



**Alzheimer's Disease
International**

Annual Report

2001/2002



Helping the world face the challenge of dementia

Helping Alzheimer associations face

A dramatic challenge faces the world.

The number of people with dementia is rising fast – especially in developing countries – with many more people reaching old age and many more of them living alone.

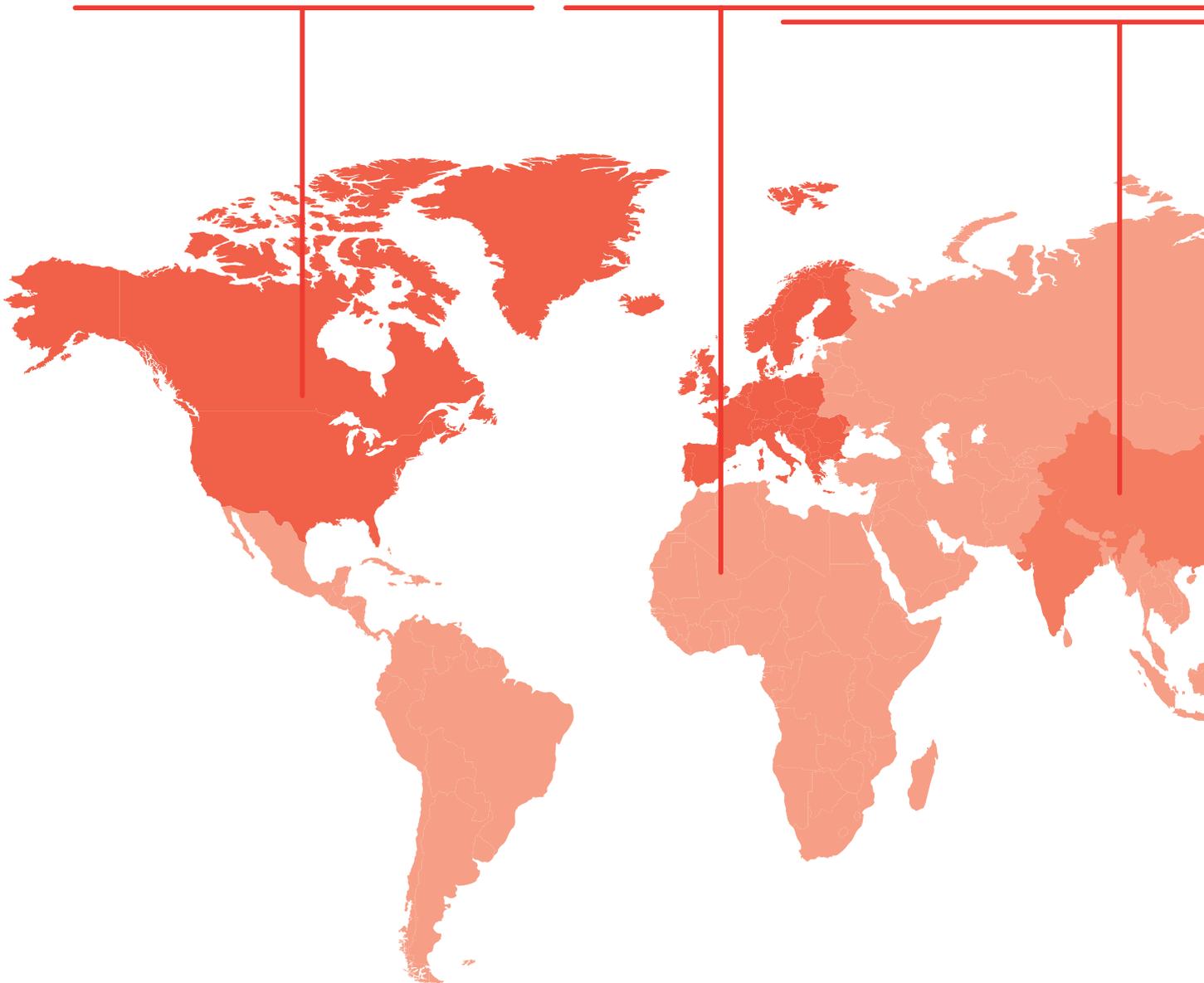
The challenge is to get dementia recognised, to provide adequate care and to get Alzheimer associations set up and running.

Of every **100** people with dementia around the world

34 live in a developed country



66 live in a developing country ... and of them **50**





Message from Princess Yasmin Aga Khan

President of Alzheimer's Disease International

Today, 18 million people in the world have dementia. This figure is expected to nearly double to 34 million over the next twenty years. Throughout the world people turn to Alzheimer associations for support and advice. Alzheimer's Disease International is committed to building stronger Alzheimer associations, as we believe stronger Alzheimer associations are better able to meet the needs of people with dementia and their carers. As President of Alzheimer's Disease International, it is a pleasure to celebrate our continuing expansion and success. We now have members in 60 countries and contacts in many more. We are reaching out to those countries where there are no Alzheimer associations and encouraging their development. Our growth is supported by the commitment of our members and with your help we will strengthen the global network of support available to people with dementia and their families.

live in India or China



What is dementia?

