

**ALZHEIMER'S DISEASE AND  
RELATED DISORDERS ASSOCIATION,  
GREATER ILLINOIS CHAPTER**

Financial Statements

June 30, 2012 and 2011

(With Independent Auditor's Report Thereon)



6815 Weaver Road, Suite 100 • Rockford, Illinois 61114-8018

## Independent Auditor's Report

Board of Directors  
Alzheimer's Disease and Related Disorders Association, Greater Illinois Chapter  
Chicago, Illinois

We have audited the accompanying statements of financial position of Alzheimer's Disease and Related Disorders Association, Greater Illinois Chapter (Alzheimer's) as of June 30, 2012 and 2011, and the related statements of activities, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of Alzheimer'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 and Related Disorders Association, Greater Illinois Chapter as of June 30, 2012 and 2011 and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

*Sikich LLP*

Rockford, Illinois  
September 6, 2012

**ALZHEIMER'S DISEASE AND RELATED DISORDERS ASSOCIATION,  
GREATER ILLINOIS CHAPTER**

Statements of Financial Position

June 30, 2012 and 2011

<b>Assets</b>	<u>2012</u>	<u>2011</u>
Current assets:		
Cash and cash equivalents	\$ 1,015,277	279,757
Contributions receivable, net	230,208	156,412
Due from National:		
Cash	326,542	205,459
Pledges	210,453	185,772
Other receivables	2,429	6,925
Prepaid expenses and other assets	<u>30,797</u>	<u>23,736</u>
Total current assets	1,815,706	858,061
Cash and cash equivalents – restricted	56,000	112,000
Contributions receivable, net	8,000	5,125
Investments	1,135,813	766,353
Property, equipment and software, net	<u>116,437</u>	<u>146,005</u>
	<u>\$ 3,131,956</u>	<u>1,887,544</u>
<b>Liabilities and Net Assets</b>		
Current liabilities:		
Accounts payable	84,843	76,501
Accrued expenses	229,637	219,797
Deferred revenue	<u>–</u>	<u>2,100</u>
Total current liabilities	314,480	298,398
Net assets:		
Unrestricted – undesignated	829,424	1,010,843
Temporarily restricted	<u>1,988,052</u>	<u>578,303</u>
Total net assets	<u>2,817,476</u>	<u>1,589,146</u>
	<u>\$ 3,131,956</u>	<u>1,887,544</u>

See accompanying notes to financial statements.

