

# **FRIENDS OF ADI**

## **TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**For the year ended 31 December 2005**

## Friends of ADI

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**Legal and Administrative Information**  
For the year ended 31 December 2005

**Trustees**

Nori Graham

Roger Martyn (resigned 11/10/2005)

John Murphy, Chairman

Mary Shurman (appointed 11/04/2005)

**Charity Registered Number**

1076992

**Principal Office**

64 Great Suffolk Street, London, SE1 0BL

**Bankers**

CAF Bank Ltd, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ

## **Trustees' Report**

For the year ended 31 December 2005

The Trustees submit their annual report and the financial statements of Friends of ADI (the charity) for the year ended 31 December 2005. The Trustees confirm that the annual report and financial statements of the charity comply with current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in October 2000.

### **Method of appointment or election of Trustees**

The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed. There must be a minimum of three Trustees in office at any point in time. New Trustees are appointed by a resolution of the Trustees passed at special meeting. The Trustees meet at least twice each year.

### **Constitution policies and objectives**

The charity is constituted under a Trust deed dated 14 May 1999 and is a registered charity number 1076992. The objective of the charity as defined in its Trust deed is the relief of persons suffering from Alzheimer's Disease and related conditions in particular by assisting in the provision of support and assistance for the carers of such persons through the provision, at the discretion of the Trustees, of financial and other assistance to the body 'Alzheimer's Disease International'.

There have been no changes to this objective since the last financial report.

The Trust, Friends of ADI, exists to support the work of Alzheimer's Disease International (ADI) using our status as a registered UK charity.

ADI is a worldwide federation of Alzheimer's Associations, incorporated as a not for profit organisation in the United States. Each member of ADI is the national organisation in that country which supports people with dementia and their families. The mission of ADI is to improve the quality of life of people with dementia and their families throughout the world by building and strengthening the work of Alzheimer Associations and raising awareness about Alzheimer's disease and dementia.

### **Organisational structure and decision making**

The Trustees of Friends of ADI are supported in their management of the charity by in kind administration from ADI. Day to day management is delegated to the Executive director (Elizabeth Rimmer until August 2006, to be replaced later in the year by Marc Wortmann) and Finance and technology manager (Michael Lefevre) of ADI. Friends of ADI does not, itself, run any programmes or employ any staff. The part-time services of the Executive Director and Finance and technology manager employed by ADI are provided free of charge to Friends of ADI.

### **Review of activities and future developments.**

The financial results for the year and the financial position of the Trust are shown in the attached financial statements.

In 2005, Friends of ADI, received £7,208 in donations and investment income. £6,840 was given in grants to ADI to support its key activities.

World Alzheimer's Day is celebrated each year on September 21. ADI co-ordinates this by producing and distributing promotional materials to all its members. ADI supported a record 64 Alzheimer associations to participate in World Alzheimer's Day 2005. Alzheimer associations around the world were united by ADI's campaign 'We can make a difference' on Wednesday 21 September as they raised awareness of dementia and the work of their associations. Friends of ADI gave a restricted grant of £500 to ADI in support of World Alzheimer's Day.

## Friends of ADI

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Most people with dementia live in developing countries, where there are few resources to support people with dementia and their families. ADI is committed to building and strengthening Alzheimer associations so they are better able to meet the needs of people with dementia and their families. A grant of £800 was given to ADI to support the work of the Alzheimer's and Related Disorders Society of India (ARDSI), the Alzheimer association in India.

ADI's annual conference was the first international conference on dementia and is the longest running. Each year ADI's member groups and others come together to exchange information and to learn and share with one another. The ADI conference is unique in that it brings together a wide range of individuals and groups with an interest in dementia. Updates on research and the latest strategies for good dementia care are highlighted from around the world. The successful 2005 conference was held in Istanbul, Turkey.

ADI runs the Alzheimer University, a program is a series of workshops and residential training courses to equip staff and volunteers of Alzheimer associations with the skills to develop their organisations. ADI produces booklets, factsheets and videos on a variety of dementia related topics in English and Spanish. ADI maintains a website and produces an international newsletter 'Global Perspective'. ADI members have access to an intranet site, providing information and resources from Alzheimer associations worldwide. ADI also supports the work of the 10/66 Dementia Research Group. This group looks at the impact of dementia in developing countries. Unrestricted contributions from Friends of ADI were used to support this work.

