



**Alzheimer's Disease
International**

Annual Report 2003-2004

Celebrating
20 years
of solidarity

20 years of Alzheimer's Disease Intern

21 October 1984 – A small group of pioneers with 'stars in their eyes' met in Washington DC, USA, driven by a vision for a 'world without Alzheimer's disease'. These pioneers came from Alzheimer associations in Australia, Canada, UK and USA, along with observers from Belgium, France and Germany, as well as heads of medical advisory boards, scientists from the National Institute of Health, representatives from the World Health Organization, adjunct scientists and neurologists.

This gathering was the birth of Alzheimer's Disease International (ADI).



Message from our president

I marvel at all our accomplishments and our growth. To think that we started in 1984 with only four members and that today we are 66.

Unity is a great power; even a rope with three strands is not easily broken. How exciting is the unity of ADI's 66 members joined together by vision and commitment on behalf of people with dementia and their carers.

Governments must realise that 18 million people worldwide have dementia. But that number does not give us a clear picture of this disease's influence because it does not include the carers. This is one of those lingering diseases that has a devastating influence upon carers. Governments must become creative in providing tangible help to carers. Dementia puts financial and emotional strains on carers that we have no comprehension of unless we have walked in their shoes. I am very thankful that I was in a position to be able to keep my mother, Rita Hayworth, at home for seven years. I was able to hire around-the-clock supportive help. But what about those millions of carers who cannot? They feel so alone and are overwhelmed with this disease both emotionally and financially. We must not close our hearts and hands to them.

Princess Yasmin Aga Khan



Message from our chairman and executive director

Solidarity is our theme for celebrating ADI's 20th anniversary this year. In a world of conflict and increasing tension, ADI is a positive reminder that common purpose transcends prejudice and unites people worldwide in our mission to improve the quality of life of people with dementia and their families.

ADI has grown from a handful of founding organisations to a truly international federation, reflecting the global impact of dementia. Our members support one another and share their experiences and resources generously. Finding out that others face similar challenges in developing their Alzheimer associations and providing support for people with dementia is invaluable. Meeting people with dementia and carers from the other side of the world and discovering your experiences are so similar is life-affirming. Attending an international conference for the first time and mingling with individuals, all with a passionate interest in dementia, from over 60 countries can be overwhelming and inspirational. ADI provides these opportunities in abundance. These opportunities to meet, learn and share generate the connections that bond our worldwide movement.

As we celebrate our 20th year we are proud of our growth and the progress we have made in building our strong worldwide movement.

Henry Brodaty and Elizabeth Rimmer



Lynn Jackson, centre, with members of DASNI in New Zealand (2001)

'It is because of ADI that my future as a person diagnosed with dementia will be easier'

'2001 was a very exciting time for me. A group of people diagnosed with dementia met in Montana, USA, as we weren't getting support from many of our Alzheimer associations. So we set up Dementia Advocacy and Support Network International (DASNI) and decided to go 'right to the top' to ADI, with the hope they would filter our message to the world. Being the umbrella organisation of Alzheimer associations, ADI sets the example. They are a driving force for campaigns that help people with dementia and their carers all over the world.

Later that year at ADI's conference in New Zealand, we were given our own exhibition stand. Many people were so surprised to see people with dementia walking and talking, let alone making and manning a booth. I felt we had really broken a barrier that day. The world was beginning to know that with early diagnosis there could be quality of life after a diagnosis of dementia.

It is because of ADI that my future as a person diagnosed with dementia will be easier. They are helping decrease the stigma attached to my disease. It is because of ADI we now have people with dementia on various Alzheimer association boards of directors around the world. This gives us people with dementia a much clearer voice.

I owe a lot to ADI. I think the initial reception we received in New Zealand and at subsequent ADI conferences has a lot to do with how I feel today. I believe it has played a big part in my retaining my self-esteem.'

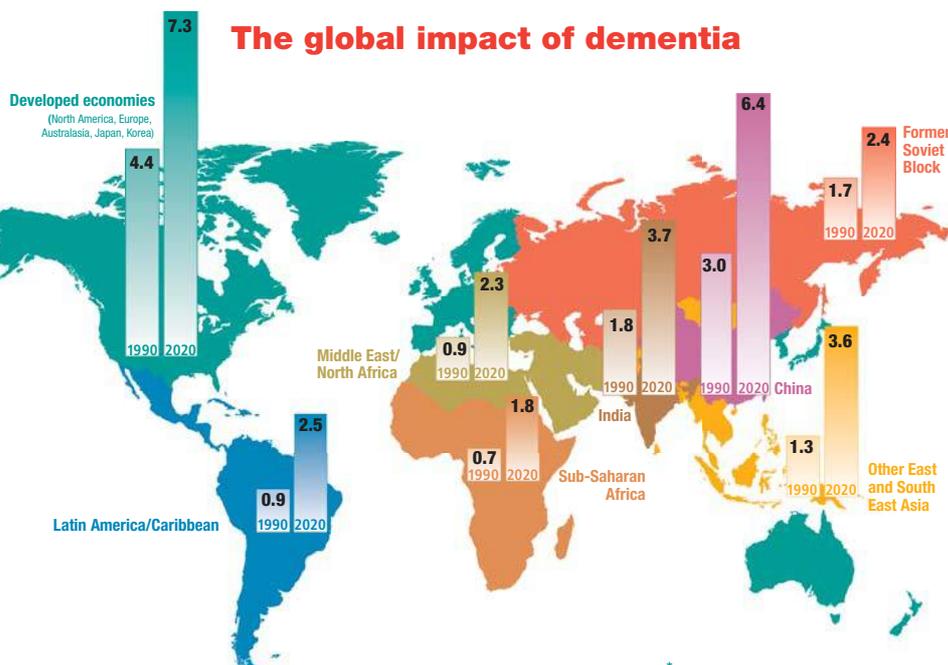
Lynn Jackson, president, Dementia and Advocacy Support Network International (Canada)