**ALZHEIMER'S DISEASE AND RELATED DISORDERS ASSOCIATION,  
GREATER ILLINOIS CHAPTER**

Statements of Activities

For the Years Ended June 30, 2012 and 2011

	2012			2011		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
<b>Revenues:</b>						
Contributions and grants:						
Memorials and tributes	\$ 211,211	11,686	222,897	218,813	4,610	223,423
Corporations	168,164	37,513	205,677	177,290	47,295	224,585
Individuals	77,305	51,623	128,928	63,462	30,046	93,508
Bequests	412,016	1,544,943	1,956,959	754,145	134,524	888,669
Foundations	39,116	4,750	43,866	24,549	12,500	37,049
Donated services and materials	103,000	-	103,000	119,963	-	119,963
Shared contributions, net	601,196	121,760	722,956	465,358	13,721	479,079
Other grants	-	-	-	600	23,000	23,600
Total contributions and grants	<u>1,612,008</u>	<u>1,772,275</u>	<u>3,384,283</u>	<u>1,824,180</u>	<u>265,696</u>	<u>2,089,876</u>
Program services – education workshops	83,430	-	83,430	117,212	-	117,212
Interest and dividend income	21,595	-	21,595	21,053	-	21,053
Realized gains on investments	-	-	-	28,645	-	28,645
Unrealized gains on investments	2,791	-	2,791	48,886	-	48,886
Special events – gross receipts	1,823,607	531,188	2,354,795	1,591,763	399,084	1,990,847
Less special event expenses	(257,845)	-	(257,845)	(213,150)	-	(213,150)
Sales of books and materials	643	-	643	1,021	-	1,021
Miscellaneous	155	-	155	4,227	-	4,227
Total revenues	<u>3,286,384</u>	<u>2,303,463</u>	<u>5,589,847</u>	<u>3,423,837</u>	<u>664,780</u>	<u>4,088,617</u>
Net assets released from restrictions	<u>893,714</u>	<u>(893,714)</u>	<u>-</u>	<u>813,226</u>	<u>(813,226)</u>	<u>-</u>
Total revenues and net assets released from restrictions	<u>4,180,098</u>	<u>1,409,749</u>	<u>5,589,847</u>	<u>4,237,063</u>	<u>(148,446)</u>	<u>4,088,617</u>
<b>Expenses:</b>						
Program services:						
Patient and family services	1,636,919	-	1,636,919	1,474,536	-	1,474,536
Public awareness and education	1,467,748	-	1,467,748	1,613,369	-	1,613,369
Public policy	161,147	-	161,147	96,089	-	96,089
Total program services	<u>3,265,814</u>	<u>-</u>	<u>3,265,814</u>	<u>3,183,994</u>	<u>-</u>	<u>3,183,994</u>
Support services:						
Management and general	342,011	-	342,011	373,284	-	373,284
Fundraising	753,692	-	753,692	705,502	-	705,502
Total support services	<u>1,095,703</u>	<u>-</u>	<u>1,095,703</u>	<u>1,078,786</u>	<u>-</u>	<u>1,078,786</u>
Total expenses	<u>4,361,517</u>	<u>-</u>	<u>4,361,517</u>	<u>4,262,780</u>	<u>-</u>	<u>4,262,780</u>
Increase (decrease) in net assets	(181,419)	1,409,749	1,228,330	(25,717)	(148,446)	(174,163)
Net assets at beginning of year	<u>1,010,843</u>	<u>578,303</u>	<u>1,589,146</u>	<u>1,036,560</u>	<u>726,749</u>	<u>1,763,309</u>
Net assets at end of year	<u>\$ 829,424</u>	<u>1,988,052</u>	<u>2,817,476</u>	<u>1,010,843</u>	<u>578,303</u>	<u>1,589,146</u>

See accompanying notes to financial statements.

**ALZHEIMER'S DISEASE AND RELATED DISORDERS ASSOCIATION,  
GREATER ILLINOIS CHAPTER**

Statements of Cash Flows

For the Years Ended June 30, 2012 and 2011

	2012	2011
Cash flows from operating activities:		
Cash from contributions and special fundraising events \$	4,559,004	3,625,653
Cash from program services – education workshops	72,180	118,233
Cash received under revenue sharing agreement	640,891	727,403
Cash from other grants	–	23,600
Interest and dividends received	24,386	21,053
Miscellaneous receipts	12,170	4,227
Operating receipts	5,308,631	4,520,169
Cash paid to and for the benefit of employees	3,087,326	2,963,236
Cash paid under revenue sharing agreement	81,586	271,680
Cash paid to vendors	1,083,917	1,214,373
Grants paid	2,452	1,872
Operating disbursements	4,255,281	4,451,161
Net cash flows from operating activities	1,053,350	69,008
Cash flows from investing activities:		
Sale of investments	4,539	4,534
Purchase of investments	(370,994)	(19,893)
Purchase of property, equipment and software	(7,375)	(11,868)
Net cash flows from investing activities	(373,830)	(27,227)
Cash flows from financing activities –		
Principal payments on capital lease obligation	–	(23,851)
Net increase in cash and cash equivalents	679,520	17,930
Cash and cash equivalents – beginning of year	391,757	373,827
Cash and cash equivalents – end of year	\$ 1,071,277	391,757
Cash and cash equivalents	\$ 1,015,277	279,757
Cash and cash equivalents – restricted	56,000	112,000
	\$ 1,071,277	391,757

(continued)

**ALZHEIMER'S DISEASE AND RELATED DISORDERS ASSOCIATION,  
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Statements of Cash Flows (continued)