Dementia is a degenerative brain syndrome which affects memory, thinking, behaviour and emotion. Alzheimer's disease is the most common cause of dementia and accounts for 50-60% of all cases. Other causes include vascular dementia, dementia with Lewy bodies and fronto-temporal dementia. There is currently no cure for most causes of dementia.

Declining memory, especially short-term memory, is the most common early symptom of dementia. However, each person is unique and will experience dementia in their own way. Other common early symptoms include changes in mood or behaviour and difficulties with language.

Dementia knows no social, economic, ethnic or geographical boundaries. Eventually those affected are unable to care for themselves and need help with all aspects of daily life.

Alzheimer's Disease International (ADI)

ADI was established in 1984 and has been in official relations with the World Health Organization since 1996. We are the umbrella organisation of 60 national Alzheimer associations around the world. Our purpose is to strengthen the organisational capacity of Alzheimer associations. Alzheimer associations that are more effective are better able to meet the needs of people with dementia and their families in their country.

ADI works towards:

- Supporting members in their activities and encouraging the formation of new Alzheimer associations
- Disseminating information
- Supporting an annual international conference focused on carers and carer organisations
- Collaborating with other organisations with similar interests
- Supporting the work of the 10/66 Dementia Research Group
- Stimulating public and political awareness at national and international level



*Day by day people around the world come
face to face with the challenges of dementia.*

*Day by day our members are supporting them and
developing new ways of meeting those challenges.*

The challenge of raising awareness



In countries where there is no recognition of dementia, raising awareness is vital. Prior to setting up the Alzheimer's and Related Disorders Society of India (ARDSI) in 1992, dementia had been a neglected area of public health. There were no service facilities available and many people – including health professionals – even doubted that dementia existed in India. Few people were diagnosed. Dementia was never a topic at any medical conference. The media were not interested in dementia.

Ten years on, this has all changed. ARDSI now runs three day care centres, a dementia care centre, six memory clinics, community geriatric nursing training programmes and several community care programmes for people with dementia. There is still, however, a long way to go to meet the needs of the four million people in India with dementia. ADI has supported ARDSI along the way.

The challenge of caring



Lauren West, UK: 'When I was told my Dad had Alzheimer's I didn't know what to think. I suppose this was because I didn't really know much about the disease. Dad's illness didn't happen overnight – it's been in the last couple of years that changes in his behaviour have been a lot more noticeable. Dad struggles with simple tasks such as getting washed and dressed. The Dad I now have is not who he was before. He may look the same but it seems as though he's a different person. I suppose that's what really hurts – seeing my Dad, who I loved so much, change into someone I hardly know.'

Osmond Moses, Trinidad and Tobago: 'My mother's life had been a hard one: constantly fighting poverty, later divorce, and finally, in the last 12 years of her life, Alzheimer's disease.'

It began with little forgettings, and graduated into the mysterious loss of large sums of money. She also forgot the names of relatives or merged certain identities. My younger brother Hamlyn, for instance, became 'Clayton', an uncle he somewhat resembled. In the end though, painful as it was, we were forced to move her to a home for the round the clock professional care that we could not provide.

The Alzheimer's Association of Trinidad and Tobago has been for us, a shining light at the end of that tunnel. I give God thanks to this group.'

The challenge of campaigning

Many Alzheimer associations campaign on behalf of people with dementia and their carers. Alzheimers New Zealand acted quickly on the momentum generated by hosting ADI's 18th annual international conference to form the Alzheimers Coalition – a group campaigning for the subsidisation of medications for Alzheimer's disease. Other Alzheimer associations, such as those in Australia and Israel, have already succeeded in their drug subsidisation campaigns.

The challenge of providing information

Providing reliable and accurate information is a priority for all associations, as doing so encourages people to seek help. Deutsche Alzheimer Gesellschaft launched its national telephone helpline in January 2002. The helpline received 2,358 calls in the first month. The majority of callers were family carers, although a large number came from people who were worried they themselves had dementia. The service has been particularly beneficial to those feeling isolated. People spent up to 30 minutes on the telephone.



*Alzheimer's Disease International
gathers the strengths of its members
and distributes the benefits around
the world.*

*We share knowledge and expertise
between members and encourage
initiatives in countries where people
with dementia and their carers are
poorly supported.*





Memory Walk, Berlin

ADI's activities

ADI's purpose is to encourage and guide individuals to set up Alzheimer associations in countries where these do not currently exist and strengthen the work of existing associations throughout the world. Through our work, we also aim to raise global awareness about dementia. ADI sets about achieving its aims through a programme of core activities.

