

WIPFLI

Alzheimer's Disease International

Consolidated Financial Statements

Years Ended June 30, 2025 and 2024



Independent Auditor's Report

To the Board of Directors
Alzheimer's Disease International
London, United Kingdom

Opinion

We have audited the accompanying consolidated financial statements of Alzheimer's Disease International (the "Organization"), a nonprofit organization, which comprise the consolidated statements of financial position as of June 30, 2025 and 2024, and the related consolidated statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements referred to above present fairly, in all material respects, the financial position of Alzheimer's Disease International as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of Alzheimer's Disease International and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Correction of Error

As discussed in Note 10 to the consolidated financial statements, Alzheimer's Disease International identified and corrected an error that resulted in the understatement of grants and contributions receivable, contributions with donor restrictions, and net assets with donor restrictions as of and for the year ended June 30, 2024. The consolidated financial statements for that period have been restated to reflect the correction. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Alzheimer's Disease International's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Alzheimer's Disease International's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Alzheimer's Disease International's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Wipfli LLP

Wipfli LLP

Lincolnshire, Illinois

March 24, 2026

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Alzheimer's Disease International

Consolidated Statements of Financial Position

<i>June 30,</i>	2025	2024 (Restated)
Assets		
Current assets:		
Cash	\$ 389,665	\$ 939,729
Accounts receivable	23,224	13,532
Grants and contributions receivable	120,284	90,722
Prepaid expenses	221,677	82,944
Total current assets	754,850	1,126,927
Property and equipment:		
Furniture and equipment	88,779	85,303
Less: Accumulated depreciation	(74,141)	(55,557)
Net property and equipment	14,638	29,746
Other assets:		
ROU asset - operating	11,304	51,027
Rent security deposit	14,798	11,981
Total other assets	26,102	63,008
Total assets	\$ 795,590	\$ 1,219,681

See accompanying notes to consolidated financial statements.

Alzheimer's Disease International

Consolidated Statements of Financial Position (Continued)

<i>June 30,</i>	2025	2024 (Restated)
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 148,560	\$ 182,799
Deferred revenue	156,106	63,000
Current portion of operating lease liability	-	45,511
Total current liabilities	304,666	291,310
Long-term liabilities:		
Operating lease liability, net of current portion	-	10,257
Total liabilities	304,666	301,567
Net assets:		
Without donor restrictions	111,324	529,705
With donor restrictions	379,600	388,409
Total net assets	490,924	918,114
Total liabilities and net assets	\$ 795,590	\$ 1,219,681

See accompanying notes to consolidated financial statements.

Alzheimer's Disease International

Consolidated Statements of Activities and Changes in Net Assets

Years Ended June 30,	2025				2024 (Restated)			
	Without Donor Restrictions	With Donor Restrictions	Total	Percent of Support & Revenue	Without Donor Restrictions	With Donor Restrictions	Total	Percent of Support & Revenue
Support and revenue:								
Dues	\$ 536,560	\$ -	\$ 536,560	27.95 %	\$ 512,039	\$ -	\$ 512,039	22.08 %
Contributions and grants	577,164	781,699	1,358,863	70.78	600,603	642,335	1,242,938	53.61
Conference	-	-	-	-	567,363	-	567,363	24.47
Institutional funding	-	-	-	-	23,031	-	23,031	0.99
Accreditation fees	28,640	-	28,640	1.49	5,061	-	5,061	0.22
Interest and other	-	-	-	-	193	-	193	0.01
Contributed non financial assets	-	-	-	-	33	-	33	-
Loss on currency exchange transactions	(4,295)	-	(4,295)	(0.22)	(31,211)	-	(31,211)	(1.35)
Loss on disposition of property and equipment	-	-	-	-	(591)	-	(591)	(0.03)
Net assets released from restrictions	790,508	(790,508)	-	-	787,543	(787,543)	-	-
Total support and revenue	1,928,577	(8,809)	1,919,768	100.00	2,464,064	(145,208)	2,318,856	100.00
Expenses:								
Program	1,462,474	-	1,462,474	76.18	1,528,915	-	1,528,915	65.93
General and administrative	626,242	-	626,242	32.62	972,904	-	972,904	41.96
Fund raising	258,242	-	258,242	13.45	262,238	-	262,238	11.31
Total expenses	2,346,958	-	2,346,958	122.25	2,764,057	-	2,764,057	119.20
Changes in net assets	(418,381)	(8,809)	(427,190)	(22.25)%	(299,993)	(145,208)	(445,201)	(19.20)%
Net assets, beginning of year	529,705	388,409	918,114		829,698	533,617	1,363,315	
Net assets, end of year	\$ 111,324	\$ 379,600	\$ 490,924		\$ 529,705	\$ 388,409	\$ 918,114	