The difference we make

Dementia is a term used to describe different brain disorders affecting memory, thinking, behaviour and emotion. Dementia knows no social, economic, ethnic or geographical boundaries. Alzheimer's disease is the most common cause of dementia.

ADI is the worldwide federation of 66 Alzheimer associations. Our purpose is to develop effective Alzheimer associations by facilitating the sharing of expertise and resources that exist within our membership and by raising global awareness of dementia. ADI is a forum through which established and emerging Alzheimer associations can learn from one another. Stronger Alzheimer associations are better able to meet the needs of people with dementia and their carers.

The global impact of dementia



20 years of uniting the world

ADI embraces the world and has grown rapidly into the worldwide federation of 66 Alzheimer associations, reflecting the true global impact of dementia. There is great diversity in our movement from the oldest established association in Canada to the newest association in Iran. However, all associations have one thing in common – rising to the growing challenge of dementia.

Growth of membership

In 20 years, ADI's membership has grown from four founding Alzheimer associations to 66. Growth in the early years came mostly from associations in the developed world as individuals came to learn of ADI through corresponding with our established, founding members. Soon the international network began to expand as the word of ADI's existence spread around the world. By 1994 our membership had grown to 33 associations.

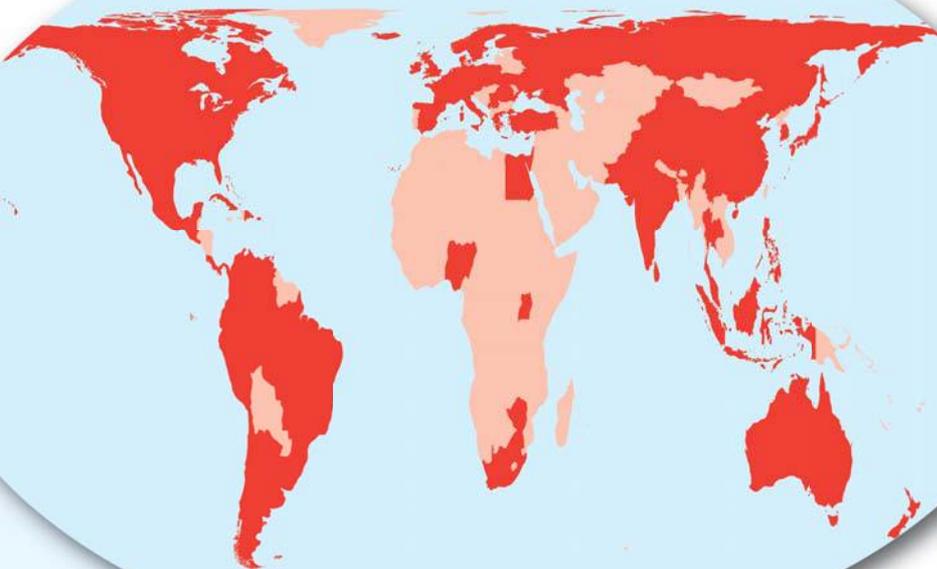
Since 1996, however, most of our new members have come from economically less developed parts of the world. The formation of associations in such countries



has been crucial, as we know there will be a dramatic increase in the numbers of people with dementia in rapidly developing and heavily populated regions, such as Latin America, South East Asia, and Central and Eastern Europe, over the next 20 years.

The formation of many of these associations has coincided with ADI's initiative to develop regional meetings in Asia Pacific and Latin America. Over the years, these meetings have embraced many new Alzheimer associations and put them in contact with neighbouring associations who have guided and advised them in their formative years.

2004 **66 members**



1984 **4 members**



'Now I am feeling part of a 'world team' working on the same problem. In front of me is a challenge to strengthen our national society.' Aleksandra Parojcic, volunteer from Serbia and Montenegro, after attending one of ADI's training programmes



Alzheimer's Disease International



Strength in unity

ADI brings the world of dementia together. For Alzheimer associations, people with dementia, carers, medical professionals, families and scientists being part of a global dementia movement gives them the feeling they are not alone in facing the challenges of dementia. They draw inspiration and strength from meeting other people whose lives are touched by dementia from all over the world. There is a strong sense of belonging, commitment and readiness to help each other within ADI. Just as the family are the main support for most people with dementia, ADI is the family support for Alzheimer associations.



