

Quarterly Financial Report – Alcoholics Anonymous (“AA”)
June 30, 2025 (Second Quarter) Unaudited Financial Statements
Part I: Overview and Intended Use

The purpose of the Quarterly Financial Report (“QFR”) is to provide regular updates on the financial status of its service entities – the General Service Board of Alcoholics Anonymous, Inc. (“GSB”), Alcoholics Anonymous World Services, Inc. (“AAWS”) and the AA Grapevine, Inc. (“AAGV”) that may be shared with the Fellowship of AA. The operations of these entities include all operations of the General Service Office and Grapevine Office at 475 Riverside Drive in New York City. Pursuant to an Advisory Action of the 73rd General Service Conference, this report is distributed each quarter, in English, French and Spanish, to all Conference Members following the quarterly meetings of the GSB. These statements are unaudited and as such are subject to revision.

The QFR Consists of:

- Narrative – Parts II through V Below
- AAWS/GSB Financial Statements
 - Comparative Balance Sheet
 - Comparative Income Statement
 - Monthly Income Statement
 - Graphs – Contributions, Gross Literature Sales, Gross Margin, Operating Expenses
 - Capital Projects Report
- AAGV Financial Statements
 - Statement of Activities – Grapevine
 - Statement of Activities – La Viña
 - Statement of Financial Position/Balance Sheet
 - Rolling Cash Flow Forecast
 - Comparative Income Statement

Note: An Advisory Action of the 75th GSC has expanded the QFR Scope to include reporting on current capital projects and current and estimated maintenance costs. This information is included for the first time in this report and will be included in all subsequent QFRs.

Note: Balance Sheet and Statement of Financial Position are terms for standard financial reports that show a schedule of assets, liabilities and net assets (assets left over after liabilities). Income Statement and Statement of Activities are both terms for a schedule of revenue, income and gains minus expenses and losses.

Respectfully Submitted by the Trustees Finance and Budgetary Committee on behalf of the GSB.

Part II: AAWS/GSB Financial Statements

Consistent with past practice, throughout the year accounting, unaudited reporting, and budgeting for AAWS and the GSB are consolidated. The breakdown for each individual entity is provided annually in the audited financial statements that are available to everyone in the Final Conference Report.

II. A. Executive Summary

For the six months ended June 30, 2025, total operating revenue is \$9,396,205 which is about 5% less than the YTD budget of \$9,942,410. Total operating expenses before depreciation are \$9,339,753, which is about 4% less than the YTD budget of \$9,721,881. Operating surplus before depreciation is \$56,452 compared to a YTD budgeted surplus of \$220,529. Literature accounts receivable is \$713,606, of which 13.9% is current, 38.7% is less than 60 days past due, and 47.4% is more than 60 days past due. The reserve fund is at 6.42 months of 2025 budgeted GSO, GV, and LV operating expenses versus a target range of 9 to 12 months.

II. B. AAWS/GSB Key Financial Indicators (“KFI’s”)

GREEN – Favorable Variance

YELLOW – Unfavorable Variance, Informative

RED – Unfavorable, Trustees Finance/Board action and/or discussions ongoing

Indicator	YTD Actual Versus Budget	Versus Prior Year (six months ended June 30, 2024)
Contributions	\$4.643M vs \$5.170M, 10% less than budget	\$4.643M vs \$5.566M, 17% less than prior year
Gross Literature Sales	\$8.426M vs \$8.000M, 5% more than budget	\$8.426M vs \$7.184M, 17% more than prior year
Net Literature Sales (Gross Margin)	\$4.346M vs \$4.375M, 1% less than budget	\$4.346M vs \$3.666M, 19% more than prior year
Gross Margin as a Percentage of Gross Literature Sales	51.6% versus 54.7%	51.6% versus 51.0%
Operating Expenses before depreciation	\$9.340M vs \$9.722M, 4% less than budget	\$9.340M vs \$9.179M, 2% more than prior year
Operating Surplus before depreciation	\$56K vs \$221K	\$56K vs \$530K
Reserve Coverage (# of months)	6.42	6.33

II. C. Comparative Balance Sheet Notes

Cash – Cash increased \$2.285M from one year ago due cash receipts from International Convention registration and souvenir book sales. The International Convention has a separate budget and profit and loss statement, but the funds received to date are recorded on our Balance Sheet in accordance with generally accepted accounting principles (GAAP). This is not additional revenue for the General Service Board or AAWS. There will be associated expenses. A detailed budget and P&L for the 2025 IC is the responsibility of the convention management vendor Talley Management Group (TMG) with AAWS Board oversight. Reporting on these financials is separate and ongoing and includes a full accounting of Convention income and expenses. However, funds collected to date are our assets and must be included on our Balance Sheet as such.

