



Meadows Urquhart Acree & Cook, LLP
Certified Public Accountants

Alzheimer's Association Greater Richmond, Inc.



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Meadows Urquhart Acree & Cook, LLP
Certified Public Accountants

- Kelli P. Meadows
- Douglas A. Urquhart
- David C. Acree
- Shannon W. Cook

Independent Auditor's Report

To the Board of Directors
Alzheimer's Association Greater Richmond, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of Alzheimer's Association Greater Richmond, Inc., which comprise the statements of financial position as of June 30, 2013 and 2012, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Alzheimer's Association Greater Richmond, Inc. as of June 30, 2013 and 2012, and its changes in net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Meadows Urquhart Acree + Cook, LLP

October 1, 2013

Alzheimer's Association Greater Richmond, Inc.

Statements of Financial Position

June 30, 2013 and 2012

	2013	2012
Assets		
Cash and cash equivalents		
Money market account with broker	\$ 5,771	\$ 58,176
Accounts with other financial institutions	22,999	54,495
	<u>28,770</u>	<u>112,671</u>
Marketable securities, at fair value	311,908	267,873
Certificate of deposit	-	38,831
Pledges receivable, net	301,070	373,646
Program service fees outstanding	24,996	7,896
Prepaid expenses	14,091	11,530
Equipment, net of accumulated depreciation	4,114	7,830
	<u>684,949</u>	<u>820,277</u>
Total assets	\$ 684,949	\$ 820,277
Liabilities		
Due to National Office	\$ 80,806	\$ 94,304
Vendor accounts	23,871	15,664
Compensated absences and other accrued expenses	45,647	48,375
	<u>150,324</u>	<u>158,343</u>
Total liabilities	150,324	158,343
Net Assets		
Unrestricted	357,974	518,542
Temporarily restricted	176,651	143,392
	<u>534,625</u>	<u>661,934</u>
	<u>\$ 684,949</u>	<u>\$ 820,277</u>

Alzheimer's Association Greater Richmond, Inc.

Statements of Activities

Years ended June 30, 2013 and 2012

	2013			2012		
	Unrestricted	Temporarily Restricted	Total	Unrestricted	Temporarily Restricted	Total
Revenues						
Contributions:						
Annual contributions	\$ 57,368	\$ -	\$ 57,368	\$ 63,131	\$ -	\$ 63,131
Bequests	5,663	-	5,663	201,374	-	201,374
Public support	52,661	-	52,661	58,422	-	58,422
Memorials and tributes	47,027	-	47,027	47,460	-	47,460
Other individuals	100	-	100	1,145	-	1,145
Other	10,480	-	10,480	28,236	-	28,236
Fundraising events	662,562	-	662,562	588,773	-	588,773
Foundation grants	-	131,845	131,845	36,220	66,500	102,720
Other grants	32,588	29,875	62,463	7,560	67,000	74,560
Less: Net amount remitted to National Office (Note 7)	(142,116)	-	(142,116)	(222,984)	-	(222,984)
Total contributions	726,333	161,720	888,053	809,337	133,500	942,837
Donated rent, services, and event supplies	113,214	-	113,214	134,327	-	134,327
Investment income	40,878	-	40,878	6,387	-	6,387
Government grants	86,785	-	86,785	73,183	-	73,183
Program services	67,608	-	67,608	85,249	-	85,249
Total revenues	1,034,818	161,720	1,196,538	1,108,483	133,500	1,241,983
Net assets released from restrictions	128,461	(128,461)	-	101,028	(101,028)	-
Net public support, revenue, gains, and other support	1,163,279	33,259	1,196,538	1,209,511	32,472	1,241,983
Expenses						
Program - Family and education services	267,960	-	267,960	254,307	-	254,307
Program - Public awareness	643,234	-	643,234	625,101	-	625,101
Program - Public policy	21,195	-	21,195	20,171	-	20,171
Program - Research	10,000	-	10,000	10,000	-	10,000
Program - Professional training and services	138,543	-	138,543	134,635	-	134,635
Management and general	127,466	-	127,466	123,306	-	123,306
Fundraising	115,449	-	115,449	111,701	-	111,701
Total expenses	1,323,847	-	1,323,847	1,279,221	-	1,279,221
Change in net assets	(160,568)	33,259	(127,309)	(69,710)	32,472	(37,238)
Net assets, beginning of year	518,542	143,392	661,934	588,252	110,920	699,172
Net assets, end of year	<u>\$ 357,974</u>	<u>\$ 176,651</u>	<u>\$ 534,625</u>	<u>\$ 518,542</u>	<u>\$ 143,392</u>	<u>\$ 661,934</u>