See accompanying notes to consolidated financial statements.

Alzheimer's Disease International

Consolidated Statement of Functional Expenses

Year Ended June 30,

2025

	Program Services				Support Services			
	Conference	Member Support & Development	Promotion and Awareness	Research	Total Program Services	General Administration	Fund Raising	Total
Salaries and related expenses	\$ -	\$ 278,027	\$ 342,441	\$ 43,968	\$ 664,436	\$ 422,083	\$ 214,680	\$ 1,301,199
Grants to members	-	9,750	15,000	114,368	139,118	5,638	-	144,756
Regional office support	-	-	4,000	-	4,000	-	-	4,000
Dues forgiveness - Hardship	-	3,856	-	-	3,856	-	-	3,856
Occupancy	-	13,408	23,894	8,044	45,346	14,828	14,331	74,505
Printing	-	-	409	744	1,153	523	2,365	4,041
Postage and delivery	-	-	-	-	-	550	-	550
Insurance	-	-	-	-	-	6,480	-	6,480
Office expense and miscellaneous	-	2,323	7,722	103	10,148	24,209	169	34,526
Telephone and internet	-	13,509	19,292	5,604	38,405	19,311	7,511	65,227
Professional fees	-	203,455	137,301	48,432	389,188	69,728	8,217	467,133
Provision for credit loss	-	8,610	-	-	8,610	-	-	8,610
Conferences and meetings, including travel and accommodations	-	64,396	76,860	16,958	158,214	44,308	10,969	213,491
Total expenses before depreciation and amortization	-	597,334	626,919	238,221	1,462,474	607,658	258,242	2,328,374
Depreciation and amortization	-	-	-	-	-	18,584	-	18,584
Totals	\$ -	\$ 597,334	\$ 626,919	\$ 238,221	\$ 1,462,474	\$ 626,242	\$ 258,242	\$ 2,346,958

See accompanying notes to consolidated financial statements.

Alzheimer's Disease International

Consolidated Statement of Functional Expenses

Year Ended June 30,

2024

	Program Services				Support Services			
	Conference	Member Support & Development	Promotion and Awareness	Research	Total Program Services	General Administration	Fund Raising	Total
Salaries and related expenses	\$ 134,043	\$ 158,807	\$ 332,528	\$ 42,696	\$ 668,074	\$ 396,705	\$ 198,752	\$ 1,263,531
Grants to members	51,338	20,500	6,442	-	78,280	49,961	-	128,241
Regional office support	-	-	-	-	-	12,820	-	12,820
Dues forgiveness - Hardship	-	540	-	-	540	4,525	-	5,065
Occupancy	10,099	11,966	25,055	3,217	50,337	23,329	14,965	88,631
Printing	7,781	-	261	-	8,042	15,202	-	23,244
Postage and delivery	-	-	-	-	-	650	-	650
Insurance	1,347	732	1,533	197	3,809	3,822	916	8,547
Office expense and miscellaneous	16,002	-	-	10,306	26,308	22,643	2,776	51,727
Telephone and internet	3,033	3,593	7,524	966	15,116	71,895	4,494	91,505
Professional fees	45,181	85,787	94,560	2,442	227,970	234,605	32,451	495,026
Provision for credit loss	-	-	-	-	-	1,670	-	1,670
Conferences and meetings, including travel and accommodations	406,780	21,134	19,798	2,727	450,439	106,560	7,884	564,883
Total expenses before depreciation and amortization	675,604	303,059	487,701	62,551	1,528,915	944,387	262,238	2,735,540
Depreciation and amortization	-	-	-	-	-	28,517	-	28,517
Totals	\$ 675,604	\$ 303,059	\$ 487,701	\$ 62,551	\$ 1,528,915	\$ 972,904	\$ 262,238	\$ 2,764,057