Friends of ADI would like to thank Louisa Elliott and Stephen Carless, Harry Cayton, the R & I Hyman Charitable Trust and the Ardwick Trust for their contributions, as well as all the other donors that have given support.

### **Future Directions**

Friends of ADI will continue to support the activities of Alzheimer's Disease International.

### **Reserves policy**

The Trustees consider that the current level of unrestricted reserves, which are the general free reserves of the charity, are sufficient to allow the Trust to continue to operate at current levels of activity. The Trust has minimal administration costs and makes grant payments out of donated income.

### **Investment policy and performance**

The Trustees policy is to maintain all monies not immediately required for charitable purposes in the form of deposits earning a market rate of interest.

### **Risk management**

The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, and are satisfied that systems are in place to mitigate our exposure to the major risks. The risk assessment is subject to regular review.

### **Grant making policies**

Friends of ADI only make grants to Alzheimer's Disease International. Grants are to support the key activities of ADI namely:

- Building and strengthening Alzheimer associations, including through the Alzheimer University programme
- World Alzheimer's Day
- An annual international conference
- Dissemination of Information
- Supporting the 10/66 Dementia Research Group

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### **Trustees' responsibilities**

Law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period. In preparing those financial statements the Trustees have:

- selected suitable accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- stated whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepared the financial statements on a going concern basis (unless it is inappropriate to presume that the Trust will continue in operation).

The Trustees have overall responsibility for ensuring that the charity has an appropriate system of controls, financial and otherwise. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 1993. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the detection and prevention of fraud and other irregularities.

### **Examination of accounts**

As the income of the charity was less than £10,000, the Trustees decided not to have the financial statements for 2005 independently examined.

This report was approved by the Trustees on and signed on its behalf, by:

Nori Graham

*Nori Graham 18 December 2006,*

## Friends of ADI

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### Statement of Financial Activities For the year ended 31 December 2005

	Note	Restricted Funds 2005 £	Unrestricted Funds 2005 £	Total Funds 2005 £	Total Funds 2004 £
<b>INCOMING RESOURCES</b>					
Donations, legacies and similar incoming resources	2	1,300	4,025	5,325	15,167
Investment income	3	0	1,883	1,883	3,614
<b>TOTAL INCOMING RESOURCES</b>		<b>1,300</b>	<b>5,908</b>	<b>7,208</b>	<b>18,781</b>
<b>RESOURCES EXPENDED</b>					
<b>Charitable expenditure:</b>					
Grants payable	4	1,300	5,540	6,840	17,341
Resources expended on managing and administering the charity	5		10	10	947
<b>TOTAL RESOURCES EXPENDED</b>		<b>1,300</b>	<b>5,550</b>	<b>6,850</b>	<b>18,288</b>
<b>MOVEMENT IN TOTAL FUNDS FOR THE YEAR</b>		0	358	358	493
TOTAL FUNDS AT 1 JANUARY 2005		0	1,058	1,058	565
<b>TOTAL FUNDS AT 31 DECEMBER 2005</b>		<b>0</b>	<b>1,416</b>	<b>1,416</b>	<b>1,058</b>

## Friends of ADI

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### Balance Sheet

As at 31 December 2005

	Note	£	2005 £	£	2004 £
<b>CURRENT ASSETS</b>					
Debtors	6	540		78	
Cash at bank		7,716		155,891	
		<u>8,256</u>		<u>155,969</u>	
<b>CREDITORS: amounts falling due within one year</b>					
	7	<u>(6,840)</u>		<u>(154,911)</u>	
			<u>1,416</u>		<u>1,058</u>
<b>NET ASSETS</b>					
	9		<u>1,416</u>		<u>1,058</u>
<b>CHARITY FUNDS</b>					
Unrestricted - General funds	8		1,416		1,058
<b>TOTAL FUNDS</b>					
			<u>1,416</u>		<u>1,058</u>

The financial statements were approved by the Trustees on 12 December 2006 and signed on their behalf by:

Nori Graham

*Nori Graham* 18 December 2006.