Alzheimer's Association Greater Richmond, Inc.

Statement of Functional Expenses
Year ended June 30, 2013

	Professional Training and Services	Public Policy	Research	Public Awareness	Family and Education Services	Total Program Services	Management and General	Fundraising	Total
Grants and other assistance	\$ -	\$ -	\$ -	\$ -	\$ 70,042	\$ 70,042	\$ -	\$ -	\$ 70,042
Salaries and wages	65,057	4,647	-	302,052	92,939	464,695	68,513	62,555	595,763
Pension plan contributions	1,195	85	-	5,550	1,708	8,538	1,259	1,149	10,946
Other employee benefits	2,012	144	-	9,341	2,874	14,371	2,119	1,935	18,425
Payroll taxes	5,374	384	-	24,949	7,677	38,384	5,659	5,167	49,210
Accounting fees	1,509	108	-	7,006	2,156	10,779	1,169	1,039	12,987
Lobbying	-	11,299	-	-	-	11,299	-	-	11,299
Other fees for services	6,815	487	-	31,640	9,735	48,677	5,278	4,692	58,647
Advertising and promotion	3,993	285	-	18,539	5,704	28,521	3,093	2,749	34,363
Office expense	15,025	1,073	-	69,759	21,464	107,321	11,637	10,344	129,302
Occupancy	5,119	366	-	23,766	7,312	36,563	3,965	3,524	44,052
Travel	2,945	210	-	13,674	4,207	21,036	2,281	2,028	25,345
Conferences, conventions, and meetings	7,698	550	-	35,740	10,997	54,985	8,107	7,402	70,494
Payments to affiliates	4,318	308	10,000	20,049	6,169	40,844	-	-	40,844
Depreciation, depletion, and amortization	697	50	-	3,237	996	4,980	540	480	6,000
Insurance	593	42	-	2,754	847	4,236	459	408	5,103
Donated goods/services & use of facilities	13,155	940	-	61,079	18,794	93,968	10,189	9,057	113,214
All other expenses	3,038	217	-	14,099	4,339	21,693	3,198	2,920	27,811
	<u>\$ 138,543</u>	<u>\$ 21,195</u>	<u>\$ 10,000</u>	<u>\$ 643,234</u>	<u>\$ 267,960</u>	<u>\$ 1,080,932</u>	<u>\$ 127,466</u>	<u>\$ 115,449</u>	<u>\$ 1,323,847</u>

Alzheimer's Association Greater Richmond, Inc.