Accounts Receivable – Accounts receivable, including the receivable from Grapevine, increased \$607K from one year ago due to increased literature sales. As is usual with increased sales, literature receivables more than 60 days past due also increased, by \$185K from one year ago.

Prepaid Expense – Prepaid expense increased by \$3.389M due to International Convention expenditures. Prepaid expenses associated with the Convention will be moved from prepaid expense to the IC income statement as expenses next quarter.

Literature Inventory – Literature inventory was higher in prior years due to the intention to prevent stock-outs during the supply chain issues experienced in 2021 – early 2023. The inventory level as of June 30, 2025 represents “typical” desired levels. Since cash is tied up in inventory before it is sold, the AAWS Board carefully reviews printing of literature to meet needs without maintaining excessive levels of inventory. A 3-year history further reflects this trend:

Date	Balance	Reduction from prior year
6/30/23	\$4.145M	
6/30/24	\$3.164M	24%
6/30/25	\$3.127M	1%

Reserve Fund and Grapevine Subscription Liability– See section IV.

Net Fixed Assets – Net Fixed Assets (durable property used for more than one year) decreased by \$1.5 million over the past year due to depreciation in excess of capital expenditures and amortization of the “Right-to-Use” Asset which quantifies the economic benefit of the leased space at 475 Riverside Drive.

Postretirement Medical Fund – These assets of \$9.2 million and liabilities of \$5.2 million relate to the postretirement medical insurance program which was closed to new hires as of 2016. Asset values vary throughout the year based on premium payments and changes in market value. The liability is recalculated annually by our actuaries based on changes in medical insurance premiums and retiree life expectancies. As of June 30, 2025, the plan had \$4.0 million more investment assets than required to meet benefits when due.

Accounts Payable and Accrued Expenses – Accounts payable and accrued expenses increased \$782K from a year ago due to less prompt payment of invoices resulting from lower contributions revenue.

Deferred Revenue – Deferred Revenue increased by \$5.931M due to International Convention registration and souvenir book receipts. Deferred Revenue associated with the Convention will be moved from deferred revenue to the IC income statement as revenue next quarter.

Defined Benefit Pension Liability – The defined benefit pension plan was closed to new hires as of January 1, 2013. The assets are held in an irrevocable trust from which benefits are paid. The amount as of June 30, 2025, \$(11.4 M) is a negative liability which represents the fact that assets in the plan exceed benefit obligations. The liability is recalculated annually by our actuaries. As of June 30, 2025, the plan had more investment assets than required to meet benefits when due.

Rent Lease Liability – This reflects the liability for the current lease at 475 Riverside Drive which expires at the end of 2025.

II. D. Reforecast Budget – General (applies to all entities)

The budget, per our Bylaws, is approved by the General Service Board (“GSB”) at its January meeting each year. Each July, the budget is reforecast to reflect any actions by the General Service Conference and any needed adjustments to plans and to reflect the actual income and expenses for the year so far. If there is a budget reforecast it is approved by the GSB at its July meeting and from that point forward it becomes the budget for the remainder of the year. The concept of a reforecast budget in July allows for budget revision to reflect any actions by the General Service Conference as well as In Bill W’s words in Concept 11 “At mid-year [the Trustees Finance and Budgetary Committee] will ask for budget revisions if earlier estimates have gone too much wrong”.

The QFRs for the 1st and 2nd Quarters are based on the Original Budget. The QFRs for the third quarter and full year are based on the Reforecast Budget.

II. E. Reforecast Budget – AAWS/GSB

The 2025 Reforecast budget was approved by the GSB on August 4, 2025 meeting and is included in the Financial Statements section of this report.

II. F. Income Statement Notes

Revenue – As noted above, contributions were significantly (17%) less than the same period in 2024. The 2024 level carried over from the contributions appeal letter from the General Manager released in the fourth quarter of 2023 which resulted in record contributions for the last two months of 2023 and the first several months of 2024. Contributions were below budget for the first three months of 2025 by 10%. The Self-Support Subcommittee of the AAWS Finance Committee works to increase the effectiveness of communication explaining how contributions make possible essential member services and support for those seeking help.

In 2024, Seventh Tradition Self-Support contributions covered 60% of operating expenses. We rely on Seventh Tradition contributions and literature sales to serve the Fellowship.

Overall, operating revenue before literature is 91% of budget due to contributions being below budget. Total operating revenue (including literature) is 95% of budget year to date.

Although net literature sales (aka gross margin) were less than budget, it was significantly higher than the same period in 2024, primarily due to sales of the Plain Language Big Book which was released in November, 2024.

To explain gross margin, if a hard cover Big Book is sold for \$12, \$12 goes to gross sales. If that book cost \$6.12 to print and mail, net sales are what we keep, in this case \$5.88. The Gross Margin percentage on this sale is $5.88/12.00 = 49\%$.