For the Years Ended June 30, 2012 and 2011

	2012	2011
Reconciliation of change in net assets to cash flows from operating activities:		
Change in net assets	\$ 1,228,330	(174,163)
Adjustments to reconcile change in net assets to net cash flows from operating activities:		
Bad debt	36,758	76,907
Depreciation and amortization	36,943	74,211
Realized gains on investments	-	(28,645)
Unrealized gains on investments	(2,791)	(48,886)
Investments received by contribution	(214)	(10,593)
Increase/(decrease) in cash due to changes in:		
Due from National – Cash	(121,083)	95,129
Due from National – Pledges	(24,681)	(105,830)
Contributions receivable	(113,429)	114,779
Grants receivable	-	67,248
Other receivables	4,496	4,383
Prepaid expenses and other assets	(7,061)	12,145
Accounts payable	8,342	19,031
Accrued expenses	9,840	(5,808)
Deferred revenue	(2,100)	(20,900)
Total adjustments	(174,980)	243,171
Net cash flows from operating activities	\$ 1,053,350	69,008

See accompanying notes to financial statements.

**ALZHEIMER'S DISEASE AND RELATED DISORDERS ASSOCIATION,  
GREATER ILLINOIS CHAPTER**

Statement of Functional Expenses

For the Year Ended June 30, 2012

	Patient and Family Services	Public Awareness/ Education	Public Policy	Total Program Services	Management and General	Fund Raising	Total Support Services	Total
Salaries and wages	\$ 882,012	822,533	87,355	1,791,900	177,254	496,416	673,670	2,465,570
Payroll taxes and other employee benefits	314,237	132,721	11,157	458,115	49,072	129,499	178,571	636,686
Accounting fees	8,300	8,300	-	16,600	2,075	2,075	4,150	20,750
Outside/contract labor	4,949	28,473	44,000	77,422	1,050	1,050	2,100	79,522
Office supplies	21,145	25,113	367	46,625	4,911	5,039	9,950	56,575
Telephone	42,773	43,543	132	86,448	10,223	10,402	20,625	107,073
Postage	10,046	9,203	394	19,643	535	2,079	2,614	22,257
Occupancy/utilities/insurance	173,921	173,453	-	347,374	43,236	44,253	87,489	434,863
Equipment rental and maintenance	16,981	16,981	-	33,962	4,245	4,245	8,490	42,452
Printing and publications/newsletter	9,953	94,397	1,374	105,724	1,711	1,711	3,422	109,146
Advertising/publicity/promotion	3,573	60,096	3,246	66,915	-	109	109	67,024
Books/library purchases	4,469	689	-	5,158	53	226	279	5,437
Conferences, conventions and meetings	18,574	9,473	3,707	31,754	1,212	1,268	2,480	34,234
Staff development – dues and subscriptions	3,170	2,394	-	5,564	598	598	1,196	6,760
Travel	31,942	14,964	9,104	56,010	2,764	7,208	9,972	65,982
Grants – specific assistance to individuals	3,618	-	-	3,618	-	-	-	3,618
Interest/bank charges	10,272	10,272	-	20,544	2,568	2,568	5,136	25,680
Miscellaneous	406	366	311	1,083	52	52	104	1,187
Bad debt	-	-	-	-	36,758	-	36,758	36,758
Donated services, materials and advertising	61,800	-	-	61,800	-	41,200	41,200	103,000
Depreciation and amortization	14,778	14,777	-	29,555	3,694	3,694	7,388	36,943
	\$ 1,636,919	1,467,748	161,147	3,265,814	342,011	753,692	1,095,703	4,361,517

See accompanying notes to financial statements.

**ALZHEIMER'S DISEASE AND RELATED DISORDERS ASSOCIATION,  
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Statement of Functional Expenses