Statement of Functional Expenses
Year ended June 30, 2012

	Professional Training and Services	Public Policy	Research	Public Awareness	Family and Education Services	Total Program Services	Management and General	Fundraising	Total
Grants and other assistance	\$ -	\$ -	\$ -	\$ -	\$ 61,969	\$ 61,969	\$ -	\$ -	\$ 61,969
Salaries and wages	62,965	4,498	-	292,339	89,951	449,753	66,310	60,544	576,607
Pension plan contributions	1,186	85	-	5,509	1,695	8,475	1,249	1,141	10,865
Other employee benefits	2,126	152	-	9,871	3,037	15,186	2,239	2,044	19,469
Payroll taxes	5,148	368	-	23,904	7,355	36,775	5,422	4,950	47,147
Accounting fees	1,454	104	-	6,751	2,077	10,386	1,126	1,001	12,513
Lobbying	-	10,399	-	-	-	10,399	-	-	10,399
Other fees for services	7,612	544	-	35,344	10,875	54,375	5,896	5,241	65,512
Advertising and promotion	3,812	272	-	17,697	5,445	27,226	2,952	2,624	32,802
Office expense	9,395	671	-	43,621	13,422	67,109	7,277	6,468	80,854
Occupancy	4,859	347	-	22,558	6,941	34,705	3,763	3,345	41,813
Travel	3,367	240	-	15,631	4,810	24,048	2,608	2,318	28,974
Conferences, conventions, and meetings	9,129	652	-	42,385	13,041	65,207	9,614	8,778	83,599
Payments to affiliates	5,040	514	10,000	23,401	7,200	46,155	-	-	46,155
Depreciation, depletion, and amortization	697	50	-	3,237	996	4,980	540	480	6,000
Insurance	472	34	-	2,193	675	3,374	366	325	4,065
Donated goods/services & use of facilities	15,609	1,115	-	72,469	22,298	111,491	12,089	10,746	134,326
All other expenses	1,764	126	-	8,191	2,520	12,601	1,855	1,696	16,152
	<u>\$ 134,635</u>	<u>\$ 20,171</u>	<u>\$ 10,000</u>	<u>\$ 625,101</u>	<u>\$ 254,307</u>	<u>\$ 1,044,214</u>	<u>\$ 123,306</u>	<u>\$ 111,701</u>	<u>\$ 1,279,221</u>

Alzheimer's Association Greater Richmond, Inc.

Statements of Cash Flows

Years ended June 30, 2013 and 2012

	2013	2012
Cash Flows From Operating Activities		
Change in net assets	\$ (127,309)	\$ (37,238)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation	6,000	6,000
Realized and unrealized losses (gains) on investments	(28,405)	11,616
Change in allowance for doubtful accounts	65,000	-
Unamortized discount on pledges	(4,225)	(2,639)
Decrease (increase) in assets:		
Accrued interest on certificate of deposit	-	(367)
Pledges receivable	11,801	(60,762)
Program service fees outstanding	(17,100)	(936)
Prepaid expenses	(2,561)	1,834
Increase (decrease) in liabilities:		
Due to National Office	(13,498)	59,361
Vendor accounts	8,207	(24,083)
Compensated absences and other accrued expenses	(2,728)	(12,056)
Net cash used in operating activities	<u>(104,818)</u>	<u>(59,270)</u>
Cash Flows From Investing Activities		
Purchases of equipment	(2,284)	(4,284)
Redemption of certificate of deposit	38,831	-
Net sales (purchases) of marketable securities	(15,630)	129,036
Net cash provided by investing activities	<u>20,917</u>	<u>124,752</u>
Net increase (decrease) in cash and cash equivalents	(83,901)	65,482
Cash and cash equivalents, beginning of year	112,671	47,189
Cash and cash equivalents, end of year	<u>\$ 28,770</u>	<u>\$ 112,671</u>

Alzheimer's Association Greater Richmond, Inc.

Notes to Financial Statements

Note 1—Nature of Activities and Significant Accounting Policies

Nature of activities: Alzheimer's Association Greater Richmond, Inc. (the Organization) works to benefit persons with Alzheimer's disease and to increase awareness of the disease. The Organization provides caregiver workshops, in-service training and support groups in addition to providing a call-in service, a newsletter, a lending library, and a speaker's bureau. The Organization also offers respite care scholarships and participates in the national Safe Return registry program.

A summary of the Organization's significant accounting policies follows:

Basis of accounting: The financial statements of the Organization are prepared under the accrual method of accounting. Under this accounting method, income is recorded as earned and expenses are recorded as incurred.

Basis of presentation: The Organization's financial statement presentation follows accounting principles generally accepted in the United States of America (GAAP). Under GAAP, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted assets.

Unrestricted net assets are net assets that are neither permanently restricted nor temporarily restricted by donor-imposed restrictions.

Temporarily restricted net assets result from contributions whose use is limited by donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Organization pursuant to these stipulations. Net assets may be restricted for various purposes, such as use in future periods or for specified purposes.

