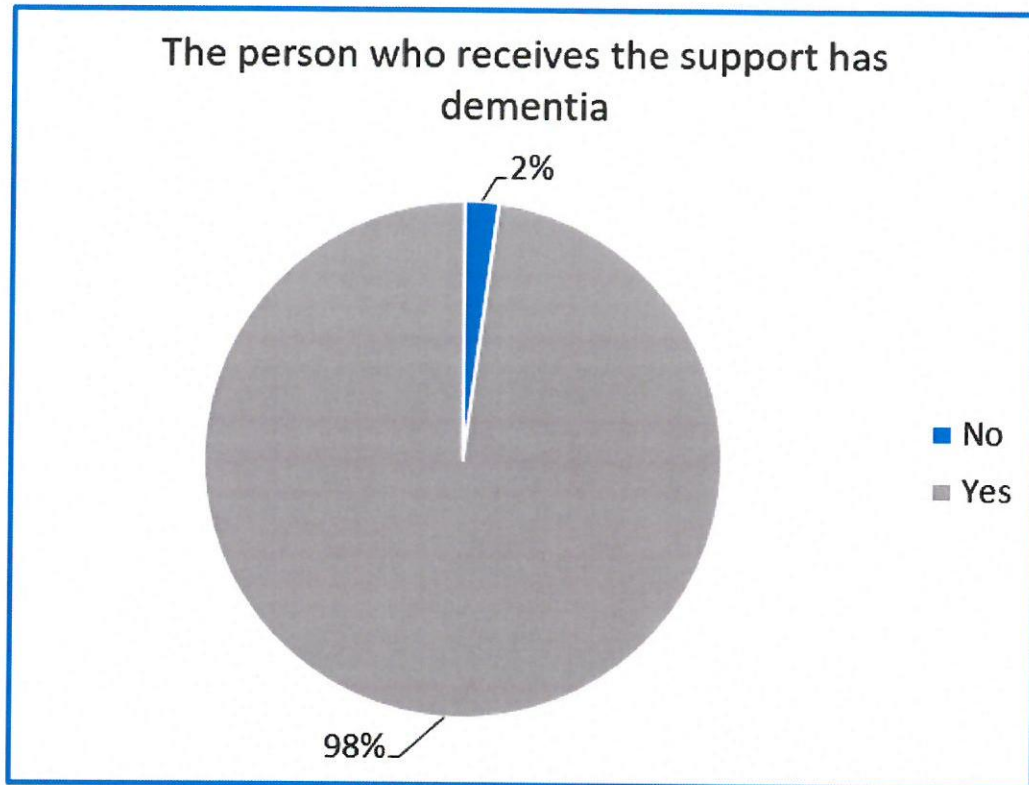


As part of our strategic development plan we are reviewing all of the training we currently provide and will explore new technologies and new opportunities for innovative training for our staff. This work will continue into 2020. All training is being cross referenced against other care providers to ensure that our mandatory training was in line with other providers in the sector.

What differentiates Dementia Matters from other service providers is in the additional training we provide around dementia awareness, behaviour management, intervention techniques, and so on. Unlike other service providers in the region, we are almost exclusively dementia specific, whereas other centres are older person specific, as illustrated below.

Dementia Matters

Trustees' Report



The 2% of service users who do not have a diagnosis of dementia have acquired brain injury. This cements our position as the only specialist provider of dementia services in the North East of England.

As a Charity, we have shown a decline in income due to external policy changes, and withdrawing from unsustainable contracts but we continue to look at options to develop the Bradbury Centre to expand on the services offered for those with dementia. The Bradbury Centre represents an asset of circa £2.4 million and as such gives us opportunities to raise funds to develop the centre, potentially around more residential services where demand remains high. Development costs for this project are in the region of £500k and we continue to explore options around this with the Trustees and external grant awarding bodies.

Governance at Dementia Matters remains very strong, with a committed group of Trustees and an effective Committee structure. The Committees offer direct scrutiny and support for the Executive team and this structure has proved to be very effective. The Committees are:

Care and Colleagues - Russell Ward
Risk - Paul Bell
Finance and Audit - Michelle Donnan
Projects Committee (Ad Hoc) - Michelle Donnan

Dementia Matters

Trustees' Report

Russell Ward and Michelle Donnan also act as welfare representatives on behalf of Trustees for the Executive team. This was requested by the senior team and is a very welcomed addition to Governance and pastoral care.

With the departure of Professor Moira Livingston at the start of this reporting period, Lee Ali stepped in as Acting Chair. A new Chair, Keith Salton, was appointed in early 2020, with Lee reverting to Acting Chair once more from November 2020.

The Charity is benefitting from the wealth of experience and steer of Bev Reid, who resigned as Trustee in December 2020 in order to support the Charity as Interim CEO, following the resignation of Dr Fraser Quin in November 2020.

The Board would like to express its thanks to Fraser and Keith during their tenure with the Charity and for their leadership through what has been an unprecedented year. With the addition of a new trustee in December 2020, the Board has increased its scope of specialism required for good Governance; although we continue to seek more experience in adult social care.