Campaigning

World Alzheimer's Day™ is observed on 21 September each year. It was launched in 1994 with the support of the World Health Organization. Each year ADI selects a special theme and distributes promotional materials to Alzheimer associations, other organisations and individuals around the world. Getting people to campaign collectively on a unifying theme in their country is the most effective way of bringing dementia to the global attention of governments, opinion leaders, medical professionals, people with dementia and their carers.

Last year's World Alzheimer's Day™ campaign was supported by television celebrity Anne Robinson. The theme focused on the importance of receiving a diagnosis, stressing that an early diagnosis is the first step to help. Events

organised around the world included Memory Walks and Tea Days, leafleting campaigns, the launch of diagnostic clinics and training students to carry out simple memory tests in urban areas.

Supporting research

Supporting the work of the **10/66 Dementia Research Group** is a priority for ADI. The group proactively trains researchers to carry out prevalence studies and investigate the impact of dementia in developing countries. The group takes its name from the fact that less than 10% of all population-based research into dementia has been directed towards the 66% or more of all people with dementia who live in developing countries.

The group has been involved in two main pilot studies: developing methods of diagnosing dementia in population-based research that are not biased by culture or education; and looking at the care arrangements for people with dementia and the impact of these on carers. Good quality research shapes policy, which encourages service development.

Training

The **Alzheimer University** training programme is a series of workshops designed to build organisational capacity by focusing on the fundamentals of setting up and running an association.

Representatives from Zimbabwe, Slovenia, Hungary, PR China, Panama, Serbia and Guyana participated in the fourth programme in March 2002, bringing the number of countries that have attended to 31. Topics covered include identifying aims, the role of the board, how to raise awareness and basic fundraising. Equipping participants with organisational skills and knowledge leads to good governance, which enables associations to be more effective.

Bringing people together

ADI's annual international conference brings people together to share experiences, discover common ground and learn from one another. Last year, over 1,000 people from 52 countries came together in Christchurch, New Zealand. The impact of the conference has been extensive and includes a heightened awareness about dementia amongst the public and media in New Zealand, and an introduction for members of Alzheimer New Zealand to the global dementia movement.