Permanently restricted net assets result from contributions that must be maintained by the Organization in perpetuity. The Organization has no permanently restricted assets.

Functional allocation of expenses: The costs of providing various programs and activities have been summarized on a functional basis in the accompanying statements of activities. Accordingly, certain costs have been allocated among the applicable programs.

Cash equivalents: The Organization considers all highly liquid investments with an original maturity of three months or less and money market funds to be cash equivalents.

Pledges receivable: Pledges receivable are carried at original pledge amount less a present value discount for amounts due in one year or more and less an estimate made for doubtful receivables based on a review of all outstanding amounts on a monthly basis. Management determines the allowance for doubtful accounts by identifying troubled accounts and receivables are written-off when deemed uncollectible. Recoveries of receivables previously written-off, if any, are recorded when collected. As of June 30, 2013 and 2012, the Organization's allowance for doubtful accounts was \$74,000 and \$9,000, respectively.

Alzheimer's Association Greater Richmond, Inc.

Notes to Financial Statements

Note 1—Nature of Activities and Significant Accounting Policies (Continued)

Valuation of marketable securities, at fair value: In accordance with GAAP, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date.

In determining fair value, the Organization uses various valuation approaches. In accordance with GAAP, a fair value hierarchy for inputs is used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Organization. Unobservable inputs reflect assumptions about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The fair value hierarchy is categorized into three levels based on the inputs as follows:

Level 1 - Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Organization has the ability to access. Valuation adjustments and block discounts are not applied to Level 1 securities. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these securities does not entail a significant degree of judgment.

Level 2 - Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 - Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

The availability of valuation techniques and observable inputs can vary from security to security and is affected by a wide variety of factors including, the type of security, whether the security is new and not yet established in the marketplace, and other characteristics particular to the transaction. To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Those estimated values do not necessarily represent the amounts that may be ultimately realized due to the occurrence of future circumstances that cannot be reasonably determined. Because of the inherent uncertainty of valuation, those estimated values may be materially higher or lower than the values that would have been used had a ready market for the securities existed. Accordingly, the degree of judgment exercised in determining fair value is greatest for securities categorized in Level 3. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level in the fair value hierarchy within which the fair value measurement in its entirety falls, is determined based on the lowest level input that is significant to the fair value measurement.

Equipment: Equipment is capitalized according to original cost or if donated, at fair value. Depreciation is computed using the straight-line method over estimated useful lives of the depreciable assets ranging from 3 to 5 years.

Alzheimer's Association Greater Richmond, Inc.

Notes to Financial Statements

Note 1—Nature of Activities and Significant Accounting Policies (Continued)

Valuation of long-lived assets: The Organization accounts for the valuation of long-lived assets under GAAP. GAAP requires that long-lived assets and certain identifiable intangible assets be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of the long-lived asset is measured by a comparison of the carrying amount of the asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the estimated fair value of the assets. Assets to be disposed of are reportable at the lower of carrying amount or fair value, less any costs to sell.

In-kind contributions: Contributed services include advertising provided free of charge by various communications entities for the Walks To End Alzheimers, workshop presentations by speakers who did not require honoraria, and staffing the Helpline. The Organization believes it is not practical to estimate the fair value of other contributed services.

Contributed event supplies consist of food, beverages, and prizes contributed for the Spring Golf Outing and Walks to End Alzheimers.

The Organization estimates the fair value of in-kind contributions for the years ended June 30, 2013 and 2012 were as follows:

	2013	2012
Advertising	\$ 44,291	\$ 33,766
Helpline staff	5,280	7,040
Rent	39,635	39,635
Supplies	6,558	20,686
Workshop speakers	17,450	33,200
	<u>\$ 113,214</u>	<u>\$ 134,327</u>

Income taxes: The Organization is affiliated with the Alzheimer's Association (National Office) and is recognized by the National Office's group tax exemption letter dated July 22, 2003. As such, the Organization is generally exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

Use of estimates: The preparation of financial statements in accordance 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 financial statements, and reported amount of revenues and expenses during the reported period. Actual results could differ from those estimates and assumptions.