The Business Plan, Budget and Strategy for Growth was adopted at the Board on 31st July 2018. This strategy subject to ongoing review to test its relevance against the prevailing funding landscape.

I have no doubt that the next few years will bring new opportunities for Dementia Matters, in order that we can continue to deliver our main aims and objectives. I am confident that with renewed energy and enthusiasm, coupled with strong governance and a clear strategy, that we can grow and develop Dementia Matters in line with our new growth and diversification strategy.

However, as we neared the end of the financial year we faced uncertainty and challenge in the form of the Covid 19 pandemic. This has been an emerging and unprecedented risk, with Dementia Matters services going into lockdown in March 2020.

The Charity's response however, has been proactive and professional. The senior team acted before Government dictate to protect the people who use our services, and I am sure we have the expertise and motivation to keep Covid 19 at bay in Dementia Matters.

The Charity has utilised the Government packages to secure jobs and funding to provide services into the future. All staff, except direct contact staff, have been working from home, with the Senior Team meeting daily via video conference. Weekly Trustees' meetings were conducted at the outset of the pandemic, to ensure that Governance remained strong during the uncertain time (again remote meetings), and continue on a monthly basis now in addition to the monthly committee meetings.

I am convinced that whilst Covid 19 provides a significant challenge to all in this sector, we are well placed to continue with business development opportunities, and to push the Charity onwards for the future.

Lee Ali
Acting Chair

December 2020

Dementia Matters

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2020.

Trustees

Lee Ali

Paul Bell

Rosalind Dougal

Russell Ward

Lisa Davidson (appointed 30 April 2019 and resigned 25 November 2019)

Michelle Donnan (appointed 30 April 2019)

Beverley Reid (appointed 30 April 2019 and resigned 1 December 2020)

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Kieran Porter (appointed 15 December 2020)

Structure, governance and management

Nature of governing document

Dementia Matters is a registered charity and a company Limited by Guarantee and governed by its Memorandum and Articles of Association dated 18 July 2012. The charitable company is managed by Trustees with expertise relevant to the requirements of the charity. The Trustees meet bi-monthly to monitor performance, agree resource allocation, identify and agree solutions to problems and respond to any opportunities that arise. The Chief Executive meets regularly with the Chair of Trustees to discuss performance.

Recruitment and appointment of trustees

The election of Trustees and the membership is governed by the Articles of Association of the charitable company. All our members are currently Trustees and new members are appointed by Trustee approval only. Potential Trustees are invited to attend up to three meetings as a way to get to know the charitable company before formal induction takes place. The Trustees bring with them expertise in healthcare, law, marketing, administration, general management, finance, social care or were carers or family members of people with dementia.

A skills review of the Board is currently underway and will inform the organisations of any deficiencies regarding the makeup of the Board moving forwards.

Organisational structure

The Trustees have the ultimate responsibility for establishing the strategic direction and corporate objectives of the charitable company with responsibility for day-to-day management and delivery of the corporate objectives delegated to the Chief Executive. The Chief Executive is assisted by a senior management team consisting of the Head of Services, Head of Finance, Head of HR & Training and Head of Quality. The Chief Executive meets with the Chair of Trustees regularly.

Committees of Trustees are Finance and Audit, Care and Colleagues, and Risk. An appropriate Trustee has been assigned as Chair of each Committee.

Dementia Matters

Trustees' Report

Relationships with related parties

Dementia Matters is a specialist provider of care for people with dementia and other degenerative neurological disorders. Services are commissioned by Adult Social Services departments within local councils and the local NHS CCGs. The charity enjoys good relationships with other local and national partners and with the Department of Health. In order to deliver on our objectives over the coming years, further relationships will be delivered with:

New area Local Authority and NHS Commissioners
Housing Associations
Building Development specialists
Academic Institutions
Like minded Charities
New funders and grant awarding trusts
Academic Health Science Networks and Technology Industry

Major risks and management of those risks

The Trustees understand the importance of assessing major risks to which Dementia Matters is exposed. There are appropriate systems, controls and procedures in place to minimise and mitigate those risks.

The following major risks to which Dementia Matters is exposed are reviewed monthly by the SMT and annually as part of a review of risk processes and policies:

- Finance (fraud, insufficient income, exceptional costs)
- Governance (Board effectiveness, recruitment or loss of Trustees and management) External/political (government policy changes)
- Quality & Reputation (breach of law or regulations, adverse publicity)
- Service delivery (loss of contracts)
- Growth strategy (failure to achieve long term objectives)

Dementia Matters has reviewed its organisational risk management and assessment policies and procedures. The Head of Health & Safety and Risk Management is responsible for this process, supported by the senior management team and the Trustees.

Objectives and activities

Objects and aims

The charitable objects are:

- a) the relief of persons who are in need as a result of dementia or other degenerative neurological disorders, acquired brain injury, mental health issues, learning, sensory or other problems arising from ageing, illness or disease;
- b) the provision of advocacy to assist such persons to obtain access to their full rights and privileges as citizens;
- c) the advancement of education amongst carers and the general public regarding dementia and other issues referred to in clause a) above.

In order to achieve the objectives, the charity provides home care, supported living, residential care, respite care, day services and advice and support for people with dementia and their families currently in Newcastle upon Tyne, North Tyneside and Northumberland.