Expense – Overall, operating expenses before depreciation were slightly below budget.

Operating Surplus before Depreciation – This metric is similar to earnings from operations used in non-profit and for-profit settings. It excludes:

- Depreciation - a non-cash expense for long-lived assets previously purchased and ‘capitalized’
- Support for La Viña (per Advisory Action, the shortfall on publishing La Viña is covered as a service from the General Service Board)
- Volatile financial results such as changes in investments and obligations for pensions and postretirement obligations.

Operating Surplus Before Depreciation for the six months ended June 30, 2025 is \$56K which is less than the \$530K surplus in the first six months of 2024 less than the \$221K year-to-date budgeted surplus.

Non-Operating Revenue – Non-operating revenue consists of interest on the reserve fund and gains/losses/income on the investments in the postretirement medical fund.

Non-Operating Expense – Non-operating expenses include La Viña support, changes in valuation of pension liabilities, utilization of the World Service Fund and International Literature Fund and reserve fund draws provided to AAGV. Since AAWS and GSB have a consolidated budget, reserve draws for AAWS do not reflect as a non-operating expense on the income statement.

Part III: AAGV Financial Statements

III. A. Executive Summary

Compared to the prior year, the Grapevine bottom line improved by \$246k -- roughly halving the loss from the first six months of 2024 (loss of \$241k vs \$487k). While App subscriptions across all sources increased dramatically from last year (16,468 vs 13,089 or +26%), decreases in print subscriptions offsets those gains resulting in nearly flat performance across all subscriptions (-0.7%). Both sales and cost of sales are very similar versus prior year for the first six months of 2024. However, gross margin is unfavorable versus budget (\$862k vs \$938k). Sales of subscriptions and books are under budget by \$114k, however, cost of sales is \$38k lower than budget. Book sales are lower compared to last year and the 2025 budget. Operating expenses before depreciation are \$254k or 19% lower than 2024 (though 2% over budget).

La Viña cost of service of \$251k, which is \$2k higher than the budget, and an improvement of \$52k compared to the first six months of 2024. The net shortfall from La Viña subscriptions and book sales minus expenses does not flow to the AAGV corporate bottom line; instead, per Advisory Action, it is funded by the GSB.

III. B. AAGV Key Financial Indicators (“KFIs”)

GREEN – Favorable or neutral Variance

YELLOW – Unfavorable Variance, Informative

RED – Unfavorable, Trustees Finance/Board action and/or AAGV Board discussions ongoing

Indicator	Versus 2025 Budget (Dollars in thousands ‘000)	Versus Prior Year (June 30, 2024) (Dollars in thousands ‘000)
Total Grapevine (“GV”) Subscription Income	\$1.006K vs \$1.038K, 3% behind budget	\$1.006K vs \$1.005K, slightly ahead of prior year
Total GV Print-only Circulation	42,165 vs 43,488, 2% behind budget	42,165 vs 45,943, a decline of 8%
GV App + Online + GV Complete Subscriptions	16,468 vs 17,543, 3% behind budget	16,468 vs 13,089, 26% ahead of prior year
Total Circulation	58,634 vs 61,031, 4% behind budget	58,634 vs 59,032, a decline of 0.7%
GV Subscription Net Profit Percentage	53.6% vs 46.7%	53.6% vs 48.4%
GV Total Gross Margin (all products)	\$862K versus \$938K, 8% behind budget	\$862K vs \$869K, a decrease of 1%
GV Operating Expenses	\$107K versus \$1.084K, unfavorable to budget by 2%	\$1.107K vs \$1.362K, a decrease of 19%
GV Net (Loss)	\$(241K) vs \$(141K)	(\$241K) vs (\$487K)
LV Total Gross Margin	\$81K vs \$90K, 10% behind budget	\$81K vs \$45K, an increase of 80%
LV Total Circulation	8,360 vs 8,208 18% ahead of budget	8,360 vs 7,157, 17% greater than prior year
LV Expenses	\$331K vs \$342K, 3% ahead of budget	\$331K vs \$348K, a decrease of 5%
LV Shortfall	\$(251K) vs \$(253K), \$2k under budget	\$(251K) vs \$(303K), a decrease of 17%

III. C. Statement of Financial Position Notes

Cash and Cash Equivalents – Cash decreased from \$286k on June 30, 2024 to \$84k on June 30, 2025. Cash as a percentage of Total Accounts Payable declined to 10%. The high cash position in 2024 was due to a reserve transfer in February 2024 to finance the anticipated AAGV shortfall during 2024. As such, a decline in cash during 2025 was expected. AAGV requested and received a reserve transfer of \$150,000 in February 2025 which is a much lower amount than transfers in recent years. An additional request of \$350,000 was approved and received in August 2025. These funds will be used to pay for items to be sold at the International Convention and to support operations. The controller, publisher and board are closely monitoring cash balances and operations, recognizing the goal of becoming self-supporting in the future.