Alzheimer's Association Greater Richmond, Inc.

Notes to Financial Statements

Note 2—Pledges Receivable

Pledges outstanding are due in one to four years. Pledges receivable consist of the following at June 30:

	<u>2013</u>	<u>2012</u>
Pledges receivable	\$ 389,413	\$ 401,214
Less: allowance for doubtful accounts	(74,000)	(9,000)
Less: present value discount - 3%	(14,343)	(18,568)
Net pledges receivable	<u>\$ 301,070</u>	<u>\$ 373,646</u>
Amount due in:		
Less than one year	\$ 197,373	\$ 248,116
One to four years	103,697	125,530
	<u>\$ 301,070</u>	<u>\$ 373,646</u>

Note 3—Restricted Contributions and Assets

The Organization periodically receives contributions that are temporarily restricted. Net assets as of June 30, 2013 and 2012 are temporarily restricted for the following purposes:

	<u>2013</u>	<u>2012</u>
Caregiver support	\$ 174,807	\$ 136,368
Public relations and awareness	-	5,180
Professional development	1,844	1,844
	<u>\$ 176,651</u>	<u>\$ 143,392</u>

It is expected that the restrictions for all temporarily restricted net assets as of June 30, 2013 will be released through program expenditures in fiscal 2014.

As a result of these restrictions, the following assets as of June 30, 2013 and 2012 are restricted as to use:

	<u>2013</u>	<u>2012</u>
Cash and cash equivalents	\$ 28,770	\$ 112,671
Pledges receivable	52,759	30,000
Marketable securities	95,122	721
	<u>\$ 176,651</u>	<u>\$ 143,392</u>

Alzheimer's Association Greater Richmond, Inc.

Notes to Financial Statements

Note 4—Marketable Securities

The Organization's marketable securities as of June 30, 2013 and 2012 are summarized as follows:

June 30, 2013	Cost	Fair Value	Unrealized Gain (Loss)
Mutual Funds			
American Funds Fundamental Invs F-2	\$ 17,251	\$ 23,791	\$ 6,540
Clearbridge Energy MLP Fund Income	16,437	24,196	7,759
Dodge & Cox Income	17,925	17,341	(584)
Ivy Asset Strategy I	10,251	12,482	2,231
JPMorgan Income Builder Select	20,613	21,081	468
Loomis Sayles Investment Grade Bond Y	19,185	19,581	396
Loomis Sayles Strategic Income Y	22,795	24,045	1,250
Oppenheimer Developing Markets Y	17,391	16,314	(1,077)
Pimco All Asset All Authority P	15,231	14,060	(1,171)
Pimco Income P	20,867	20,685	(182)
Principal Funds Global Diversified Income CI A	9,025	9,271	246
Principal Funds Global Diversified Income CI P	10,430	10,328	(102)
	<u>197,401</u>	<u>213,175</u>	<u>15,774</u>
Exchange Traded Funds			
iShares Dow Jones UR Real Estate	19,509	19,929	420
Powershares Intl Dividend Achievers	11,700	12,259	559
SPDR S&P Dividend	16,968	21,547	4,579
Utilities Select Sector SPDR	9,115	10,160	1,045
Vanguard Dividend Appreciation ETF	9,396	13,240	3,844
Vanguard Health Care ETF	14,685	21,598	6,913
	<u>81,373</u>	<u>98,733</u>	<u>17,360</u>
Total Marketable Securities	<u><u>\$ 278,774</u></u>	<u><u>\$ 311,908</u></u>	<u><u>\$ 33,134</u></u>

Alzheimer's Association Greater Richmond, Inc.