Dementia Matters

Trustees' Report

Fundraising disclosures

The charity is required to report how it deals with fundraising from the public. The charity does not use a professional fundraiser or commercial participator to raise funds. Any monies raised direct from the public follows all guidelines set out by the Charity Commission and UK law in every respect. We respect the privacy and contact preferences of all public donors.

Public benefit

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Achievements and performance

The challenges facing the adult social care sector have been recognised for many years. On a Governmental-level, successive regimes have talked about reviewing and implementing change in social care; levelling up the sector to operate in a fairer way to both providers and users.

One thing that Covid-19 has done is to increase the spotlight on the sector and, in particular, the funding challenges it faces. As we move into the new financial year we are cautiously optimistic that this increased exposure will result in action being taken to assist the sector.

We took the decision to leave our supported living contracts, and these were exited in July 2019. This closed the chapter on a difficult period for the charity and allowed us to rebase the services that remained, to offer the best value and service to our ongoing and future clients.

The Dementia Advice Centre (DAC) continues to offer a wide range of support to those with dementia, at all stages, and their families. In late 2019, we moved this valued resource to the Bradbury Centre, from its separate Newcastle location. This move utilised space available and consolidated operating costs, allowing the DAC to continue its excellent work but afford it the opportunity to grow into other and South Tyneside, as well as County Durham. The work, funded by the Ballinger Trust, is continuing during the lockdown period, supported by Dementia Matters staff.

Our Training Academy has continued to provide a stream of well trained, enthusiastic new recruits across our services. We hosted two cohorts during the year and have been exploring partnering with local educational establishments to bolster this offer.

Throughout the year we continued to seek ways to grow home support. There is a reasonable level of unmet demand and we are keen that Dementia Matters should benefit from this. We identified recruitment into the service as a limiting factor and took steps to address that. This included incentives for new recruits and using alternate methods to attract candidates, including attending recruitment fairs.

Towards the end of the financial year our ambition to open a Day Service in Northumberland came to fruition. We had been approached by the County Council, who had been impressed by the offering at Bradbury Centre but wanted a service to refer into within their borough. After a major refurbishment our purpose designed unit was ready to open in March. The opening had to be suspended due to Covid-19 but we are looking forward to it becoming a major contributor to the Charity's services and income in due course.

Dementia Matters

Trustees' Report

2019/20 ended as we face a challenging outlook. We are confident, however, that the decisions and actions we took during the financial year have put the charity on a roadmap to improve ourselves financially and for our service users for coming period.

Financial review

At the end of the 2018/19 period we reported that the charity had undergone a transformation and this continued into what became another challenging year for Dementia Matters. We were in the process of exiting our supported living contracts due to the ongoing losses they were incurring. This was completed in July 2019 and the remaining staff transferred to the new provider under TUPE regulations. The exiting of this contract will free up resource to concentrate on areas where we are confident of sustainable growth.

One tangible area of this was the securing over £80,000 of grant funding to redevelop a unit to provide a day service in Cramlington. We have taken a lease on a unit in a quiet part of an industrial park close to the town centre. The unit was refurbished during the early part of 2020 and was ready to open to clients just as lockdown was introduced. Our staff had worked tirelessly to enable the centre to come to fruition and we were confident of growing this service providing a significant surplus to the Charity.

The Finance department at Dementia Matters has seen change over the last few years. In October we successfully recruited a new Head of Finance who joined the organisation with significant experience in managing charity finance and also developing revenue streams and securing investment. We believe that this appointment will aid us in our growth objectives.

As the sun set on this financial year the spectre of Covid-19 grew ever large. We have worked hard during the period to place the Charity in a position where it could return to growth and we see the challenges that Coronavirus brings as a potential delay to these plans but, importantly, not a cancellation. We will utilise schemes, such as furlough and CBILS, to shore up the Charity's finances whilst looking at innovative ways to support our commissioners and the clients to whom we continue to provide an excellent standard of care.

FINANCIAL AND RISK MANAGEMENT OBJECTIVES AND POLICIES

As a registered charity, the financial objectives of Dementia Matters are:

- To be financially stable at all times and to maintain sufficient reserves to achieve this.
- To be managed professionally and prudently in line with policies agreed by the Board of Trustees.
- To generate operating surpluses and to re-invest these towards the achievement of our charitable objectives.
- To control expenditure and operate efficiently.
- To monitor, control and minimise all financial and other risks.

Financial Risk Management Policy

Internal financial controls are regularly reviewed in line with guidelines set by the Charity Commission. This is the responsibility of the Finance and Audit Committee which meets monthly and reports directly to the Trustees.

Investment policy and objectives

The charity invests surplus funds in interest-bearing accounts with major UK banks and building societies to minimise risk. During the year funds were held with Barclays, Bank of Scotland and Nationwide Building Society. The funds held in the year returned on average less than 1% APR, reflecting the prudent investment policy and continued low UK interest rates. The investment policy is under continual review.