See accompanying notes to consolidated financial statements.

Alzheimer's Disease International

Consolidated Statements of Cash Flows

<i>Years Ended June 30,</i>	2025	2024 (Restated)
Cash flows from operating activities:		
Changes in net assets	\$ (427,190)	\$ (445,201)
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation and amortization	18,584	28,517
Provision for credit loss	8,610	1,670
Loss on disposition of property and equipment	-	591
Noncash lease expense	39,723	49,341
Changes in operating assets and liabilities:		
Accounts receivable	(18,302)	645
Grants and contributions receivable	(29,562)	(65,878)
Pledge receivable	-	100,000
Prepaid expenses	(138,733)	(52,393)
Accounts payable and accrued liabilities	(34,239)	81,769
Deferred revenue	93,106	(25,379)
Operating lease liability	(55,768)	(57,419)
Total adjustments	(116,581)	61,464
Net cash from operating activities	(543,771)	(383,737)
Cash flows from investing activities:		
Purchase of property and equipment	(3,476)	(8,429)
Rent security deposit	(2,817)	15,179
Net cash from investing activities	(6,293)	6,750
Change in cash	(550,064)	(376,987)
Cash at beginning of year	939,729	1,316,716
Cash at end of year	\$ 389,665	\$ 939,729

See accompanying notes to consolidated financial statements.

Alzheimer's Disease International

Notes to Consolidated Financial Statements

Note 1: Summary of Significant Accounting Policies

Organization

Alzheimer's Disease International and Subsidiary (Alzheimer's Disease International London Limited) (collectively "ADI"). Alzheimer's Disease International: The International Federation of Alzheimer's Disease and Related Disorders Societies, Inc. was incorporated in 1985 as a worldwide 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.

Alzheimer's Disease International London Limited was formed in 2022 to facilitate the accounting and VAT for the London conference.

Principles of Consolidation

The consolidated financial statements include the accounts of the Alzheimer's Disease International and Alzheimer's Disease International London Limited. ADI is consolidated due to financial interest, and ADI having common management. All significant intercompany transactions and accounts have been eliminated in consolidation.

Basis of Accounting

The consolidated financial statements of ADI have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (GAAP).

Basis of Presentation

ADI is required to report information regarding its financial position and activities according to two classes of net assets. A definition and description of each class follows:

Net Assets Without Donor Restriction - Net assets available for use in general operations and not subject to donor-imposed restrictions. Net assets without donor restrictions may be designated for specific purposes by the board of directors. The governing board has designated, from net assets without donor restrictions, a board-designated reserve.

Net Assets With Donor Restriction - Net assets subject to donor or certain grantor imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other explicit donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Alzheimer's Disease International

Notes to Consolidated Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Estimates

The preparation of consolidated financial statements in conformity with GAAP 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 consolidated financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Accounts Receivable

Accounts receivable represent unsecured amounts due from members for annual dues and from other organizations. Receivables are recorded at the amount billed and are considered collectible based on management's ongoing assessment of outstanding balances. Payments received are applied to specific invoices identified by the member or, if unspecified, to the oldest outstanding balances.