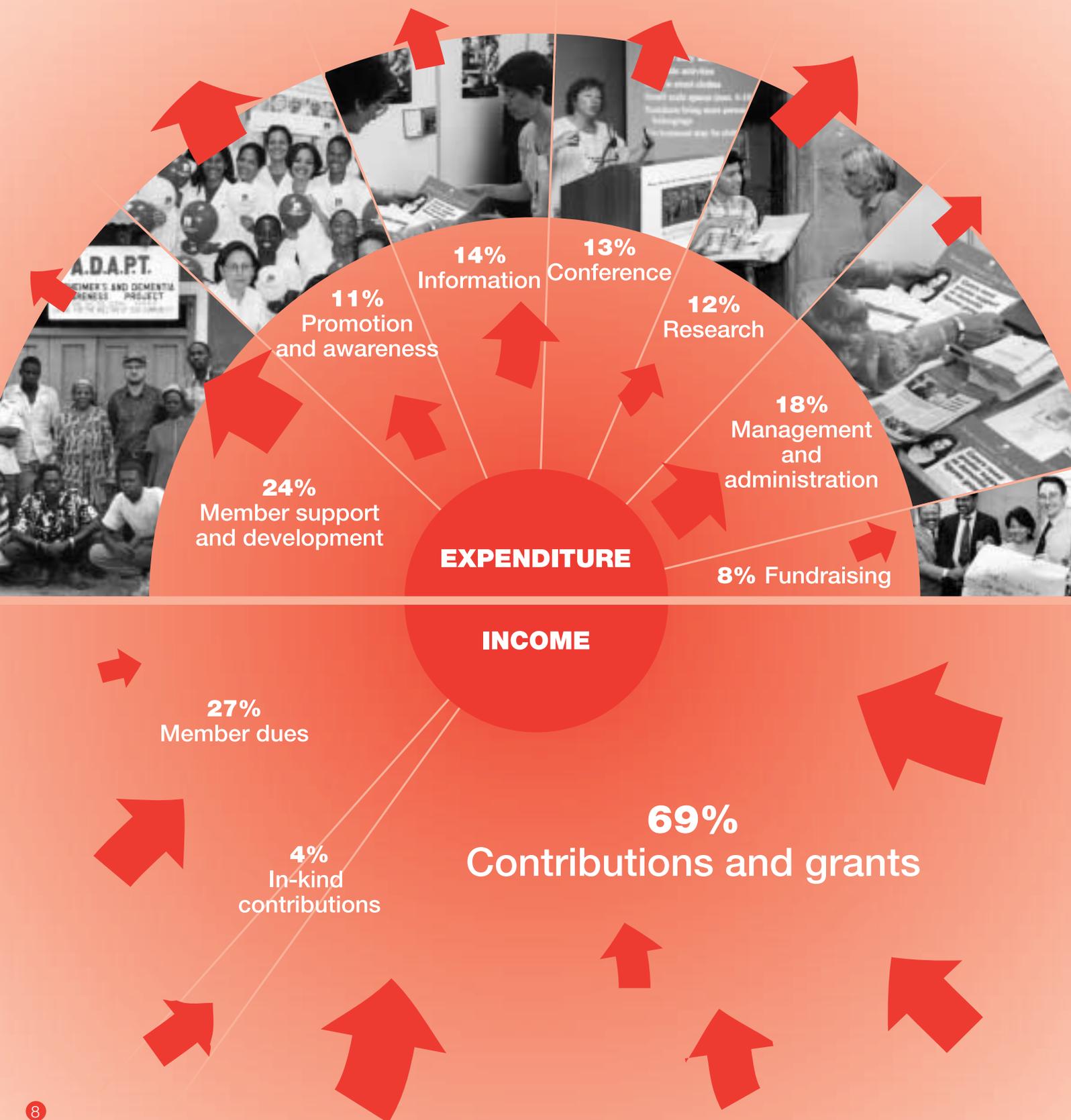
Informing

Providing accurate and reliable online and printed information helps to explode myths, educate and facilitates people to seek help. The number of visits to our website has increased by 61% in the last year.

Making best use of resources

ADI enables networking, learning and sharing between established Alzheimer associations and emerging ones.

Advice, training and support help members directly within their countries.



Where the money comes from and how it is used

Income

Our income comes mainly from dues paid by member Alzheimer associations and from contributions and grants from individuals, corporations and trusts.

Member associations pay dues according to their own income. In 2001 members' dues made up 27% of our revenue.

The support of corporations, including Pfizer & Eisai and Janssen Pharmaceutica, makes up a large proportion of our grant income.

In 2001 we widened our fundraising efforts to include applications to trusts and appeals to individuals, and the support we have received from individuals and trusts has been increasing as a result. We also have the UK-registered charity *Friends of ADI*, which enables donors in the UK to support our work in a tax efficient way.

Expenditure

Our expenses are classified into seven functions: our five main areas of work, management and administration, and fundraising. Membership support and development includes the Alzheimer University training programme. Information covers all our publications, including the tri-annual newsletter, *Global Perspective*. Our key event for promotion and awareness is World Alzheimer's Day™. Research includes support of the 10/66 Dementia Research Group, and conference is the expenditure on the annual ADI conference. Most of our work is undertaken internally with our own staff organising and running core activities. Expenditure is carefully controlled to ensure that we get best value from our resources.

Future needs

Already 66% of people with dementia live in developing countries, where there is little health and social services provision and where the Alzheimer association may be the only source of information and support for people with dementia and their carers. Alzheimer associations are vital. They provide information and advice, advocacy on behalf of people with dementia and their carers, training, services such as support groups, and they raise awareness. We need to develop the capacity of member organisations and support them in raising awareness about dementia. Our future direction is clear. We have two main priorities. First to provide more support and training for members to help them run their organisations more effectively. Second to build the global impact of World Alzheimer's Day™.

To meet the first priority we aim to expand our Alzheimer University training programme and provide regional training and targeted programmes on public policy and leadership.

To meet our second priority we are setting up a task force of ADI members to look at World Alzheimer's Day™ and how we can encourage more global participation and reach targeted audiences. We have five staff and an income of US\$500,000 to serve 60 countries. To achieve our aims we need more human and financial resources. We have embarked on a fundraising strategy, and we are optimistic that this will lead to increased resources for ADI, but for continued growth we need the support of all our members and existing donors.

Support Alzheimer's Disease International

ADI relies on donations in order to carry out its work of strengthening Alzheimer associations worldwide and raising global awareness of dementia. A donation from you can make a real difference.

If you wish to give a donation in memory of a friend, we will be pleased to send an acknowledgement to their family. Please give details in a covering note.

If you are a UK taxpayer and/or a CharityCard holder we can provide you with information on making a tax efficient donation to ADI.

Your details

Title _____
First Name _____
Surname _____
Address _____

Postcode _____
Country _____
Email _____

METHOD OF PAYMENT

You can now donate online at www.alz.co.uk/donate

US donations to ADI are tax deductible

Credit/debit card

Please debit my Visa/Mastercard/Visa Debit/Delta/Switch/JCB/Eurocard/Solo the sum of

£ US\$ €

Card no. _____
Valid from _____ Expiry date _____
Switch card issue no. _____

Signature _____
Date _____

Other

UK cheque or international bankers draft payable to *Alzheimer's Disease International*.