For the Year Ended June 30, 2011

	Patient and Family Services		Public Awareness/Education		Public Policy		Total Program Services		Management and General		Fund Raising		Total Support Services		Total
Salaries and wages	\$ 749,767	926,985	37,842	1,714,594	168,433	450,456	618,889	2,333,483							
Payroll taxes and other employee benefits	285,452	165,132	6,887	457,471	45,650	116,519	162,169	619,640							
Accounting fees	8,120	8,120	-	16,240	2,030	2,030	4,060	20,300							
Outside/contract labor	8,072	30,300	41,000	79,372	1,521	2,579	4,100	83,472							
Office supplies	20,526	26,526	52	47,104	4,701	5,009	9,710	56,814							
Telephone	40,931	39,803	2	80,736	9,858	9,931	19,789	100,525							
Postage	7,864	10,042	(28)	17,878	451	1,401	1,852	19,730							
Occupancy/utilities/insurance	180,574	180,018	-	360,592	44,882	45,862	90,744	451,336							
Equipment rental and maintenance	14,841	14,840	-	29,681	3,710	3,710	7,420	37,101							
Printing and publications/newsletter	7,231	68,301	681	76,213	771	771	1,542	77,755							
Advertising/publicity/promotion	139	58,156	682	58,977	-	277	277	59,254							
Books/library purchases	2,996	949	-	3,945	58	115	173	4,118							
Conferences, conventions and meetings	3,827	20,292	2,072	26,191	764	860	1,624	27,815							
Staff development – dues and subscriptions	2,933	1,734	700	5,367	276	576	852	6,219							
Travel	27,870	22,476	5,527	55,873	3,396	7,185	10,581	66,454							
Grants – specific assistance to individuals	1,682	190	-	1,872	-	-	-	1,872							
Interest/bank charges	8,846	8,847	-	17,693	2,212	2,212	4,424	22,117							
Miscellaneous	1,562	974	672	3,208	243	243	486	3,694							
Bad debt	-	-	-	-	76,907	-	-	76,907							
Donated services, materials and advertising	71,618	-	-	71,618	-	-	71,618	148,345							
Depreciation and amortization	29,685	29,684	-	59,369	7,421	7,421	14,842	74,211							
	<u>\$ 1,474,536</u>	<u>1,613,369</u>	<u>96,089</u>	<u>3,183,994</u>	<u>373,284</u>	<u>705,502</u>	<u>1,078,786</u>	<u>4,262,780</u>							

See accompanying notes to financial statements.



**ALZHEIMER'S DISEASE AND RELATED DISORDERS ASSOCIATION,  
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Notes to Financial Statements

June 30, 2012 and 2011

**(1) Nature of Business and Significant Accounting Policies**

***(a) Organization***

The Alzheimer's Disease and Related Disorders Association, Greater Illinois Chapter (Alzheimer's) is a separately incorporated nonprofit agency which is affiliated with Alzheimer's Disease and Related Disorders Association, Inc. (National). The geographic territory served by Alzheimer's has been authorized by National and includes 68 counties in Illinois with offices in Bloomington, Carbondale, Chicago, Rockford, Joliet and Springfield. Alzheimer's provides family services, funds research projects and provides education to the general public in coping with problems of those afflicted with Alzheimer's disease and related disorders.

***(b) Revenue Recognition***

Contributions, including unconditional promises to give, are recognized as revenue at their fair values in the earlier of the period received or in which the unconditional promise is made. Bequests are recognized as revenue upon receiving notification of a donor's death and the amount of the bequest. Conditional promises to give are recognized when they become unconditional; that is, when the conditions are substantially met. The receipt of donated assets, services requiring specialized skills, and materials are recorded at their estimated fair market value at time of donation.

When recognized, contributions are recorded as unrestricted, temporarily restricted, or permanently restricted depending upon the existence and nature of any restrictions stipulated by the donor. When a donor imposed restriction has been satisfied, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

An allowance for uncollectible accounts is maintained to reflect management's estimate of contributions receivable which will become uncollectible in the future.

***(c) Expense Allocation***

Costs are charged on a direct functional basis whenever practical. When direct charges cannot be determined, the costs are allocated on the basis of the estimated proportional use of the service provided or resource consumed.

**ALZHEIMER'S DISEASE AND RELATED DISORDERS ASSOCIATION,  
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Notes to Financial Statements

***(d) Cash and Cash Equivalents***

For purposes of the statements of cash flows, Alzheimer's considers all unrestricted highly liquid investments with an initial maturity of three months or less to be cash equivalents. Cash and cash equivalents - restricted are required to remain on deposit as collateral for a letter of credit.

Cash includes deposit accounts with financial institutions. Alzheimer's maintains deposits in bank accounts that may exceed federally insured limits. At June 30, 2012 the bank balance of the deposits in excess of federal deposit insurance was approximately \$733,000. Management believes that the risk related to this concentration is minimal.