Dementia Matters

Trustees' Report

Policy on reserves

The calculation of free reserves is based on the definition included in the charity statement of recommended practice (SORP), which provides recommendations for accounting and reporting for charities. The trustees have examined the requirements of the charity to hold free reserves - those reserves not invested in tangible fixed assets, excluding long term liabilities, or designated for a particular purpose. The Trustees considered it would be appropriate to hold the equivalent of three months which would equate to holding approximately £400,000 to £500,00 in free reserves.

At the year end, free reserves were £30,233 (2019 £315,465), a decrease of £285,232 in the year. The trustees have recognised another poor result this year and are looking at ways to improve this position.

Key Management Personnel

The board, who give their time freely and no trustees received remuneration in the year, have considered who the Key Management Personnel (KMP) of the charity, as noted in the Reference and Administration section. Together with the board, these KMP are those in charge of directing and controlling, running and operating the activities of the charity on a day to day basis. The pay of the KMP is reviewed annually and normally increased in accordance with average earnings. The trustees benchmark against pay levels of other charities and similar organisations within the sector and the region. Pay levels are set using this information together with the budget and forecast information, ensuring that the charity can afford any proposed increases. The board then agree any uplift to remuneration.

PRINCIPLE RISKS AND UNCERTAINTIES

Dementia Matters operates within a highly regulated environment, with the majority of its income derived from the provision of services commissioned by a small number of public sector funders. As such, the principle risks and uncertainties faced by Dementia Matters are:

- Financial constraints placed on all care providers by public sector commissioners, as they in turn face financial cutbacks. This is a challenge faced throughout the care sector and is by no means unique to Dementia Matters.
- Changes in legislation affecting charities and the care sector, including additional compliance requirements.
- Failure to meet the requirements of the Care Quality Commission, resulting in the potential loss of registration and inability to provide services.
- Changes in legislation affecting businesses in general, such as pension auto-enrolment and changes to the National Living Wage. These lead to increases in our operating costs and again are not unique to Dementia Matters.

Dementia Matters

Trustees' Report

Plans for future periods

Aims and key objectives for future periods

The impact of Covid 19 cannot be underestimated on the Charity. Our initial budget discussion for the 2020/21 financial year and beyond predicted achieving a surplus, as we continued the transition from previous loss-making contracts to areas of growth. Unfortunately, the Virus has delayed those ambitions and whilst we will continue to look for opportunities, we, as are many other charities, find ourselves in a challenging position.

Throughout this time we have been able to rely on support from commissioners and funders, providing us with the breathing space to continue our services and adapt to new working conditions which came into effect at the end of the financial period. We have successfully introduced remote working across our central team and this is likely to continue for some time.

At the beginning of 2020 we took the decision to restructure the DAC and move its physical base back to our Bradbury Centre. The undoubted success of the service and the benefits for the community was something that we wanted to roll out over a greater geographic area than just the west end of Newcastle. Our service design had identified areas and networks across the region where we could operate the DAC on an outreach basis, expanding the support to many more people. Whilst in-person activities have been curtailed, we are still able to promote the DAC through remote means and will look to build relationships with interested parties in preparation for the end of restrictions.

Our day service offering continues to be a core element of ours services. During the year ended 2019/20 we experienced a gradual decline in the number of attendees at the Bradbury Centre. We do, however, remain confident on the long-term viability of such services and have, therefore, been looking at ways to bring in new clients, through increased marketing as well as looking to diversify our geographic reach.

Furthermore, we continue to use our expertise in service design to offer consultancy services to external projects, with a view to expanding our contribution to quality dementia care services nationally, and cultivate a pipeline of future income opportunities.

We are seeking to generate further income from new areas including refining and promoting training products to external partners and, when it is possible to do so, building on the success of our Fundraiser to offer a series of events to grow awareness of the charity and generate unrestricted funds. In addition, we are building partnerships with other 3rd sector organisations as we seek to build working relationships where we will look to deliver projects covering specific areas.

Finally, we have had a long-term ambition to utilise space at the Bradbury Centre to provide additional respite and residential space. At the beginning of this year we commissioned a feasibility study to look at the various options available for redevelopment. Returns in this division of the Charity are not at as high a rate of margin as other areas but the income can be more dependable with residents in situ for a long time and respite beds being booked well in advance, and is a service of great benefit, and in great demand in the local area.

Dementia Matters

Trustees' Report

Going concern

The charity's forecasts and projections for the next twelve months show that the charity should be able to continue in operational existence for that period, taking into account reasonable possible changes in trading performance and the potential impact on the charity of possible future scenarios arising from the impact of COVID-19. This also considers the effectiveness of available measures to assist in mitigating the impact. The charity has strong positive cash balances, having drawn down from the Coronavirus Business Interruption Loan Scheme during August 2020, and is forecasting for this to continue to be the case. The trustees have stress tested their forecasts, taking into account various scenarios, and remain confident that the uncertainties do not cast significant doubt on the charity's ability to continue as a going concern.

Financial instruments

Objectives and policies

The charity's activities expose it to a number of financial risks including cash flow risk, credit risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

Cash flow risk

Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

Credit risk

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments.

The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity uses a mixture of long-term and short-term debt finance.

Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

Dementia Matters

Trustees' Report

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Dementia Matters for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. 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 incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Reappointment of auditor

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of MHA Tait Walker as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

The annual report was approved by the trustees of the charity on 15.12.20 and signed on its behalf by:



.....
Lee Ali
Trustee

Dementia Matters

Independent Auditor's Report to the Members of Dementia Matters

Opinion

We have audited the financial statements of Dementia Matters (the 'charity') for the year ended 31 March 2020, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 are independent of the charity 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Dementia Matters

Independent Auditor's Report to the Members of Dementia Matters

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Trustees' Report.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 16), the trustees 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Dementia Matters

Independent Auditor's Report to the Members of Dementia Matters

Use of our report

This report is made solely to the charitable company's trustees, 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 charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Simon Brown BA ACA DChA (Senior Statutory Auditor)
For and on behalf of MHA Tait Walker
Chartered Accountants
Statutory Auditor
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

Date: 17.12.2020

MHA Tait Walker is a trading name of Tait Walker LLP.

Dementia Matters

Statement of Financial Activities for the Year Ended 31 March 2020 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Income and Endowments from:					
Donations and legacies	3	140,498	174,440	314,938	258,744
Charitable activities	4	1,429,976	-	1,429,976	2,722,054
Investment income	5	168	-	168	2,888
Total Income		<u>1,570,642</u>	<u>174,440</u>	<u>1,745,082</u>	<u>2,983,686</u>
Expenditure on:					
Raising funds	6	(21,691)	(833)	(22,524)	(15,740)
Charitable activities	7	<u>(1,919,567)</u>	<u>(153,553)</u>	<u>(2,073,120)</u>	<u>(3,373,774)</u>
Total Expenditure		<u>(1,941,258)</u>	<u>(154,386)</u>	<u>(2,095,644)</u>	<u>(3,389,514)</u>
Net (expenditure)/income		(370,616)	20,054	(350,562)	(405,828)
Transfers between funds		<u>27,739</u>	<u>(27,739)</u>	<u>-</u>	<u>-</u>
Net movement in funds		(342,877)	(7,685)	(350,562)	(405,828)
Reconciliation of funds					
Total funds brought forward		<u>2,655,492</u>	<u>86,248</u>	<u>2,741,740</u>	<u>3,147,568</u>
Total funds carried forward	18	<u>2,312,615</u>	<u>78,563</u>	<u>2,391,178</u>	<u>2,741,740</u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2019 is shown in note 18.

Dementia Matters

Comparative Statement of Financial Activities for the Year Ended 31 March 2019

(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2019 £
Income and Endowments from:				
Donations and legacies	3	61,890	196,854	258,744
Charitable activities	4	2,722,054	-	2,722,054
Investment income	5	2,888	-	2,888
Total income		<u>2,786,832</u>	<u>196,854</u>	<u>2,983,686</u>
Expenditure on:				
Raising funds	6	(15,740)	-	(15,740)
Charitable activities	7	<u>(3,160,248)</u>	<u>(213,526)</u>	<u>(3,373,774)</u>
Total expenditure		<u>(3,175,988)</u>	<u>(213,526)</u>	<u>(3,389,514)</u>
Net expenditure		(389,156)	(16,672)	(405,828)
Transfers between funds		<u>(12,500)</u>	<u>12,500</u>	<u>-</u>
Net movement in funds		(401,656)	(4,172)	(405,828)
Reconciliation of funds				
Total funds brought forward		<u>3,057,148</u>	<u>90,420</u>	<u>3,147,568</u>
Total funds carried forward	18	<u><u>2,655,492</u></u>	<u><u>86,248</u></u>	<u><u>2,741,740</u></u>

Dementia Matters

(Registration number: 02980817)
Balance Sheet as at 31 March 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	13	2,282,382	2,327,527
Current assets			
Debtors	14	145,172	411,508
Cash at bank and in hand		<u>118,626</u>	<u>273,425</u>
		263,798	684,933
Creditors: Amounts falling due within one year	15	<u>(155,002)</u>	<u>(270,720)</u>
Net current assets		<u>108,796</u>	<u>414,213</u>
Net assets		<u>2,391,178</u>	<u>2,741,740</u>
Funds of the charity:			
Restricted funds		78,563	86,248
Unrestricted income funds			
Unrestricted funds		<u>2,312,615</u>	<u>2,655,492</u>
Total funds	18	<u>2,391,178</u>	<u>2,741,740</u>

The financial statements on pages 20 to 38 were approved by the trustees, and authorised for issue on ...15/12/20... and signed on their behalf by:



.....
Lee Ali
Trustee

Dementia Matters

Statement of Cash Flows for the Year Ended 31 March 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash expenditure		(350,562)	(405,828)
Adjustments to cash flows from non-cash items			
Depreciation	6	97,638	189,508
Investment income	5	(168)	(2,888)
		(253,092)	(219,208)
Working capital adjustments			
Decrease/(increase) in debtors	14	266,336	(42,193)
(Decrease)/increase in creditors	15	(125,718)	57,649
Increase in deferred income		10,000	-
Net cash flows from operating activities		(102,474)	(203,752)
Cash flows from investing activities			
Interest receivable and similar income	5	168	2,888
Purchase of tangible fixed assets	13	(52,493)	(86,697)
Net cash flows from investing activities		(52,325)	(83,809)
Net decrease in cash and cash equivalents		(154,799)	(287,561)
Cash and cash equivalents at 1 April		273,425	560,986
Cash and cash equivalents at 31 March		118,626	273,425

All of the cash flows are derived from continuing operations during the above two periods.