The carrying amount of accounts receivable is reduced by an allowance that reflects management's best estimate of the current expected credit losses. The estimate of the allowance for credit losses is based on an analysis of historical loss experience, current receivables aging, and management's assessment of current conditions and expected changes during a reasonable and supportable forecast period. ADI uses an aging method to estimate allowances for credit losses. Management assesses collectability by pooling receivables with similar risk characteristics and evaluates receivables individually when specific customer balances no longer share those risk characteristics. An allowance for credit losses was not considered necessary at June 30, 2025. Allowance for credit losses was \$10,000 at June 30, 2024.

Grants and Contributions Receivable

Grants and contributions receivable consist of amounts receivable from organizations and individuals. Grants and contributions receivable is stated at the amount due less an allowance for doubtful accounts.

Unconditional promises to give are recorded as receivables in the year pledged. Conditional promises to give are recognized only when the conditions on which they depend are substantially met. Promises to give whose eventual uses are restricted by the donors are recorded as increases in net assets with donor restriction. Unrestricted promises to give to be collected in future periods are also recorded as an increase to net assets with donor restriction and reclassified to net assets without donor restriction when received, unless the donor's intention is to support current-period activities.

Promises to give expected to be collected in less than one year are reported at net realizable value. Promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows on a discounted basis applicable to the years in which the promises were received. The amortization of the discount is recognized as contribution income over the duration of the pledge.

Alzheimer's Disease International

Notes to Consolidated Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Grants and Contributions Receivable (Continued)

The allowance for doubtful accounts is based on management's assessment of the ability to collect contributions and grants receivable based upon historical collection. Allowance for doubtful accounts was not considered necessary at June 30, 2025 and 2024.

Property and Equipment

Property and equipment are carried at cost or at estimated value on date of donation. All purchases in excess of \$685 (£500 British Pounds) are capitalized while lesser amounts are charged to expense. Depreciation on property and equipment is computed using the straight-line method over the estimated useful lives of the assets, which range from three to five years. Gains and losses from the sale of property and equipment are included in income. Maintenance and repairs are charged to operations.

Website

ADI capitalized website costs totaling \$52,612 and amortized it using the straight-line method over an estimated life of three years. The website was fully amortized as of June 30, 2024.

Deferred Revenue

For 2025, deferred revenue relates to membership dues, World Alzheimer's Month for 2025, an advocacy event, and UNGA event. For 2024, deferred revenue relates to accreditation fees, World Alzheimer's Month for 2024, and regional conferences. Amounts were \$156,106, \$63,000 and \$88,379 as of June 30, 2025, 2024, and 2023 respectively.

Donated Services and Materials

Contributions of donated noncash assets are recorded at their fair value in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation are recorded at their fair values in the period received.

A nominal amount in expenses for postage and mailing were contributed in the year ended June 30, 2024. For 2025 and 2024, a significant amount of donated services are contributed to ADI by various members to support ADI's program and supporting services. These volunteer activities include participation on the Board of Directors and numerous other committees. The value of these services has not been included in the consolidated financial statements as they do not meet the criteria for recognition under GAAP.

Alzheimer's Disease International

Notes to Consolidated Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Revenue Recognition

Contributions and Grants

Contributions

Contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Contributions are recognized as income when notice of the gift or pledge is received. Contributions received with donor stipulations that limit the use of the donated assets are recorded in net assets with donor restrictions when they are received and transferred to net assets without donor restrictions when expenditures satisfying the restriction are made or when a stipulated time restriction ends and reported in the statement of activities as net assets released from restrictions. Contributions that are restricted by donors are reported as increases in net assets without donor restrictions if the restrictions are met in the reporting period in which the contributions are received.

Grants Revenue

Grants are either recorded as contributions or exchange transactions based on criteria contained in the grant award.

Grant Awards That Are Contributions - Grants awards that are contributions are evaluated for conditions and recognized as revenue when conditions in the award are satisfied. Unconditional awards are recognized as revenue when the award is received. Amounts received in which conditions have not been met are reported as a refundable advance liability.