Membership growth year by year

20 years of sharing knowledge

ADI now has members in every world region. Despite the diversity of language and culture, most members face the same challenges – raising awareness about dementia, gaining government recognition, finding volunteers and raising money.

ADI's central philosophy is to encourage sharing and learning across our network so that members do not have to reinvent the wheel.

Developing effective Alzheimer associations

ADI is dedicated to strengthening Alzheimer associations by developing their management capacity. Alzheimer associations that are more effective are better able to support people with dementia and their carers. With this in mind, ADI developed a training programme, the Alzheimer University, which focuses on the fundamental issues of running a non-profit organisation.

The Alzheimer University was piloted in London in 1998 with new and emerging Alzheimer associations. Staff and volunteers from eight associations around the world participated in a series of practical workshops. Since then, ADI has run six Alzheimer University courses.

Fostering partnerships

Within ADI's membership there is great expertise on how to develop and run effective Alzheimer associations and support people with dementia and their carers. Chance encounters at conferences and meetings have allowed people from around the world to meet and discover just how much they really have in common. Numerous partnerships have developed over

the years – such as between Chile and Cuba, where a nurse and volunteer from Corporación Alzheimer Chile visited Cuba to train primary care nurses working with older adults in Havana.

ADI recognises that these exchanges have brought great benefits to Alzheimer associations and is now looking to develop a matching service where associations can help one another with specific issues.

Sharing best practice

Over the last 20 years, ADI's conferences and regional meetings have provided a forum where staff and volunteers of Alzheimer associations, researchers, carers, medical professionals – and, recently, people with dementia – can share and exchange programmes, so they can implement research findings from around the world.

Alzheimer Scotland's internationally-regarded carer education programme came about after ADI's 1994 conference. A member of staff heard a researcher from Australia report his findings that providing information and skills training to carers led to a significant improvement in the health of

PHOTOS LEFT TO RIGHT: Sharing knowledge through fostering partnerships between Scotland and Romania; developing effective Alzheimer associations at the Alzheimer University; disseminating accurate information to the public; volunteers from PR China and Panama sharing best practice; Alzheimer's South Africa targeting the wider community; ADI staff distributing information at our annual conference





'I first visited ADI in 1999 to get information for my grandfather, who has Alzheimer's disease. With no information in Pakistan, this material proved very helpful. In addition, the co-operative and caring attitude of ADI's staff encouraged me to find like-minded people back home and start Alzheimer's Pakistan.

It is through ADI's encouragement that the dream to develop an Alzheimer association has materialised. The technical support provided through the Alzheimer University training programmes, information and educational material has been well received and widely disseminated.'

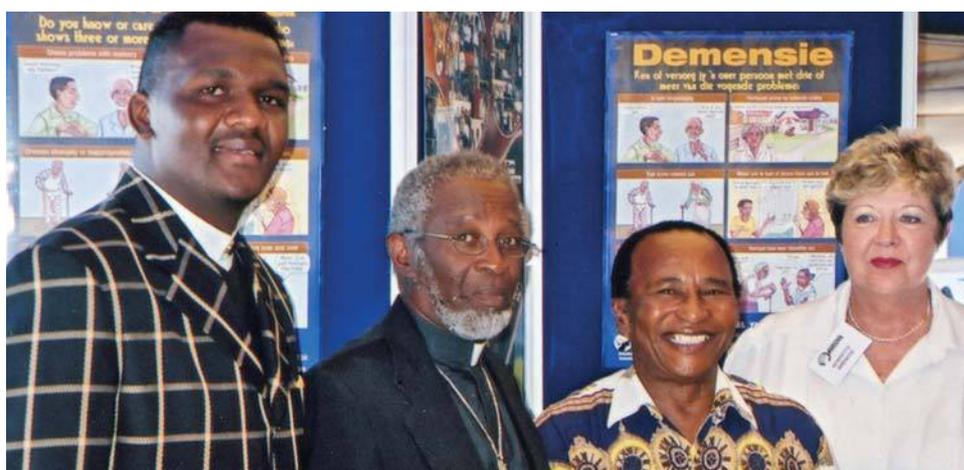
Hussain Jafri, secretary Alzheimer's Pakistan

carers and consequently a delay in the institutionalisation of people with dementia. Ten years later, staff from Alzheimer Scotland have trained carers and health care professionals in Budapest to set up a similar programme in Hungary.

Disseminating accurate and reliable information

Providing accurate and reliable information helps to explode myths, to educate and to enable people to seek help. ADI's booklets and factsheets have been translated and culturally adapted by Alzheimer associations around the world who

do not have sufficient financial and human resources to produce their own materials. Our 'Help for Carers' booklet, prepared in collaboration with the World Health Organization, has been translated into several languages including Tamil, Japanese, Hindi, Russian, Hebrew, Danish, Chinese and Spanish. Our website www.alz.co.uk is accessed 24 hours a day by people with dementia, carers, medical professionals, staff and volunteers of Alzheimer associations, the media and the public.