***(e) Investment Valuation and Income recognition***

Alzheimer's investments are stated at fair value as determined by quoted market prices. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 3 for discussion of fair value measurements.

Purchases and sales of securities are recorded on trade-date basis. Interest income is recorded on the accrual basis and dividends are recorded on the ex-dividend date.

***(f) Property, Equipment and Software***

Purchased property, equipment and software with a cost greater than \$500 are capitalized at cost. Donated items are capitalized upon receipt at their estimated fair value. Fixed assets are depreciated over their estimated useful lives using the straight-line method. Software is amortized over a three year period using the straight-line method. Leasehold improvements are amortized over the remainder of the lease using a straight-line method. Depreciation and amortization expense begin in the month the item is purchased.

***(g) Accounting Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

**ALZHEIMER'S DISEASE AND RELATED DISORDERS ASSOCIATION,  
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Notes to Financial Statements

***(h) Income Taxes***

Alzheimer's is a not-for-profit organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code as other than a private foundation. Alzheimer's activities are included with informational tax returns filed by National.

Alzheimer's accounts for uncertainty in income taxes under the authoritative guidance issued by the Financial Accounting Standards Board ("FASB"). Alzheimer's uses a threshold of more-likely-than-not to be sustained upon examination to account for uncertainty income taxes. Measurement of the tax uncertainty occurs if the recognition threshold has not been met. This guidance also addresses de-recognition, classification, interest and penalties, disclosure, and transition. Alzheimer's conducts business solely in the U.S. and, as a result, files income tax returns for U.S., and the state of Illinois. In the normal course of business Alzheimer's is subject to examination by taxing authorities. Alzheimer's tax returns for years subsequent to June 30, 2008 are open, by statute, for review by authorities. However, at present, there are no ongoing income tax audits or unresolved disputes with the various tax authorities that Alzheimer's currently files or has filed with.

***(i) Fair Value Measurements***

Under authoritative guidance issued by the Financial Accounting Standards Board (FASB), fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The fair value hierarchy is categorized into three levels based on the inputs as follows:

- Level 1: Quoted market prices in active markets for identical assets or liabilities.
- Level 2: Observable market based inputs or unobservable inputs that are corroborated by market data.
- Level 3: Unobservable inputs that are not corroborated by market data.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

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Notes to Financial Statements

**(i) Fair Value Measurements (continued)**

Following is a description of the valuation methodologies consistently used for assets measured at fair value.

*Investments in mutual and money market funds:* Valued at the net asset value (NAV) of shares held by Alzheimer's at year end.

The method described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while Alzheimer's believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

**(2) Contributions Receivable**

Contributions receivable from pledges and bequests at June 30 are as follows:

	<u>2012</u>	<u>2011</u>
Due within one year	\$ 234,289	160,242
Due from one to five years	<u>8,000</u>	<u>5,125</u>
Total	242,289	165,367
Less allowance for uncollectible accounts	<u>(4,081)</u>	<u>(3,830)</u>
Net contributions receivable	\$ <u><u>238,208</u></u>	<u><u>161,537</u></u>

**(3) Investments and Fair Value Measurements**

The investments are presented in the financial statements at fair value using fair value measures. The money market funds are considered cash equivalents-institutional and all mutual funds are categorized as Level 1. At June 30, 2012 and 2011, investments consisted of the following:

	<u>2012</u>	<u>2011</u>
Money market funds	\$ <u>214</u>	<u>101,266</u>
Mutual funds:		
Large blend	485,244	276,154
International equity	170,361	118,190
Bonds – short-term	82,940	52,553
Bonds – intermediate-term	<u>397,054</u>	<u>218,190</u>
Total mutual funds	<u>1,135,599</u>	<u>665,087</u>
Total	\$ <u><u>1,135,813</u></u>	<u><u>766,353</u></u>

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**(4) Risks and Uncertainties**

Investment securities are exposed to various risks such as interest rate, market, and credit. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term would be material to the amounts reported in the statement of activities.