Dementia Matters

Notes to the Financial Statements for the Year Ended 31 March 2020

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The address of its registered office is: The Bradbury Centre, Darrell Street, Brunswick Villiage, Newcastle upon Tyne, NE13 7DS

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

Dementia Matters meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The functional currency is sterling.

Going concern

The charity's forecasts and projections for the next twelve months show that the charity should be able to continue in operational existence for that period, taking into account reasonable possible changes in trading performance and the potential impact on the charity of possible future scenarios arising from the impact of COVID-19. This also considers the effectiveness of available measures to assist in mitigating the impact. The charity has strong positive cash balances, having drawn down monies from the Coronavirus Business Interruption Loan Scheme (CBILS) during August 2020, and is forecasting for this to continue to be the case. The trustees have stress tested their forecasts, taking into account various scenarios, and remain confident that the uncertainties do not cast significant doubt on the company's ability to continue as a going concern.

Estimation uncertainty and judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Dementia Matters

Notes to the Financial Statements for the Year Ended 31 March 2020

2 Accounting policies (continued)

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

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.

Dementia Matters

Notes to the Financial Statements for the Year Ended 31 March 2020

2 Accounting policies (continued)

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 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.

Tangible fixed assets

Individual fixed assets costing £300 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Freehold Buildings	2% straight line
Furniture and equipment	25% straight line
Motor vehicles	25% straight line

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Members of Dementia Matters staff administer certain bank accounts holding balances belonging to people for whom we provide care. The balances remain the property of the individuals and as such are not dealt with in these accounts.

Dementia Matters

Notes to the Financial Statements for the Year Ended 31 March 2020

2 Accounting policies (continued)

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and use of the designated funds are set out in the notes to the accounts. Transfers are made to designated funds out of unrestricted funds to meet the purposes for which these funds have been set up.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose. For restricted funds received for the purchase and construction of fixed assets, transfers are made out of restricted funds into unrestricted funds once the fixed asset has been purchased or brought into use.

Hire purchase and finance leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Pensions and other post retirement obligations

The charity supports a group personal pension plan for employees. Contributions by the charity are charged to the income and expenditure account as they become payable.

3 Income from donations and legacies

	Unrestricted funds			
	General	Restricted funds	Total 2020	Total 2019
	£	£	£	£
Donations from individuals	47,498	-	47,498	59,890
Grants from other charities	93,000	174,440	267,440	198,854
	<u>140,498</u>	<u>174,440</u>	<u>314,938</u>	<u>258,744</u>

Dementia Matters

Notes to the Financial Statements for the Year Ended 31 March 2020

4 Income from charitable activities

	Unrestricted funds	Total 2020	Total 2019
	General £	£	£
Home Support	397,120	397,120	662,052
Independent Supported Living	293,526	293,526	1,294,587
Day Centres	469,067	469,067	548,571
Residential Respite Care	265,709	265,709	210,099
Other activities	4,554	4,554	6,745
	<u>1,429,976</u>	<u>1,429,976</u>	<u>2,722,054</u>

In 2019, all income from charitable activities was unrestricted.

5 Investment income

	Unrestricted funds	Total 2020	Total 2019
	General £	£	£
Interest receivable on bank deposits	<u>168</u>	<u>168</u>	<u>2,888</u>

In 2019, all investment income was unrestricted.

Dementia Matters

Notes to the Financial Statements for the Year Ended 31 March 2020

6 Expenditure on raising funds

a) Costs of generating donations and legacies

		Unrestricted funds		Restricted funds	Total 2020	Total 2019
	Note	General £		£	£	£
Marketing and publicity		<u>21,691</u>		<u>833</u>	<u>22,524</u>	<u>15,740</u>

In 2019 all fundraising costs were unrestricted

7 Expenditure on charitable activities

	Unrestricted funds		Restricted funds	Total 2020	Total 2019
	General £		£	£	£
Relief of persons with Dementia	1,459,308		153,553	1,612,861	2,760,468
Support Cost	<u>460,259</u>		<u>-</u>	<u>460,259</u>	<u>613,306</u>
	<u>1,919,567</u>		<u>153,553</u>	<u>2,073,120</u>	<u>3,373,774</u>

£1,919,567 (2019 - £3,160,248) of the above expenditure was attributable to unrestricted funds and £153,553 (2019 - £213,526) to restricted funds.

Included within the expenditure analysed above, there are governance costs of £33,234 (2019 - £27,140) which relate directly to charitable activities. See note 8 for further details.