FURTHER INFORMATION

- Please send me information on subscribing to ADI's newsletter
- Please send me information on tax-efficient donations (UK/CharityCard)
- I would prefer not to be contacted by ADI in the future

Send to Alzheimer's Disease International,
45/46 Lower Marsh, London, SE1 7RG, UK

Volunteer for your Alzheimer association

Alzheimer associations are reliant on volunteers for their help and support. Volunteers are needed to fundraise, help with campaigns, run the office, help with World Alzheimer's Day™, answer the telephone, support people with dementia and their carers, raise awareness ... the list is endless.

Medical professionals are also great volunteers for Alzheimer associations and can help by writing and editing medical articles, being part of a panel of advisors, giving talks and helping carers to set up associations.

If you have some free time and are interested in volunteering for the Alzheimer association in your country, please complete the form below and return it to ADI. We will pass your details onto your local Alzheimer association.

Title _____

First Name _____

Surname _____

Address _____

Postcode _____

Country _____

Email _____

Please indicate the area in which you would like to volunteer:

- Medical professional
- Fundraising
- Campaigning
- Caring
- Raising awareness
- Administrative
- Other:

Message from the Chairman and Executive Director



Nori Graham
Chairman



Elizabeth Rimmer
Executive Director

Many people think that becoming more forgetful or repeating yourself in conversation is just a natural part of getting older or that dementia is a normal consequence of ageing. Many think that nothing can be done about dementia. Stigma and myth surround dementia. These are all reasons why people don't come forward for help. We know that although there is no cure for dementia, there is much that can be done to support people with dementia and their families and maximise their quality of life. Raising awareness about dementia is a fundamental aim of ADI and every one of our members. The continued growth of ADI – we now have 60 member countries – is vital if we are to strive towards greater awareness and recognition of dementia and take action to address the profound lack of awareness there is throughout the world.

One of our greatest achievements has been the growth of our 10/66 research network. Over the last year the network has secured funding for detailed population-based studies in five countries – Brazil, Cuba, Dominican Republic, India and China. Over 11,000 older people will be

surveyed over the next three years, generating information about prevalence, risk factors, care arrangements and the effect of dementia on people's lives. Already most people with dementia live in developing countries and the innovative work of 10/66 is the only work of its kind researching dementia in the regions of the world where it has the greatest impact. The information generated by this research is valuable for our members. They can use the results of 10/66 research to lobby their governments about the urgent need to provide dementia training and develop services for people with dementia and their carers. Accurate and reliable facts about how many people have dementia and how they are cared for are essential for governments to develop health and social policies to meet the challenges of dementia. ADI is proud to have supported and encouraged this research network.

This annual report highlights our achievements over the last year and the work of our members. We have made steady progress on a solid financial basis. We have many challenges ahead, in particular fostering the further development of Alzheimer associations in developing countries. However, ADI is a strong network of committed volunteers and staff throughout the world, united in rising to the challenge dementia poses for all of us. Our global movement is all about networking, sharing experiences and learning from one another, with the ultimate aim of improving the quality of life of people with dementia and their families.

Officers

as at 24 October 2001

President Princess Yasmin Aga Khan, USA
Chairman Nori Graham, UK
Treasurer Hennie de Clercq, South Africa
Honorary Vice President Brian Moss, Australia
Founder and Honorary Vice President Jerome Stone, USA

Executive committee

as at 24 October 2001

Daisy Acosta, Dominican Republic
Henry Brodaty*, Australia
Roberto Garcia, Mexico
Ruth Goldberg, Israel
Li Ling Ng, Singapore
Karla Peijs, Netherlands
Orien Reid, USA
Stuart Roth, USA
Jacob Roy, India
Brian Roycroft**, UK
Aquiles Salas, Venezuela
Verna Schofield, New Zealand
Magda Tsolaki, Greece
Mirka Wojciechowska, Poland
Edwin Yu Chi Shing, Hong Kong SAR

* also chairman of the medical and scientific panel

** deceased

Staff

Elizabeth Rimmer, Executive Director
Michael Lefevre, Finance and Technology Officer
Susan Frade, Membership and Communications Officer
Lucy Hawkins, Fundraising Officer
Helen Regan, Administrator