Milestones

- 1990** First issue of Global Perspective – ADI's newsletter – is launched
- 1993** ADI issues results of first prevalence survey in member countries
- 1994** ADI collaborates with WHO to produce booklet 'Help for Carers', sent to 189 countries
- 1995** 'How to start a self help group' is published by ADI
- 1997** ADI launches charter 'A race against time' on World Alzheimer's Day

ADI launches website

ADI produces first factsheets
- 1999** ADI launches international Charter of Principles for care of people with dementia and their carers

ADI produces 'Dementia in Primary Care' video with Institute of Psychiatry, London, UK
- 2000** ADI launches 'Help for Caregivers' online
- 2002** ADI develops toolkit on how to involve people with dementia in Alzheimer associations

20 years of leading the way

From hosting the first international meeting to discuss Alzheimer's disease to bringing the world's top researchers and clinicians together as advisors, ADI has led the way with its initiatives.

More recently, ADI has taken a leading role in providing a platform for people who have been diagnosed with dementia to speak out and help overcome the stigma attached to the disease.



Bringing people together

ADI's founding meeting in 1984 was the first time people from around the world gathered to discuss Alzheimer's disease. Since then, ADI's annual international conferences have set many precedents: Mexico (1990), India (1998), South Africa (1999) and Dominican Republic (2003) were the first conferences on dementia in Latin America, Asia, Africa and the Caribbean respectively; whilst the World Alzheimer Congress in the

USA (2000) was the largest dementia research, education and networking event ever held. For India, hosting the conference was the birth of the dementia field there. Prior to 1998, dementia was a neglected area of public health with many professionals even doubting its existence. Today, there are day care centres, memory clinics, annual national conferences, and carers training and community care programmes.



'The World Alzheimer Congress 2000 was significant in a number of ways. Perhaps the most memorable to me was the number of Alzheimer's Association (USA) board members and chapter representatives who attended. It was the first time they really appreciated the global impact of dementia and had an opportunity to network with representatives from other countries.

I remember it as a very warm, energising, and motivating time for so many. It was a time when relationships were forged between India and the US, New Mexico and Los Angeles with Mexico, Poland with Chicago and Asian countries with Massachusetts. It was simply wonderful to watch the exchange of information and the realisation that other countries could help us in the US with some of the strategies they use with populations in their countries. It was helpful because some of our chapters began to exchange program ideas, and the countries were able to help chapters with translations of materials into languages that would help them with ethnic populations in their areas. It was so exciting!

Orien Reid, former chairman Alzheimer's Association, vice chairman ADI (USA)



Addressing the research imbalance

Up until 1998, less than 10% of all population-based research into dementia had been directed towards the 66% of people with dementia in the developing world. To address this imbalance, ADI set up the 10/66 Dementia Research Group, which to date has existed on a shoestring budget, most of which has been spent on networking and training. 10/66 has trained over 100 researchers in 36 centres in 27 developing countries. Dementia assessment tools have been translated into seven Indian languages, Mandarin and Cantonese, Bahasa Indonesian, Yoruba, Spanish, French, Portuguese and Russian. In 2003, 10/66 published its first research findings in *The Lancet*, demonstrating that the use of standard assessment techniques in people with low levels of education can result in misdiagnosis of dementia. The study, in which 2,885 people aged 60 years and over in Asia, Africa, Latin America and the Caribbean were interviewed, was also able to identify and test a dementia assessment technique ensuring a fair comparison between people from different countries and cultures with different levels of education.



New Zealand 2001 – Alan Gibb, who was diagnosed with dementia, is welcomed to ADI's conference by Verna Schofield (ADI executive) and Wendy Fleming (conference chair)

Giving people with dementia a voice

In 2001, Christine Bryden visited the ADI office in London. Christine, who has dementia, had just met fellow members of the Dementia Advocacy Support Network International (DASNI). DASNI felt people with dementia were not being supported in their respective countries and decided to go 'right to the top', with the hope ADI would spread their message to the world. Soon after Christine's visit, ADI embarked on a two-year consultative process encouraging Alzheimer associations to be more inclusive of people with dementia. This work culminated in people with dementia becoming an integral part of ADI's work, including having a voice at its conferences, and Christine being the first person with dementia elected onto ADI's board.

Milestones

- 1984** ADI's founding meeting was the first time people from around the world gathered to discuss Alzheimer's disease
- 1993** ADI issues results of first prevalence survey in its 26 member countries
- 1994** ADI organises its first consensus conference 'Predictive Genetic Testing'
- 1996** Over 100 of the world's top researchers and clinicians join ADI's Medical and Scientific Advisory Panel
- 1998** ADI's 14th annual international meeting 'Dementia the global challenge' hosted in Cochin, India, was the first international meeting on dementia held in Asia

10/66 Dementia Research Group is founded
- 1999** First international conference on dementia held in Africa 'Dementia challenge of our time: Creating Hope for the New Millennium'
- 2000** ADI co-hosts World Alzheimer's Congress in Washington DC, USA – the largest dementia research, education and networking event ever held generating an estimated 561 media impressions
- 2001** ADI gives people with dementia a voice and sets up a working group to help Alzheimer associations become more inclusive of people with dementia in their work
- 2003** 10/66 Dementia Research Group publishes its first piece of research in *The Lancet*

ADI elects its first person with dementia to the executive committee

20 years of international recognition

During the last 20 years, ADI has gained increasing respect and recognition throughout the world as the worldwide federation of Alzheimer associations.