## Notes to the Financial Statements

For the year ended 31 December 2005

### 1. ACCOUNTING POLICIES

#### 1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in October 2000 and applicable accounting standards.

#### 1.2 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

#### 1.3 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. No amounts are included in the financial statements for services donated free of charge. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

#### 1.4 Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled.

#### 1.5 Cash flow

The financial statements do not include a cash flow statement because the charitable trust, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective June 2002).

#### 1.6 VAT

The charity is not registered for VAT and its costs are therefore inflated by attributable input VAT which cannot be recovered.

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### 2. DONATIONS, LEGACIES AND SIMILAR INCOMING RESOURCES

	Restricted Funds 2005 £	Unrestricted Funds 2005 £	Total Funds 2005 £	Total Funds 2004 £
Gift Aid	0	640	640	8,500
Gift Aid Tax Credit	0	358	358	2,397
Other donations	1,300	3,027	4,327	4,270
Donations, legacies and similar incoming resources	1,300	4,025	5,325	15,167

### 3. INVESTMENT INCOME

	Total Funds 2005 £	Total Funds 2004 £
Interest receivable	1,883	3,614

### 4. GRANTS PAYABLE

	Total Funds 2005 £	Total Funds 2004 £
Grants - institutional (ADI)	6,840	17,341

Three grants were made to ADI during the year. One general grant of £5,540 (2004: £13,291 – 1 grant), and two small grants totalling £1,300 (2004: £4,050 – 4 grants) for restricted purposes.

**5. RESOURCES EXPENDED ON MANAGING AND ADMINISTERING THE CHARITY**

	<b>Total Funds 2005 £</b>	<b>Total Funds 2004 £</b>
Accountancy fees	0	940
Other costs	10	7
<b>Total</b>	<b>10</b>	<b>947</b>

During the year, no Trustees received any remuneration (2004 - £NIL).

During the year, no Trustees received any benefits in kind (2004 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2004 - £NIL).

The charity does not employ any staff and is administered free of charge by Alzheimer's Disease International.

**6. DEBTORS**

	<b>Total Funds 2005 £</b>	<b>Total Funds 2004 £</b>
<b>Due within one year</b>		
Gift Aid tax recoverable	435	78
Sponsored event contributions collected	105	0
<b>Total</b>	<b>540</b>	<b>78</b>

**7. CREDITORS**

	<b>Total Funds 2005 £</b>	<b>Total Funds 2004 £</b>
<b>Amounts falling due within one year</b>		
Grants payable to ADI	6,840	153,971
Accruals	0	940
<b>Total</b>	<b>6,840</b>	<b>154,911</b>

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### 8. STATEMENT OF FUNDS

	Brought Forward £	Incoming Resources £	Resources Expended £	Carried Forward £
<b>UNRESTRICTED FUNDS</b>				
General Funds	<u>1,058</u>	<u>7,208</u>	<u>6,850</u>	<u>1,416</u>
<b>RESTRICTED FUNDS</b>				
World Alzheimer's Day	0	500	500	0
India	0	800	800	0
Subtotal	<u>0</u>	<u>1,300</u>	<u>1,300</u>	<u>0</u>
Total of Funds	<u>1,058</u>	<u>8,508</u>	<u>8,150</u>	<u>1,416</u>

#### General funds

General funds include general donations, Gift Aid, tax credit and other income which has been donated to Alzheimer's Disease International.

#### Restricted funds

##### World Alzheimer's Day:

Friends of ADI raised funds in support of World Alzheimer's Day, an international day for awareness of Alzheimer's and dementia, which is coordinated and supported by ADI.

##### India:

Friends of ADI raised funds in support of people with dementia and their carers in India.

### 9. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds 2005 £	Total Funds 2005 £	Total Funds 2004 £
Current assets	8,256	8,256	155,969
Creditors due within one year	(6,840)	(6,840)	(154,911)
Total	<u>1,416</u>	<u>1,416</u>	<u>1,058</u>