Notes to Financial Statements

Note 4—Marketable Securities (Continued)

June 30, 2012	Cost	Fair Value	Unrealized Gain (Loss)
Mutual Funds			
Loomis Sayles Investment Grade Bond Y	\$ 24,656	\$ 25,797	\$ 1,141
Loomis Sayles Strategic Income Y	30,768	30,934	166
Calamos Convertible Opportunities & Income Fund	18,401	18,345	(56)
American Funds Fundamental Invs F-2	24,496	28,209	3,713
Ivy Asset Strategy I	15,903	17,290	1,387
Thornburg Investment Income Builder I	16,867	16,211	(656)
Clearbridge Energy MLP Fund Income	16,362	17,823	1,461
Oppenheimer Developing Markets Y	22,365	19,559	(2,806)
Principal Funds Global Diversified Income	15,254	15,289	35
	<u>185,072</u>	<u>189,457</u>	<u>4,385</u>
Exchange Traded Funds			
Vanguard Dividend Appreciation ETF	9,396	11,338	1,942
Utilities Select Sector SPDR	15,191	16,645	1,454
SPDR S&P Dividend	20,884	22,260	1,376
Powershares Intl Dividend Achievers	11,700	10,950	(750)
Vanguard Health Care ETF	14,685	17,223	2,538
	<u>71,856</u>	<u>78,416</u>	<u>6,560</u>
Total Marketable Securities	<u><u>\$ 256,928</u></u>	<u><u>\$ 267,873</u></u>	<u><u>\$ 10,945</u></u>

Alzheimer's Association Greater Richmond, Inc.

Notes to Financial Statements

Note 4—Marketable Securities (Continued)

The Organization's marketable securities are categorized as Level 1 based on the fair value hierarchy discussed in Note 1.

Investment income for the years ended June 30, 2013 and 2012 is comprised of the following:

	2013	2012
Interest and dividends	\$ 12,473	\$ 18,003
Change in unrealized gains (losses)	22,189	52
Realized gains (losses)	6,216	(11,668)
	<u>\$ 40,878</u>	<u>\$ 6,387</u>

Note 5—Operating Leases

The Organization leases its facilities in Richmond, Virginia on a month-to-month basis under a cancelable arrangement with below-market rentals that totaled \$28,418 and \$25,372 for the years ended June 30, 2013 and 2012, respectively. It also leases meeting space and a small office for \$200 per month. The Organization estimates that the excess of the market rates of these leases over the amount paid totaled \$39,635 for the years ended June 30, 2013 and 2012. The Organization leases other space at market rates under cancelable arrangements in addition to various pieces of equipment. Total rent paid during the years ended June 30, 2013 and 2012 amounted to \$43,942 and \$41,561, respectively. Future minimum rentals under these operating lease agreements are insignificant.

Note 6—Pension Plan

The Organization sponsors a Simple IRA pension plan for the benefit of its employees. The plan enables eligible employees to defer a portion of their salary and requires the Organization to contribute 2% of all eligible employees' salaries. These contributions amounted to \$10,946 and \$10,865 for the years ended June 30, 2013 and 2012, respectively, and are included in the accompanying statements of functional expenses with "pension plan contributions".

Alzheimer's Association Greater Richmond, Inc.

Notes to Financial Statements

Note 7—Shared Fundraising

The Organization has a shared fundraising program with the National Office in lieu of dues. For 2013, the program requires the Organization to remit 40% of its contributions received to the National Office. In return, the National Office must give the Organization credit for 60% of contributions it receives from the Greater Richmond area. The following summarizes the revenue activity for the years ended June 30, 2013 and 2012:

	<u>2013</u>	<u>2012</u>
Gross revenues from local chapter efforts	\$ 1,338,654	\$ 1,464,967
Amount due to the National Office	(312,449)	(392,200)
Amount credited from the National Office	170,333	169,216
Net amount remitted to the National Office	<u>(142,116)</u>	<u>(222,984)</u>
Total revenues, net of shared fundraising activity	<u>\$ 1,196,538</u>	<u>\$ 1,241,983</u>

In addition to the shared fundraising, the Organization paid the National Office \$10,000 for research during each of the years ended June 30, 2013 and 2012.

Note 8—Subsequent Events

Subsequent events were evaluated through the date the financial statements were available to be issued which was October 1, 2013.