Grant Awards That Are Exchange Transactions - Exchange transactions are those in which the resource provider or grantor receives a commensurate value in exchange for goods or services transferred. Revenue is recognized when control of the promised goods or services is transferred to the customer (grantor) in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Amounts received in excess of recognized revenue are reflected as a contract liability. Contributions, including unconditional promises to give, are recognized as revenue when received. Conditional contributions and promises to give are recognized as revenue when the barriers to entitlement are overcome and either a right of return of assets transferred or a right of release of a promisor's obligation to transfer assets is removed. Assets received for which the condition has not been satisfied are recorded as deferred revenue.

Donated services are recognized as contributions if the services either (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by ADI. Donations of other items such as space, supplies, food and printing are recorded at their estimated fair value at the date of donation.

Alzheimer's Disease International

Notes to Consolidated Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Revenue Recognition (Continued)

Membership dues

Revenue as it pertains to membership dues is recognized throughout the year in accordance with the agreements with members. Dues, fees, and assessments received during the year that relate to the subsequent calendar year are recorded as deferred revenue. As such, the performance obligation is satisfied over time. ADI has determined that the transaction price is based on the size of the member organization. For 2025 and 2024 minimum dues ranged from \$275 to \$14,248 with the four largest members paying significantly more based on a historic percentage of their revenues. Dues are payable at the beginning of the year on July 31 for the fiscal year and are based on the prior year-end consolidated financial statements. ADI computes the dues based upon the prior year dues plus the agreed upon increase (4% for 2025 and 2024). Funds received in advance for the following year are recorded as deferred revenue.

Conference

Registration Fees

Registration fees revenue is recorded when the services are completed. The performance obligation is providing the education and services at various events throughout the year. As such, the performance obligation is satisfied at a point in time, at the completion of the event. ADI has determined that the transaction price is the price stated in the registration application for the event.

Sponsorships

Sponsorships revenue is recorded when the services are completed. The performance obligation is hosting various events throughout the year and providing services as stated in the contract. As such, the performance obligation is satisfied at a point in time, at the completion of the event. ADI has determined that the transaction price is the price stated in the contract.

Institutional funding

Institutional funding revenue consists of overhead and joint costs for research projects. ADI bills the institution on a quarterly basis as the work is being performed. The transaction price charged to the institution is determined based on a percentage of overhead and joint costs for the quarter. Revenue is recognized over time based on the transaction price.

Alzheimer's Disease International

Notes to Consolidated Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Revenue Recognition (Continued)

Accreditation

Accreditation and certification revenue consists of four distinct performance obligations – accreditation and certification application acceptance and processing, accreditation and certification pre-accreditation fee, accreditation and certification visit, and an accreditation and certification annual fee. Accreditation and certification revenue is reported at the transaction price which reflects the consideration to which the ADI expects to be entitled in exchange for fulfilling the three performance obligations. ADI receives consideration for accreditation and certification applications upon submission of the application. ADI receives consideration for the accreditation and certification prior to the on-site visit. ADI determines the total transaction price based on the agreement. A typical accreditation and certification cycle is three years with the application submitted prior to the accreditation. ADI requires each customer to complete an extensive application to begin the accreditation and certification process. Upon submission, ADI charges and collects a fee related to the acceptance and review of the application and recognizes revenue. Once the certificate has been awarded to the customer, they must pay an annual fee that is recognized over 12 months from the award date.

Over time revenue from membership dues, institutional funding, and accreditation was \$565,200 and \$540,131 for the years ended June 30, 2025 and 2024, respectively.

Functional Allocation of Expenses

The costs of providing various programs and supporting services have been summarized on a functional basis in the consolidated statements of activities and change in net assets. Accordingly, costs have been allocated among the programs and supporting services benefited, based on either a direct functional method, when applicable, or on a reasonable basis that is consistently applied. Salaries and related expenses are allocated based on time and effort. Rent, utilities, depreciation and amortization, and insurance are allocated based on square footage.