As the economic and social impacts of dementia have become apparent, Alzheimer associations have looked to ADI and each other for solidarity and help in getting dementia on the healthcare agenda.

World Alzheimer's Day

Dementia is surrounded by myth and stigma. It is still thought by many to be a normal part of ageing. Coupled with the fact that presently there is no cure for most causes of dementia, this means many people believe nothing can be done and do not seek a diagnosis. In truth, much can be done and there is a great deal of advice, support and information available from Alzheimer associations and elsewhere.

World Alzheimer's Day, observed on 21 September each year, plays an important part in raising awareness about dementia and the work of Alzheimer associations. Launched in 1994 with the backing of the World Health Organization, support for the day continues to grow each year. In 1997, the World Alzheimer's Day Charter was signed by thousands of people in 30 countries. Last year 56 countries participated

in Memory Walks, parliamentary debates, public forums and street leafleting campaigns. After 10 years of co-ordinating World Alzheimer's Day, ADI and our members have started seeing an increased recognition of

Edinburgh 1994 – Brian Moss, ADI chairman, Princess Yasmin Aga Khan, ADI president, and Dr Jose Bertolote from WHO launch the first World Alzheimer's Day



International advocates

Over the years, a number of high-profile public figures, including political and cultural leaders, have supported the work of ADI and in particular ADI's World Alzheimer Day campaigns. Their endorsement has helped raise the profile of dementia and of Alzheimer associations, attract new audiences to our cause, demystify dementia, raise funds and mobilise public opinion and involvement.



His Holiness Pope Giovanni Paolo II dedicated a message of solidarity to people with dementia and their families around the world during the ceremony of Angelus on Sunday 21 September 1997.



Dr Julio Maria Sanguinetti, President of Uruguay signed the World Alzheimer's Day Charter in Montevideo in 1997.



Mrs Nancy Reagan joined ADI in promoting global awareness and understanding of dementia by lending her support to the 'Race against time' campaign in 1997.



Gro Harlem Brundtland, Director General of the World Health Organization, called on governments to recognise the role of carers and improve services for people with dementia and their carers in 2000.



Hiroshima 2000 – Volunteers from Alzheimer's Association Japan after their street leafleting campaign for World Alzheimer's Day

dementia as an illness, whilst Alzheimer associations now receive better acknowledgement and respect from their governments and the media.

'World Alzheimer's Day has been our most powerful tool for getting our message across and has played an instrumental role in creating awareness. In 2002, we opened the country's first dementia nursing home, prompting the mayor from another city to offer to build one in his city.'

Murat Emre, chairman Turkish Alzheimer Society



In 2001, television presenter Anne Robinson encouraged people concerned about their memory to see their doctor. 'When my mother was diagnosed with Alzheimer's disease I contacted the Alzheimer's Society (UK). They saved my life and helped us through very difficult times.'



Abdul Kalam, India's President, launched the first ever book on Alzheimer's disease in India on World Alzheimer's Day 2002 at the President's headquarters in New Delhi.



Queen Silvia of Sweden inaugurated the World Alzheimer's Day seminar in Stockholm in 2003. The Queen spoke about her own experience of caring for her mother and encouraged carers to also take care of themselves.



ADI and the World Health Organization

1984 The Alzheimer's Association (USA), with encouragement from the World Health Organization (WHO), calls a meeting in Washington DC with representatives from Alzheimer associations in Canada, Australia, the UK and individuals from France, Belgium and Germany with a view to set up an international Alzheimer organisation

1990 ADI invited by WHO to participate in developing a statement for a position paper on mental health for the elderly

1992 ADI enters into an official Working Relationship with WHO in September

1994 ADI celebrates its 10th anniversary by launching World Alzheimer's Day with the support of WHO on 21 September

ADI collaborates with WHO to produce booklet 'Help for Carers' which was sent to health ministers in 189 countries

1996 WHO enters into Official Relations with ADI

1999 Dr Gro Harlem Brundtland, Director General of the WHO supports World Alzheimer's Day

2000 ADI collaborates with WHO to develop and evaluate services for people with dementia in the Dominican Republic, PR China, Russia and India

2001 Mental health is selected as the theme for World Health Day (7 April) and ADI is invited by WHO to deliver a statement at the official launch of 'Stop Exclusion. Dare to Care' in Geneva

2003 ADI invited by WHO to participate in working group on mental health

No time to lose...

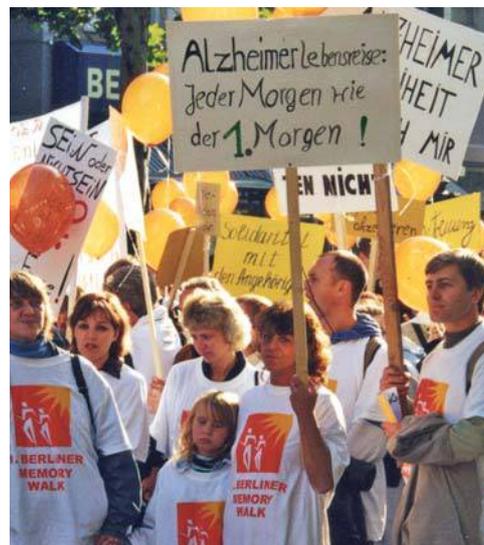
As we celebrate our growth and achievements over the last 20 years, we are at the same time planning our continued expansion to provide greater support for Alzheimer associations worldwide, and to raise awareness.