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Web www.alz.co.uk

ADI members

Argentina	Pakistan
Australia	Peru
Austria	Philippines
Belgium	Poland
Brazil	Puerto Rico
Canada	Romania
Chile	Russia
PR China	Scotland
Colombia	Singapore
Costa Rica	Slovak Republic
Cuba	South Africa
Cyprus	Spain
Czech Republic	Sri Lanka
Denmark	Sweden
Dominican Republic	Switzerland
Ecuador	Thailand
El Salvador	Trinidad and Tobago
Finland	Turkey
France	Uganda
Germany	Ukraine
Greece	United Kingdom
Guatemala	United States
Hong Kong SAR	Uruguay
Iceland	Venezuela
India	
Ireland	
Israel	
Italy	
Japan	
Korea	
Luxembourg	
Malaysia	
Mexico	
Netherlands	
New Zealand	
Nigeria	



Report of the Treasurer

2001 was another successful year for ADI. Careful management of expenditure, and an increase in income, brought us to the end of the year with a significant surplus that ensures our reserves can provide us with security going forward, now that we have five full-time staff.

We appreciate the continued support of our members, whose dues accounted for 27% of our income, and also the donations from trusts, individuals and newsletter subscribers. A successful and well-run conference in New Zealand also provided a financial contribution.

Something that deserves explanation is a grant of \$100,000 received from Pfizer & Eisai. It was given for activities in 2002, but is shown in these statements, in accordance with normal accounting practice, as it was received in 2001. The amount is included in the revenue figures, and also in the figure for restricted assets at the end of the year. We also received generous grants for use in 2001 from Pfizer & Eisai and Janssen Pharmaceutica.

This year for the first time we have included percentages in the statements to allow easy comparison of our revenue sources and expenditure on different programmes.

Our work is made possible by the continuing support of our members and donors, and we are grateful for it.

Hennie de Clercq



Treasurer
Hennie de Clercq

Auditor's report

We have audited the accompanying statements of financial position of Alzheimer's Disease International as of December 31, 2001 and 2000 and the related statements of activities and changes in net assets, statements of functional expenses and statements of cash flows for the years then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Alzheimer's Disease International as of December 31, 2001 and 2000 the results of its activities and changes in net assets, functional expenses and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Ruzicka & Associates, Ltd.
Certified Public Accountants
United States
March 2002

Statements of financial position 31 December 2001 and 2000

	2001			2000		
	UNRESTRICTED FUNDS \$	TEMPORARILY RESTRICTED FUNDS \$	TOTAL \$	UNRESTRICTED FUNDS \$	TEMPORARILY RESTRICTED FUNDS \$	TOTAL \$
Assets						
Cash and cash equivalents	267,215		267,215	151,145		151,145
Dues receivable	400		400	2,900		2,900
Loan for conference			0	21,500		21,500
Grants receivable	132,687		132,687	4,230		4,230
Due from Friends of ADI	15,642		15,642	47,134		47,134
Prepaid expenses & other	35,190		35,190	1,435		1,435
Fixed assets, net of accumulated depreciation of 27,001 in 2001 and 20,850 in 2000	12,947		12,947	9,234		9,234
Interfund balance	(112,816)	112,816	0	(76,156)	76,156	0
Total assets	351,265	112,816	464,081	161,422	76,156	237,578
Liabilities and net assets						
Liabilities						
Accounts payable	87,143		87,143	30,217		30,217
Total liabilities	87,143	0	87,143	30,217	0	30,217
Net assets						
Unrestricted	264,122		264,122	131,205		131,205
Temporarily restricted		112,816	112,816		76,156	76,156
Total net assets	264,122	112,816	376,938	131,205	76,156	207,361
Total liabilities and net assets	351,265	112,816	464,081	161,422	76,156	237,578

Statements of activities and changes in net assets For the years ended 31 December 2001 & 2000

	2001				2000			
	UNRESTRICTED FUNDS \$	TEMPORARILY RESTRICTED FUNDS \$	TOTAL \$	PERCENT OF SUPPORT & REVENUE	UNRESTRICTED FUNDS \$	TEMPORARILY RESTRICTED FUNDS \$	TOTAL \$	PERCENT OF SUPPORT & REVENUE
Support and revenue								
Dues	170,480		170,480	26.98%	170,514		170,514	38.23%
Contributions and grants	237,220	201,888	439,108	69.50%	175,529	70,083	245,612	55.07%
In kind contributions – occupancy	21,150		21,150	3.35%	21,335		21,335	4.78%
Interest and other	3,896		3,896	0.62%	8,745		8,745	1.96%
Loss on currency exchange transactions	(2,819)		(2,819)	-0.45%	(209)		(209)	-0.05%
Net assets released from restriction:								
Satisfaction of program restrictions	165,228	(165,228)	0		30,000	(30,000)	0	
Total support and revenue	595,155	36,660	631,815	100.00%	405,914	40,083	445,997	100.00%
Expenses								
Program services								
Conference	61,210		61,210	9.69%	116,470		116,470	26.11%
Information	62,397		62,397	9.88%	95,566		95,566	21.43%
Member support and development	112,059		112,059	17.74%	107,359		107,359	24.07%
Promotion	51,295		51,295	8.12%	70,831		70,831	15.88%
Research	54,368		54,368	8.61%	31,228		31,228	7.00%
Total program services	341,329	0	341,329	54.02%	421,454	0	421,454	94.50%
Support services								
General administration	85,196		85,196	13.48%	57,163		57,163	12.82%
Fund raising	35,713		35,713	5.65%	8,040		8,040	1.80%
Total support services	120,909	0	120,909	19.14%	65,202	0	65,202	14.62%
Total expenses	462,238	0	462,238	73.16%	486,656	0	486,656	109.12%
Increase (decrease) in net assets	132,917	36,660	169,577	26.84%	(80,742)	40,083	(40,659)	-9.12%
Net assets								
Beginning of year	131,205	76,156	207,361		211,947	36,073	248,020	
End of year	264,122	112,816	376,938		131,205	76,156	207,361	