Dementia Matters

Notes to the Financial Statements for the Year Ended 31 March 2020

8 Analysis of governance and support costs

Charitable activities expenditure

	Unrestricted funds	Governance Costs	Total 2020	Total 2019
	General £	£	£	£
Staff costs	233,258	20,000	253,258	277,975
Staff travel	327	-	327	7,799
Premises	13,959	-	13,959	10,310
Communications and IT	47,868	-	47,868	62,253
Legal and professional	-	6,094	6,094	18,125
Audit fees	-	7,140	7,140	7,140
Bad debt provision	4,320	-	4,320	17,214
Depreciation	75,433	-	75,433	92,283
Staff training costs	-	-	-	18,267
Recruitment expenses	3,872	-	3,872	12,945
Printing, postage and stationary	10,109	-	10,109	19,572
Repairs and renewals	8,173	-	8,173	10,456
Light and heat	5,489	-	5,489	7,684
Insurance	17,862	-	17,862	18,006
Marketing and PR	-	-	-	16,028
Room hire	-	-	-	12,745
Other costs	6,355	-	6,355	4,504
	<u>427,025</u>	<u>33,234</u>	<u>460,259</u>	<u>613,306</u>

Governance costs

	Unrestricted funds	Total 2020	Total 2019
	General £	£	£
Staff costs			
Wages and salaries	20,000	20,000	20,000
Allocated support costs	13,234	13,234	7,140
	<u>33,234</u>	<u>33,234</u>	<u>27,140</u>

Dementia Matters

Notes to the Financial Statements for the Year Ended 31 March 2020

8 Analysis of governance and support costs (continued)

Governance costs (continued)

The charity allocates costs direct to activities as far as possible, then identified the remaining costs of its support function. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the key charitable activities undertaken in the year. The basis for apportionment and the analysis of support and governance costs is set out as follows:

- Direct to governance: Accountancy fees, Audit fees and Recruitment costs.
- Estimation of costs allocated as governance: Staff costs
- Direct to charitable activities: Salaries and pensions and all other support costs.

9 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2020	2019
	£	£
Audit fees	7,140	7,140
Depreciation of fixed assets	97,638	189,508
Staff pension contributions	<u>23,817</u>	<u>23,810</u>

10 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

Dementia Matters

Notes to the Financial Statements for the Year Ended 31 March 2020

11 Staff costs

The aggregate payroll costs were as follows:

	2020 £	2019 £
Staff costs during the year were:		
Wages and salaries	1,521,360	2,372,432
Social security costs	100,429	152,444
Pension costs	23,817	23,810
	<u>1,645,606</u>	<u>2,548,686</u>

The monthly average number of persons (including senior management team) employed by the charity during the year was as follows:

	2020 No	2019 No
Direct charitable activities	76	127
Management and administration of the charitable company	24	24
	<u>100</u>	<u>151</u>

The number of employees whose emoluments fell within the following bands was:

	2020 No	2019 No
£60,001 - £70,000	<u>1</u>	<u>1</u>

The total employee benefits of the key management personnel of the charity were £196,759 (2019 - £202,665).

Dementia Matters

Notes to the Financial Statements for the Year Ended 31 March 2020

12 Taxation

The charity is a registered charity and is therefore exempt from taxation.

13 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
Cost				
At 1 April 2019	2,975,475	367,259	90,865	3,433,599
Additions	42,915	6,578	3,000	52,493
At 31 March 2020	3,018,390	373,837	93,865	3,486,092
Depreciation				
At 1 April 2019	717,437	297,770	90,865	1,106,072
Charge for the year	59,509	37,629	500	97,638
At 31 March 2020	776,946	335,399	91,365	1,203,710
Net book value				
At 31 March 2020	2,241,444	38,438	2,500	2,282,382
At 31 March 2019	2,258,038	69,489	-	2,327,527

Included within the net book value of land and buildings above is £2,198,529 (2019 - £2,258,038) in respect of freehold land and buildings and £42,915 (2019 - £Nil) in respect of leaseholds.

14 Debtors

	2020 £	2019 £
Trade debtors	113,533	252,388
Prepayments	16,047	45,439
Accrued income	13,768	-
Other debtors	1,824	113,681
	145,172	411,508

Included in trade debtors is a provision for bad debts of £25,076 (2019 - £18,160).

Dementia Matters

Notes to the Financial Statements for the Year Ended 31 March 2020

15 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	5,493	78,953
Other taxation and social security	37,008	33,129
Other creditors	12,628	3,640
Accruals	89,873	154,998
Deferred income	10,000	-
	<u>155,002</u>	<u>270,720</u>

	2020 £	2019 £
Deferred income at 1 April 2019	-	-
Resources deferred in the period	10,000	-
Amounts released from previous periods	-	-
Deferred income at year end	<u>10,000</u>	<u>-</u>

16 Obligations under leases and hire purchase contracts

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2020 £	2019 £
Land and buildings		
Within one year	18,269	-
Between one and five years	91,345	-
After five years	18,269	-
	<u>127,883</u>	<u>-</u>
Other		
Within one year	1,372	6,834
Between one and five years	915	10,251
	<u>2,287</u>	<u>17,085</u>

Dementia Matters

Notes to the Financial Statements for the Year Ended 31 March 2020

17 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £23,817 (2019 : £23,810).

Contributions totalling £3,085 (2019 : £69) were payable to the scheme at the end of the year and are included in creditors.