ASC 842 Lease Accounting

ADI is a lessee in a noncancelable operating lease. If the contract provides ADI the right to substantially all the economic benefits and the right to direct the use of the identified asset, it is considered to be or contain a lease. Right-of-use (ROU) assets and lease liabilities are recognized at the lease commencement date based on the present value of the future lease payments over the expected lease term. The ROU asset is also adjusted for any lease prepayments made, lease incentives received, and initial direct costs incurred.

The lease liability is initially and subsequently recognized based on the present value of its future lease payments. Variable payments are included in the future lease payments when those variable payments depend on an index or a rate. Increases (decreases) to variable lease payments due to subsequent changes in an index or rate are recorded as variable lease expense (income) in the future period in which they are incurred.

Alzheimer's Disease International

Notes to Consolidated Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

ASC 842 Lease Accounting (Continued)

ADI has elected to use a risk-free rate for a term similar to the underlying lease as the discount rate if the implicit rate in the lease contract is not readily determinable.

The ROU asset for operating leases is subsequently measured throughout the lease term at the amount of the remeasured lease liability (i.e., present value of the remaining lease payments), plus unamortized initial direct costs, plus (minus) any prepaid (accrued) lease payments, less the unamortized balance of lease incentives received, and any impairment recognized.

For all underlying classes of assets, ADI has elected to not recognize ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less at lease commencement and do not include an option to purchase the underlying asset that ADI is reasonably certain to exercise. Leases containing termination clauses in which either party may terminate the lease without cause and the notice period is less than 12 months are deemed short-term leases with lease costs included in short-term lease expense. ADI recognizes short-term lease cost on a straight-line basis over the lease term.

Income Taxes

ADI is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. ADI continues to operate in compliance with its tax exempt purpose. Management does not believe that its consolidated financial statements include uncertain tax positions.

Alzheimer's Disease International London Limited is a for-profit corporation and files tax return in the United Kingdom. This subsidiary's income tax returns are available for examination for the statutory period.

Foreign Currency Translation

The consolidated financial statements of foreign operations where the local currency is the functional currency are translated using exchange rates in effect at year-end for assets and liabilities and average exchange rates during the year for the results of operations. A foreign currency translation adjustment loss of \$4,295 and \$31,211 for the year ended June 30, 2025 and 2024, respectively, is included in consolidated statement of activities and changes in net assets.

Reclassifications

Certain amounts as previously reported in the 2024 financial statements have been reclassified to conform to the 2025 presentation. Such reclassifications have no effect on reported amounts of net assets or change in net assets.

Alzheimer's Disease International

Notes to Consolidated Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Subsequent Events

ADI has evaluated events and transactions for potential recognition or disclosure in the consolidated financial statements through March 24, 2026, which is the date the consolidated financial statements were available to be issued.

Note 2: Liquidity and Availability of Financial Resources

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise the following:

<i>June 30,</i>	2025	2024 (Restated)
Cash	\$ 389,665	\$ 939,729
Accounts receivable	23,224	13,532
Grants and contributions receivable	120,284	90,722
Total financial assets	533,173	1,043,983
Less: Donor restricted assets	(379,600)	(388,409)
Financial assets available to meet general expenditures within one year	\$ 153,573	\$ 655,574

The Board of Directors has determined that a reserve of approximately three months of total expenditure excluding the conference is desirable. Current expenses results in a desired reserve of approximately \$580,000.

Note 3: Website Development

ADI's website consisted of the following:

<i>June 30,</i>	2025	2024
Website development	\$ 52,612	\$ 52,612
Less: Accumulated amortization	(52,612)	(52,612)
Website development, net	\$ -	\$ -

Amortization expense for the year ended June 30, 2024 was \$8,767.

Alzheimer's Disease International

Notes to Consolidated Financial Statements

Note 4: Programs

The major activities of ADI include a biennial international conference; production of educational materials (newsletter, website, reports); assistance to members; development of new Alzheimer associations, including the Alzheimer University - a program designed to strengthen the work of Alzheimer associations - and World Alzheimer's Month. The international conference is coordinated and planned by the association.