Statement of functional expenses

	PROGRAM SERVICES						TOTAL \$	PERCENT OF TOTAL	
	CONFERENCE \$	INFORMATION \$	MEMBER SUPPORT & DEVELOPMENT \$	PROMOTION & AWARENESS \$	RESEARCH \$	GENERAL ADMINISTRATION \$			FUND RAISING \$
For the year ended 31 December 2001									
Salaries and related expenses	28,309	32,631	39,797	13,933	2,215	47,822	25,926	190,633	41.24%
Grants to members	5,590		38,350		50,426			94,366	20.42%
Occupancy including donated space	4,539	5,145	6,355	2,118	303	7,566	4,237	30,263	6.55%
Printing	1,275	13,500	963	20,683	18	4,962	260	41,661	9.01%
Postage and delivery	3,338	8,623	1,764	10,421		1,614		25,760	5.57%
Office expense and miscellaneous	150		2,910	9	77	9,167	2,740	15,053	3.26%
Telephone and internet	832	1,445	703	964	503	2,719	625	7,791	1.69%
Professional fees			1,833			8,953	1,088	11,874	2.57%
Conferences and meetings, including travel and accommodations	16,264		18,100	2,717	755	850		38,686	8.37%
Total expenses before depreciation	60,297	61,344	110,775	50,845	54,297	83,653	34,876	456,087	98.67%
Depreciation	913	1,053	1,284	450	71	1,543	837	6,151	1.33%
Total 2001	61,210	62,397	112,059	51,295	54,368	85,196	35,713	462,238	100.00%
Percent of Total	13.24%	13.50%	24.24%	11.10%	11.76%	18.43%	7.73%	100.00%	
For the year ended 31 December 2000									
Salaries and related expenses	29,866	29,921	35,246	8,929	3,689	30,116	5,978	143,745	29.54%
Grants to members	49,506		33,396	754	23,054			106,710	21.93%
Occupancy including donated space	5,683	5,694	6,707	1,699	702	5,731	1,138	27,353	5.62%
Printing	387	42,254	373	38,432	690	5,050		87,186	17.92%
Postage and delivery	7,637	10,625	5,424	17,181	115	1,284		42,266	8.68%
Office expense and miscellaneous	3,021	2,489	3,658	737	305	2,486	685	13,380	2.75%
Telephone	420	417	420	420	420	922		3,019	0.62%
Internet	472	1,176	472	472	472	472		3,536	0.73%
Professional fees		1,791	8,624			7,184		17,599	3.62%
Conferences and meetings, including travel and accommodations	18,281		11,627	1,849	1,634	2,711		36,102	7.42%
Total expenses before depreciation	115,273	94,367	105,947	70,473	31,081	55,956	7,800	480,896	98.82%
Depreciation	1,197	1,199	1,412	358	148	1,207	240	5,760	1.18%
Total 2000	116,470	95,566	107,359	70,831	31,228	57,163	8,040	486,656	100.00%
Percent of Total	23.93%	19.64%	22.06%	14.55%	6.42%	11.75%	1.65%	100.00%	