**(5) In-Kind Donations**

Alzheimer's received in-kind donations of certain skilled services and materials for the annual Walks to End Alzheimer's and educational events. These items were allocated by management as follows for the years ended June 30:

	2012	2011
Public awareness educational communications \$	61,800	71,618
Fundraising	41,200	48,345
	\$ 103,000	119,963

**(6) Property, Equipment and Software**

Property, equipment and software consist of the following at June 30:

	2012	2011
Equipment \$	279,793	273,678
Furniture	136,661	136,661
Leasehold improvements	191,725	190,465
Software	3,505	3,505
	611,684	604,309
Less accumulated depreciation and amortization	(495,247)	(458,304)
	\$ 116,437	146,005

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Notes to Financial Statements

**(7) Operating Leases**

Alzheimer's has entered into various non-cancelable operating lease agreements for the rental of office facilities and office equipment which expire at various dates through April 2018. Rent expense related to these leases for the years ended June 30, 2012 and 2011 was \$429,318 and \$418,054, respectively. Future minimum annual rentals for leases executed as of June 30, 2012 are as follows:

	<u>Year ending June 30</u>
2013	\$ 309,728
2014	296,766
2015	208,093
2016	180,049
2017	183,197
Beyond	62,735

In lieu of making a security deposit for the Chicago office space, Alzheimer's arranged for an unconditional irrevocable letter of credit to the lessor in the amount of \$112,000. The letter of credit expired in July 2012 and was subsequently extended to July 2013 at a reduced amount of \$56,000. There were no draws on the letter of credit as of June 30, 2012.

**(8) Retirement Plan**

Alzheimer's sponsors a retirement plan under the provisions of Internal Revenue Code Section 403(b). This plan allows employees, through payroll deduction, to contribute a portion of their salary to the plan. The plan also allows matching and other employer contributions. Alzheimer's had discontinued the employer match in March 2009. In January 2012 the employer match was reinstated. The 403(b) plan matching expense was \$33,473 and \$0 for the years ended June 30, 2012 and 2011, respectively.

**ALZHEIMER'S DISEASE AND RELATED DISORDERS ASSOCIATION,  
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Notes to Financial Statements

**(9) Fundraising Agreement**

Alzheimer's has a revenue sharing agreement with National which applies to contributions received by each organization in the geographic territory described in Note 1. The agreement specifies how contributions received by either party will be shared with the other. The agreement shall continue indefinitely. The revenue sharing activity for the years ended June 30 is as follows:

	2012	2011
<u>Revenue sharing activity:</u>		
Due from National – Beginning Balance	\$ 391,231	457,437
Payments received from National	(640,891)	(727,403)
Payments made to National	81,586	271,680
Shared contributions, net	722,956	479,079
Bad debt expense related to shared contributions	(28,993)	(76,829)
Other	11,106	(12,733)
Due from National – Ending Balance	\$ 536,995	391,231

**(10) Temporarily Restricted Net Assets**

The temporarily restricted net assets as of June 30 are as follows:

	2012	2011
<u>Restricted as to time:</u>		
Contributions receivable	\$ 234,208	125,246
Due from National – Pledges	210,453	185,772
Walks to End Alzheimer's	218,084	217,084
<u>Restricted as to purpose:</u>		
Advocacy	2,500	–
Chapter programs	1,311,798	14,180
Care Navigation	8,769	20,721
Clinic Studies Initiative	2,240	2,300
BRFSS Initiative	–	13,000
	\$ 1,988,052	578,303

**ALZHEIMER'S DISEASE AND RELATED DISORDERS ASSOCIATION,  
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Notes to Financial Statements

**(11) Subsequent Events**

Subsequent events are events or transactions that occur after the statement of financial position date but before financial statements are issued or are available to be issued. These events and transactions either provide additional evidence about conditions that existed at the date of the statement of financial position, including the estimates inherent in the process of preparing financial statements (that is, recognized subsequent events), or provide evidence about conditions that did not exist at the date of the statement of financial position but arose after that date (that is, non-recognized subsequent events).

Alzheimer's has evaluated subsequent events through September 6, 2012, which was the date that these financial statements were available for issuance, and determined that there were no significant non-recognized subsequent events through that date.