Note 5: Net Assets with Donor Restrictions

At June 30, 2025 and 2024, net assets with donor restrictions, which have either purpose or time restrictions, consisted of the following:

	2025	2024 (Restated)
Restricted grants for:		
Accreditation	\$ -	\$ 50,000
Future periods	379,600	338,409
Totals	\$ 379,600	\$ 388,409

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of the passage of time or other events specified by the donors as follows for the years ended June 30, 2025 and 2024:

	2025	2024
Purpose	\$ 229,376	\$ 617,843
Passage of time	561,132	169,700
Totals	\$ 790,508	\$ 787,543

Note 6: Leases

On December 22, 2022, ADI entered into a lease agreement for its office space classified as an operating lease expiring on December 22, 2025. Subsequent to year end, ADI has extended their current lease through December 22, 2027. Minimum annual rentals are \$45,217. The monthly rent includes a service charge for cleaning, maintenance and utilities.

The depreciable life of assets and leasehold improvements are limited by the expected lease term, unless there is a transfer of title or purchase option reasonably certain of exercise.

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Notes to Consolidated Financial Statements

Note 6: Leases (Continued)

ADI's lease agreements do not contain any material residual value guarantees or material restrictive covenants. Payments due under the lease contract include fixed payments plus variable payments. ADI's office space lease requires it to make variable payments for the ADI's proportionate share of the building's property taxes, insurance, and common area maintenance. These variable lease payments are not included in lease payments used to determine the lease liability and are recognized as variable costs when incurred.

Components of lease expense were as follows:

Years Ended June 30,	2025	2024
Lease cost		
Operating lease cost	\$ 45,217	\$ 49,304
Variable lease cost	6,819	24,537
Total lease cost	\$ 52,036	\$ 73,841

Supplemental cash flow information related to leases is as follows:

Years Ended June 30,	2025	2024
Other information		
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ 61,659	\$ 45,511
Years Ended June 30,	2025	2024
Weighted-average remaining lease term - Operating leases	0.5 years	1.3 years
Weighted-average discount rate - Operating leases	4.02%	4.02%

Note 7: Related Parties Transactions

Grant expense includes total payments of \$3,750 to one organization with common board members for the years ended June 30, 2025 and total payments of \$10,000 to two organizations with common board members for the years ended June 30, 2024.

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Notes to Consolidated Financial Statements

Note 8: Concentration of Cash

ADI maintains its cash in several separate accounts at two different financial institutions. These accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 at each US financial institution and by the Financial Services Compensation Scheme (FSCS) up to £85,000 at each UK financial institution. As of June 30, 2025 and 2024, the uninsured portion was approximately \$28,000 and \$456,000, respectively. ADI has not experienced any losses in such accounts, and believes it is not exposed to any significant credit risk on cash.

Note 9: Revenue Concentration

During the year ended June 30, 2025 and 2024, approximately 14% and 11% of ADI's total revenue, respectively, was derived from membership dues from a single organization.

Note 10: Correction of Error

The consolidated financial statements as of and for the year ended June 30, 2024, have been restated to correct an error that management detected during the year ended June 30, 2025. Contributions with donor restriction and net assets with donor restriction were understated by \$58,000.

The following table summarizes the restatement of previously reported amounts presented in the accompanying consolidated financial statements as of and for the year ended June 30, 2024.

	As Previously Reported	Restatement Adjustment	As Restated
Consolidated Statements of Financial Position			
Grants and contributions receivable	\$ 32,722	\$ 58,000	\$ 90,722
Net assets with donor restrictions	\$ 330,409	\$ 58,000	\$ 388,409
Consolidated Statements of Activities and Changes in Net Assets			
Contributions and grants with donor restriction	\$ 584,335	\$ 58,000	\$ 642,335