We have ambitious goals; an effective Alzheimer association in every country of the world and dementia firmly on the global health agenda. We need your support to help us achieve these goals as there is no time to lose.

Strengthening Alzheimer associations

With increased awareness about dementia, more people will come forward seeking advice and support from their national Alzheimer association. Associations need to be prepared to meet this demand and be able to lobby for or provide appropriate services.

- We plan to develop training programmes for carers and professionals in developing countries based on the knowledge and experience of our 10/66 research network.
- There are still many countries without an Alzheimer association. We need to reach out to those countries and encourage the development of Alzheimer associations.
- We need to encourage greater sharing of expertise and resources within our membership.
- To achieve these, we need to strengthen our capacity to support existing and potential members.



Berlin 2002 – Volunteers from Deutsche Alzheimer Gesellschaft walk through their city's streets to raise awareness

Raising awareness

Dementia needs to be recognised and understood by everyone. We need to get everyone talking about dementia. Dementia needs to be on the agenda of all governments.

- World Alzheimer's Day 2005 is set to achieve more coverage than ever before and reach more people than ever before.
- Our conference in Istanbul, Turkey, in 2005, will be an opportunity to raise awareness in the Middle East and we will be making special efforts to encourage representatives from all the Arab-speaking countries to attend.

We need your help



Alzheimer's Disease International

Our income comes from our member Alzheimer associations, corporations, trusts and foundations, and individuals. Most of our work is organised and run by our own staff. Expenditure is carefully controlled to ensure that we make best use of our resources, and the outcomes of our activities are evaluated.

In order to achieve our future goals, we rely on the ongoing support of all our donors and contributors. We need your help to realise our plans to raise awareness, improve our knowledge about dementia and strengthen Alzheimer associations. You can make a donation by visiting www.alz.co.uk/donate

Treasurer's report

I am happy to once again be presenting a healthy set of figures for the period ending 31 December 2003.

In 2003, an unusually large proportion of our expenditure went to the conference, due mostly to our handling \$100,000 in conference sponsorship from Janssen-Cilag following the late change of venue. The conference was very successful thanks to their support and the hard work of the Asociacion Dominicana de Alzheimer.

We appreciate the ongoing support of our member associations, as well as the contributions from trusts and foundations (listed in the box below), corporations, individuals, and newsletter subscribers.

We would like to thank City General Insurance Co Ltd and its directors for their very substantial contribution to Friends of ADI. We are also grateful to Johnson & Johnson and Pfizer & Eisai for their support in 2003.

I would also like to express my appreciation to the trustees of Friends of ADI, the UK registered charity that supports the work of ADI, the rest of the executive committee, in particular our founder Mr Jerome Stone for his fundraising efforts in the last year, and to the staff of ADI for their good financial management.

We depend on the support of our members and donors in order to carry on achieving our aims and objectives, and we are very grateful for it.

Hennie de Clercq

ADI and Friends of ADI would like to thank the following trusts and foundations for their support in 2003:

Hargrove Pierce Foundation
Charles Evans Foundation
Sadie F Berkson Living Trust
Audrey and Stanley Burton Trust
Roger Vere Foundation
Thomas Sivewright Settlement
Philanthropic Trust
Ian Askew Charitable Trust
Sir Cliff Richard Charitable Trust
Ardwick Trust
Christadelphian Samaritan Fund

Auditor's report

We have audited the accompanying statements of financial position of Alzheimer's Disease International as of December 31, 2003 and 2002 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, 2003 and 2002 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
February 16, 2004

Notes to financial statements

December 31, 2003 and 2002

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 2003 and 2002 are generally \$1,000 (dues for low income countries are \$100). 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 are recorded in this category and transfers from temporarily restricted net assets are made as the restrictions of the grants are met.

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 receives approximately 71% (74% in 2002) of its dues revenues from two member organizations. Major contributions were received from three sources in 2003 and from five sources in 2002. In 2003, ADI received an unusual gift of \$244,000 from the residual of an insurance company that was being liquidated. This gift was received through Friends of ADI.

4 In kind contributions:

In 2003 ADI received \$23,000 (\$23,500 in 2002) 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, approximated \$15,000 in expenses for travel, telephone and related costs of the Chairman of ADI were contributed directly or through sponsorships in 2003. In 2002 the Chairman of ADI contributed approximately \$7,000 in similar expenses. These expenses 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 with the approval of a conference proposal by the ADI board. The 2003 conference was held in Dominican Republic and in 2002 was held in Barcelona, Spain. The conference expenses are primarily for the registration and printing of conference materials and in 2002 for travel assistance for people to attend the conference. Due to special circumstances, the 2003 conference was funded by a special grant of \$100,000. ADI receives a share of the conference fees, which amounted to \$16,700 in 2003 and \$65,000 in 2002.

