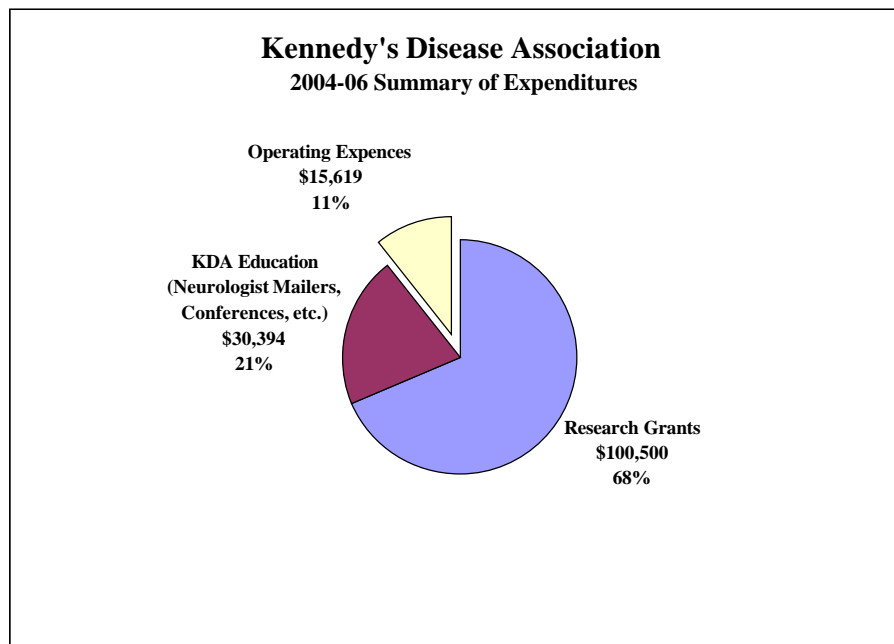


WHERE DOES THE MONEY GO?

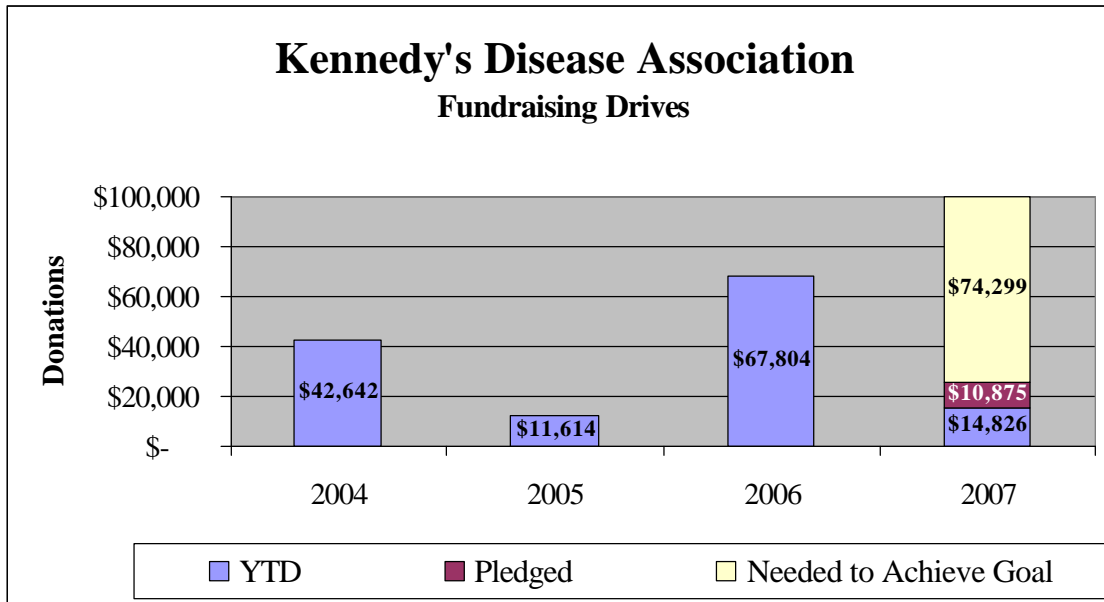
No one has asked recently, but I thought a KDA Update might be the perfect place to explain how the KDA spends your donations. Because we are a totally volunteer organization, over the last three years **89¢ of every dollar goes towards Kennedy's Disease Research Grants (68¢) and Education (21¢).**

As shown in the graph below, the KDA awarded \$100,000 in research grants. We also spent \$30,000 on Kennedy's Disease Education that includes 12,000 information mailers that were sent to Neurologists, the funding of three KDA conferences, and financially supporting certain Kennedy's Disease Research conferences. We only spent \$15,619 (11¢ of every dollar) on Operating Expenses. These expenses include the maintenance of our KDA web site, our message forum, the twice a month chat rooms, office supplies, office equipment, postage, insurance premiums, banking fees, ISP charges, etc.



All of the above leads us to the topic of fundraising. **Our goal for 2007 is to award \$100,000 in research grants.** Can you imagine the impact on Kennedy's Disease Research if we could accomplish this goal? Through May 15, because of the generosity of several of our supporters, we have raised almost \$15,000 in donations with another \$11,000 pledged. Yet, with only seven months remaining in the year, we are still \$74,000 short of achieving our goal.

As you can see from the chart below, 2005 was a difficult year for the KDA. We only managed to raise \$11,600 in donations. Fortunately, we had monies in reserve from 2004 and we were still able to award a \$25,000 research grant.

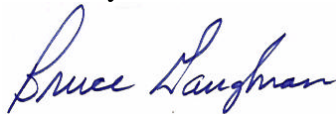


I realize that every charity in the world is asking for support these days and many have huge overhead expenses including salaries and fundraising costs. Fortunately, because of we are an **“all volunteer” organization** and because of the generosity of some of our service providers, the KDA does not have to pay any salaries and our overhead costs are relatively low considering the services provided.

I will end this update with one of my favorite expressions,

“Without you there is no KDA.”

Sincerely,



Bruce Gaughran
President