Statements of cash flows for the years ended 31 December 2001 and 2000

	2001			2000		
	UNRESTRICTED FUNDS \$	TEMPORARILY RESTRICTED FUNDS \$	TOTAL \$	UNRESTRICTED FUNDS \$	TEMPORARILY RESTRICTED FUNDS \$	TOTAL \$
Cash flows from operating activities:						
Change in net assets	132,917	36,660	169,577	(80,742)	40,083	(40,659)
Adjustments to reconcile change in net assets to net cash provided by operating activities:						
Depreciation	6,151		6,151	5,760		5,760
Change in interfund balance	36,660	(36,660)		40,083	(40,083)	
Decrease (increase) in dues receivable	2,500		2,500	(2,900)		(2,900)
Decrease (increase) in loan for conference	21,500		21,500	(21,500)		(21,500)
Decrease (increase) in grant receivable	(128,457)		(128,457)	1,516		1,516
Decrease (increase) in due from Friends of ADI	31,492		31,492	(47,134)		(47,134)
Increase in prepaid expenses	(33,755)		(33,755)	(682)		(682)
Increase in accounts payable	56,926		56,926	9,659		9,659
Decrease in deferred revenue			0	(30,000)		(30,000)
Net cash flow from (used in) operations	125,934		125,934	(125,940)		(125,940)
Investing activities						
Purchase of fixed assets	(9,864)		(9,864)	(7,407)		(7,407)
Increase (decrease) in cash	116,070		116,070	(133,347)		(133,347)
Cash and cash equivalents						
Beginning of year	151,145		151,145	284,492		284,492
End of year	267,215		267,215	151,145		151,145

Notes to financial statements

DECEMBER 31, 2001 and 2000

1 Summary of significant accounting policies

Purpose of the organization

Alzheimer's Disease International: The International Federation of Alzheimer's Disease and Related Disorders Societies, Inc. (ADI) was incorporated in 1985 as a world wide organization to: advance the well-being of people with dementia, their families and caregivers; provide a world wide forum to foster discussion, research, education and public policy about dementia; foster the development of voluntary associations; and facilitate cooperation among international organizations.

Basis of accounting

The accompanying financial statements are prepared in accordance with generally accepted accounting principles as set forth in the Financial Accounting Standards Board Statements 116 and 117. Revenue and expenses are recorded on the accrual basis of accounting. All contributions are considered available for unrestricted use, unless specifically restricted by the donor. Restricted grants are recognized as temporarily restricted revenue when received and transferred to the unrestricted fund when expended.

Dues are computed as a percentage of members' unrestricted revenues. Minimum dues for 2001 and 2000 are \$1000. Dues are payable July 31 for the calendar year end and are based on the prior year end financial statements. All computations are performed by the member organizations. Candidates for membership pay a \$50 application fee which is applied to their first year's dues if they are approved for full membership.

Fixed assets

Furniture and equipment is recorded at cost and depreciation is provided on a straight-line basis over the estimated useful lives of three to five years.

Income taxes

Alzheimer's Disease International is a nonprofit organization exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code.

Functional expense allocation

Expenses have been allocated to program and supporting services based on estimates made by management.

Accounting estimates

The preparation of financial statements in conformity with generally accepted

accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

2 Net assets

ADI classifies its net assets into two categories:

Unrestricted net assets include all of the unrestricted support and revenue of ADI, all of the expenses of the organization and transfers from temporarily restricted net assets.

Temporarily restricted net assets include all the restricted support and revenue of ADI. Transfers are made from this fund to unrestricted net assets as expenditures are incurred which meet the restrictions of the donors.

3 Major support

ADI received approximately 77% of its dues revenues from three member organizations. Major contributions were received from five sources in 2001 and from three sources in 2000.

4 In-kind contributions

In 2001 ADI received \$21,150 (\$21,335 in 2000) of in-kind contributions from the Alzheimer's Society (England, Wales and Northern Ireland) in the form of rent and office support. This gift has been recorded as a contribution and as occupancy expense in the accompanying financial statements.

In addition, the Chairman of ADI contributed approximately \$6,000 in expenses for travel, telephone and related costs which have not been reflected in these financial statements.

5 Program activities

The major activities of ADI include the Alzheimer University – a program designed to strengthen the work of Alzheimer associations; an annual international conference; printing of educational materials (newsletter, fact sheets and booklets); assistance to members; development of new Alzheimer associations and World Alzheimer's Day™. The conference is coordinated and planned by a member country upon the ADI board approval of a conference proposal. The conference was held in New Zealand in 2001 and in the United States

of America in 2000. The conference expenses are primarily for the registration and travel assistance for people to attend the conference and printing of conference materials. ADI received \$35,000 in 2001 and \$30,000 in 2000 representing profits from the annual conference.

6 Friends of ADI

Friends of ADI (Friends) was created in 1999 as a United Kingdom charity to raise money for ADI. These funds are temporarily restricted and are to be spent in accordance with the restrictions of the Friends of ADI trustees. Friends raised approximately \$20,000 in 2001 and \$47,000 in 2000, which is included in temporarily restricted contributions. Approximately \$10,000 has not been released from restrictions at December 31, 2001.



**Alzheimer's Disease
International**

***Alzheimer's Disease International (ADI)
is the umbrella organisation of
Alzheimer associations around the world.***

***We aim to help establish and strengthen
Alzheimer associations throughout the
world, and to raise global awareness
about Alzheimer's disease and all other
causes of dementia.***

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