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 generally unrestricted in accordance with the Friends of ADI trustees. Friends raised approximately \$244,000 through the receipt of a special one-time gift in 2003 and \$17,000 in 2002.

Financial statements for 2003 and 2002

Statements of financial position December 31, 2003 and 2002

	2003			2002		
	Unrestricted funds	Temporarily restricted funds	Total	Unrestricted funds	Temporarily restricted funds	Total
	\$	\$	\$	\$	\$	\$
ASSETS						
Cash and cash equivalents	336,050		336,050	279,081		279,081
Dues receivable	2,500		2,500	2,091		2,091
Due from conference	6,700		6,700	64,967		64,967
Grants receivable	20,000		20,000	100,000		100,000
Due from Friends of ADI	245,298		245,298	0		0
Prepaid expenses & other			0	4,919		4,919
Fixed assets, net of accumulated depreciation of \$39,981 in 2003 and \$34,294 in 2002	3,788		3,788	8,754		8,754
Interfund balance			0	(101,448)	101,448	0
Total assets	614,336	0	614,336	358,364	101,448	459,812
LIABILITIES AND NET ASSETS						
Liabilities						
Accounts payable	102,192		102,192	40,257		40,257
Total liabilities	102,192	0	102,192	40,257	0	40,257
Net assets						
Unrestricted	512,144		512,144	318,107		318,107
Temporarily restricted		0	0		101,448	101,448
Total net assets	512,144	0	512,144	318,107	101,448	419,555
Total liabilities and net assets	614,336	0	614,336	358,364	101,448	459,812

Statements of activities and changes in net assets for the years ended December 31, 2003 and 2002

	2003				2002			
	Unrestricted funds	Temporarily restricted funds	Total	Percent of support & revenue	Unrestricted funds	Temporarily restricted funds	Total	Percent of support & revenue
	\$	\$	\$	%	\$	\$	\$	%
Support and revenue								
Dues	239,354		239,354	37.54%	220,890		220,890	44.97%
Contributions and grants	345,463	10,011	355,474	55.75%	84,450	136,147	220,597	44.92%
In kind contributions – occupancy	23,000		23,000	3.61%	23,500		23,500	4.78%
Interest and other	664		664	0.10%	1,670		1,670	0.34%
Gain (loss) on currency exchange transactions	19,142		19,142	3.00%	24,486		24,486	4.99%
Net assets released from restriction:								
Satisfaction of program restrictions	111,459	(111,459)	0		147,515	(147,515)	0	
Total support and revenue	739,082	(101,448)	637,634	100.00%	502,511	(11,368)	491,143	100.00%
Expenses								
Program services								
Conference	187,290		187,290	29.37%	59,304		59,304	12.07%
Information	74,231		74,231	11.64%	63,104		63,104	12.85%
Member support and development	81,973		81,973	12.86%	116,209		116,209	23.66%
Promotion	74,376		74,376	11.66%	50,177		50,177	10.22%
Research	24,184		24,184	3.79%	9,858		9,858	2.01%
Total program services	442,055	0	442,055	69.33%	298,652	0	298,652	60.81%
Support services								
General administration	72,616		72,616	11.39%	94,479		94,479	19.24%
Fund raising	30,374		30,374	4.76%	55,395		55,395	11.28%
Total support services	102,990	0	102,990	16.15%	149,874	0	149,874	30.52%
Total expenses	545,045	0	545,045	85.48%	448,526	0	448,526	91.32%
Increase (decrease) in net assets	194,037	(101,448)	92,589	14.52%	53,985	(11,368)	42,617	8.68%
Net assets								
Beginning of year	318,107	101,448	419,555		264,122	112,816	376,938	
End of year	512,144	0	512,144		318,107	101,448	419,555	

Statements of functional expenses



Alzheimer's Disease
International

For the year ended December 31, 2003 (with comparative totals for 2002)

	Program Services				Support Services			Total	Percent of total %	Total 2002 \$	Percent of total %
	Conference \$	Information \$	Member Support and Development \$	Promotion and Awareness \$	Research \$	General Administration \$	Fund-raising \$				
Salaries and related expenses	43,941	42,013	36,721	33,808	2,761	37,237	13,271	209,752	38.48%	225,536	50.28%
Grants to members	6,077		13,763		19,623			39,463	7.24%	53,581	11.95%
Occupancy including donated space	9,869	9,436	8,247	7,593	620	8,363	2,981	47,109	8.64%	43,034	9.59%
Printing	270	12,365	644	15,095	262	4,631	579	33,846	6.21%	30,560	6.81%
Postage and delivery	3,050	7,503	593	11,135		2,240	300	24,821	4.55%	23,003	5.13%
Office expense and miscellaneous	1,467	1,096	3,319	1,191	163	2,720	582	10,538	1.93%	15,230	3.40%
Telephone and internet	968	680	680	947	680	3,749	680	8,384	1.54%	5,572	1.24%
Professional fees	95		3,121			12,217	11,521	26,954	4.95%	16,125	3.60%
Conferences and meetings, including travel and accommodations	120,363		13,890	3,691		450	101	138,495	25.41%	28,592	6.37%
Total expenses before depreciation	186,100	73,093	80,978	73,460	24,109	71,607	30,015	539,362	98.96%	441,233	98.37%
Depreciation	1,191	1,138	995	916	75	1,009	360	5,683	1.04%	7,293	1.63%
Total 2003	\$187,290	74,231	81,973	74,376	24,184	72,616	30,374	545,045	100.00%		
Percent of Total	34.36%	13.62%	15.04%	13.65%	4.44%	13.32%	5.57%	100.00%			
Total 2002	\$59,304	63,104	116,209	50,177	9,858	94,479	55,395			\$448,526	100.00%
Percent of Total	13.22%	14.07%	25.91%	11.19%	2.20%	21.06%	12.35%			100.00%	