18 Funds

	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2020 £
Unrestricted funds					
<i>General</i>					
General Funds	315,465	1,570,642	(1,843,620)	(12,254)	30,233
<i>Designated</i>					
Property	2,258,038	-	(59,509)	42,915	2,241,444
Fixed Assets	69,489	-	(38,129)	9,578	40,938
Admiral Nurse	12,500	-	-	(12,500)	-
	<u>2,340,027</u>	<u>-</u>	<u>(97,638)</u>	<u>39,993</u>	<u>2,282,382</u>
Total Unrestricted funds	<u>2,655,492</u>	<u>1,570,642</u>	<u>(1,941,258)</u>	<u>27,739</u>	<u>2,312,615</u>
Restricted funds					
Northumberland Dementia Project	18,001	106,000	(5,523)	(42,915)	75,563
Outreach centres	1,500	-	-	-	1,500
Admiral Nurse	23,386	10,800	(34,186)	-	-
Dementia Advice Centre	43,361	55,000	(113,537)	15,176	-
John Lewis	-	1,140	(1,140)	-	-
Rothley Trust	-	1,500	-	-	1,500
	<u>86,248</u>	<u>174,440</u>	<u>(154,386)</u>	<u>(27,739)</u>	<u>78,563</u>
Total restricted funds	<u>86,248</u>	<u>174,440</u>	<u>(154,386)</u>	<u>(27,739)</u>	<u>78,563</u>
Total funds	<u>2,741,740</u>	<u>1,745,082</u>	<u>(2,095,644)</u>	<u>-</u>	<u>2,391,178</u>

Dementia Matters

Notes to the Financial Statements for the Year Ended 31 March 2020

18 Funds (continued)

The specific purposes for which the funds are to be applied are as follows:

Property Reserve

This reserve reflects the cost expended in relation to the Bradbury Centre and forecasted expenditure on property in the subsequent year. Depreciation on land and buildings is charged against this reserve.

Fixed Asset Reserve

This reserve includes all other fixed assets maintained in the balance sheet as the reserves tied up in these items are not generally available as free reserves. Depreciation on these assets is charged against these reserves.

Admiral Nurse Reserve

This reserve reflects the costs which will be incurred by the charity for the Admiral Nurse which are over and above the grant receipts.

Northumberland Dementia Project

The Ballinger Charitable Trust agreed to fund a 3 year project delivered by Dementia Matters to improve the delivery of dementia services and support in the North East of England. Incoming Resources represent additional grants received under this project during the year. The reserve is used to pay for staff recruitment and training and other set up costs for specific projects. Monies have also been spent to fund the set-up of our new day centre in Cramlington.

In this year we also received funds from:

Sir James Knott Trust
Garfield Weston
The Shears Foundation
Northumberland Community Foundation
Big Potential
The Edward Gostling Foundation
Joseph Strong
Barratt Homes

Outreach centres

We have received grants from Catherine Cookson Trust and Hadrian Trust towards a project of opening up to three outreach centres. Our plans were delayed due to Covid-19 and we will look to undertake this project in due course.

Admiral Nurse

Our Admiral Nurses have historically received grant funding to cover their salary costs and although some of those awards have now ended we were still in receipt of monies from Dementia UK during this period.

Dementia Advice Centre

We received a grant from the Ballinger Charitable Trust to assist in the opening of an Advice Centre in Newcastle.

Dementia Matters

Notes to the Financial Statements for the Year Ended 31 March 2020

18 Funds (continued)

Rothley Trust

Grant received to develop a potential new day centre service in north Northumberland.

John Lewis

Monies awarded to support the ongoing activities of our day centres

19 Analysis of net assets between funds

	Unrestricted funds		Restricted funds	Total funds
	General £	Designated £	£	£
Tangible fixed assets	-	2,282,382	-	2,282,382
Net current assets/(liabilities)	30,233	-	78,563	108,796
Total net assets	30,233	2,282,382	78,563	2,391,178

	Unrestricted funds		Restricted funds	Total funds at 31 March 2019
	General £	Designated £	£	£
Tangible fixed assets	-	2,327,527	-	2,327,527
Net current assets/(liabilities)	315,465	12,500	86,248	414,213
Total net assets	315,465	2,340,027	86,248	2,741,740

20 Analysis of net funds

	At 1 April 2019 £	Cash flow £	At 31 March 2020 £
Cash at bank and in hand	273,425	(154,799)	118,626
Net debt	273,425	(154,799)	118,626

	At 1 April 2018 £	Cash flow £	At 31 March 2019 £
Cash at bank and in hand	560,986	(287,561)	273,425
Net debt	560,986	(287,561)	273,425

Dementia Matters

Notes to the Financial Statements for the Year Ended 31 March 2020

21 Related party transactions

During the year the charity made the following related party transactions:

Ward Hadaway Solicitors

(Mr Russell Ward is a partner)

£nil (2019 - £948) was paid for the provision of legal advice. At the balance sheet date the amount due to/from Ward Hadaway Solicitors was £Nil (2019 - £Nil).

In the opinion of the Trustees, there is no ultimate controlling party other than the Board itself.