For the year ended December 31, 2002 (with comparative totals for 2001)

	Program Services				Support Services			Total	Percent of total %	Total 2001 \$
	Conference \$	Information \$	Member Support and Development \$	Promotion and Awareness \$	Research \$	General Administration \$	Fund-raising \$			
Salaries and related expenses	31,185	35,850	43,662	15,171	2,474	54,484	42,710	225,536	50.28%	\$190,633
Grants to members			53,581					53,581	11.95%	94,366
Occupancy including donated space	5,475	5,475	5,475	5,475	5,475	10,182	5,477	43,034	9.59%	30,263
Printing	467	10,846	641	14,422	285	2,907	992	30,560	6.81%	41,661
Postage and delivery	2,566	9,274	1,306	8,689		902	266	23,003	5.13%	25,760
Office expense and miscellaneous	1,145	20	1,713	94		10,126	2,132	15,230	3.40%	15,053
Telephone and internet	610	582	597	703	582	1,916	582	5,572	1.24%	7,791
Professional fees			2,868			11,486	1,771	16,125	3.60%	11,874
Conferences and meetings, including travel and accommodations	16,814	15	5,324	4,581		1,434	424	28,592	6.37%	38,686
Total expenses before depreciation	58,262	62,062	115,167	49,135	8,816	93,437	54,354	441,233	98.37%	456,087
Depreciation	1,042	1,042	1,042	1,042	1,042	1,042	1,041	7,293	1.63%	6,151
Total 2002	\$59,304	63,104	116,209	50,177	9,858	94,479	55,395	448,526	100.00%	
Percent of Total	13.22%	14.07%	25.91%	11.19%	2.20%	21.06%	12.35%	100.00%		
Total 2001	\$187,290	74,231	81,973	74,376	24,184	72,616	30,374			\$462,238
Percent of Total	40.52%	16.06%	17.73%	16.09%	5.23%	15.71%	6.57%			100.00%

Statements of cash flows for the years ended December 31, 2003 and 2002

	2003			2002		
	Unrestricted funds \$	Temporarily restricted funds \$	Total \$	Unrestricted funds \$	Temporarily restricted funds \$	Total \$
Cash flows from operating activities:						
Change in net assets	194,037	(101,448)	92,589	53,985	(11,368)	42,617
Adjustments to reconcile change in net assets to net cash provided by operating activities:						
Depreciation	5,683		5,683	7,293		7,293
Change in interfund balance	(101,448)	101,448		(11,368)	11,368	
Increase in dues receivable	(409)		(409)	(1,691)		(1,691)
Decrease (increase) in loan for conference	58,267		58,267	(29,967)		(29,967)
Decrease in grant receivable	80,000		80,000	32,687		32,687
Decrease (increase) in due from Friends of ADI	(245,298)		(245,298)	15,642		15,642
Decrease (increase) in prepaid expenses	4,919		4,919	(4,729)		(4,729)
Increase (decrease) in accounts payable	61,935		61,935	(46,886)		(46,886)
Net cash flow from operations	57,686		57,686	14,966	0	14,966
Investing activities						
Purchase of fixed assets	(717)		(717)	(3,100)		(3,100)
Increase in cash and cash equivalents	56,969		56,969	11,866		11,866
Beginning of year	279,081		279,081	267,215		267,215
End of year	336,050		336,050	279,081		279,081

See independent auditor's report and notes to financial statements on page 13



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Chairman Henry Brodaty, Australia
Vice Chairman Orien Reid, USA
Treasurer Hennie de Clercq, South Africa
Chairman of the Medical and Scientific Panel Steve DeKosky, USA
Founder and Honorary Vice President Jerome Stone, USA
Honorary Vice President Nori Graham, UK
Honorary Vice President Brian Moss, Australia

Executive committee as at 15 October 2003

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Lilian Alicke, Brazil
Christine Bryden, Australia
Ruth Goldberg, Israel
Hussain Jafri, Pakistan
Pekka Laine, Finland
Christine McGregor, Scotland
Li Ling Ng, Singapore
Jacob Roy, India
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Elizabeth Rimmer, Executive Director
Susan Frade, Communications Officer
Michael Lefevre, Finance and Technology Officer
Helen Regan, Membership Development Officer
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