Subscription Liability Fund – See Part IV Below.

Deferred Subscriptions – The total amount of subscriptions received is recorded as “deferred” until the subscription is fulfilled – magazines are mailed, or time passes for a digital subscription.

Approximately one-third of these amounts are held in the Reserve Fund (See Section IV below) which provides the funding to fulfill obligations to these subscribers should publication of the magazine or support for the app otherwise cease for new subscribers.

II. D. and II. E. Reforecast Budgets – AAGV & La Viña

The 2025 Reforecast budget was approved by the AAGV Board and the General Service Board at the July 2025 board weekend.

Grapevine:

Throughout 2025, print magazine subscriptions have decreased while the app, online and complete increased. However, sub counts for all formats are below 2025 Budget, all formats have reduced sub counts in the Reforecast.

The Reforecast circulation average is projected to be 58,134 which is 5,364 lower than the 2025 Budget. Our Circulation Consultant expects that print subscriptions will continue to decrease for the remainder of the year. Print subscriptions are down 7% in the first half of 2025. With the number of subscriptions up for renewal for the rest of 2025, we project that trend to continue.

There is growth in GV digital formats and there was a boost of approximately 900 app subscriptions during and following the Convention.

The 2025 Budget had Total Subscription Income as \$2,186k. This has been reduced to \$1,990k for the Reforecast – a reduction of \$196k.

On the positive side, direct costs to produce Grapevine subscription items are significantly lower in 2025. This is a combination of reduced print numbers and allocating certain fulfillment and postage expenses to our content products. Additionally, a “Warehousing” line has been created in 2025, to track this cost separately. The 2025 Budget for direct costs was \$1,142k and has been reduced to \$913k – a reduction of \$229k.

Content revenue and expenses:

Content revenue has been under budget throughout 2025, and the Reforecast is reducing the annual revenue to \$1,128k, which is \$154k lower than the 2025 Budget.

As mentioned above, there was an imbalance of fulfillment and postage expenses charged to subscriptions in past years. This has been corrected in 2025; however, this one-time adjustment creates a budget overage in direct costs for Content. Additionally, the shipping costs for the IC Journal were higher than expected. The Reforecast increased the Content Direct Cost to \$395k which is \$77k higher than the 2025 Budget. Content Gross Margin is expected to be \$732k which is \$231k lower than the 2025 Budget.

Overall Gross Margin for Grapevine is projected to be \$1,809k. This is \$198k lower than the 2025 Budget but \$155k higher than 2024.

Grapevine expenses:

The 2025 Reforecast increases Grapevine total expenses to \$2,207k which is \$56k higher than the 2025 Budget of \$2,151k. However, total expenses are projected to be \$313k lower than 2024, due to staff reduction and other expense reductions.

LA VIÑA

La Viña circulation increased 17% during 2024 to 7,492. The 2025 Budget projected that LV circulation to increase an additional 14% in 2025 to 8,538. For the first 6 months of 2025, print subscriptions have been higher than budget while the other formats have been below budget. This is expected to continue but the overall Reforecast circulation is expected to be 8,545 which is slightly higher than the Budget of 8,538 and more than 1k higher than 2024.

However, La Viña's earnings per copy have been under budget. A price increase effective January 1, 2025 is taking longer to impact revenue due to the timing of renewals. La Viña subscription income for the 2025 Budget was \$161k. The Reforecast is reducing this to \$141k. Overall, La Viña Gross Margin on Subscriptions is Reforecast to be \$42,593 which is nearly \$30k lower than the budget, but \$32k higher than 2024.

Content revenue in the 2025 Budget was \$217k and is being reduced to \$182k in the 2025 Reforecast. However, the Reforecast number of \$182k is significantly higher than 2024 content revenue of \$138k. Cost of Goods for Content will be slightly lower than the budget – in line with lower sales.

Overall, the Reforecast is reducing Gross Margin for La Viña by \$60,900 – from a 2025 Budget of \$228k to \$167k. However, this is an improvement of \$55k over 2024.

La Viña expenses are Reforecast to be about \$23k lower than the 2025 Budget. This is due to the salary allocation of Circulation and Business of which a greater percentage is allocated to Grapevine in 2025.

The Reforecast bottom line increases the 2025 La Viña cost of service \$44k over the 2025 Budget.

Reforecast Bottom Line

The Grapevine Reforecast Net Loss is projected to be \$389k which is \$254k more than the 2025 Budget. However, this is an improvement of \$462k over the \$851,732 loss in 2024.

The La Viña Reforecast will have a deficit of \$499,313 to be reimbursed by GSB. The 2025 Budget projected this amount to be \$455,626. However, this is also a significant improvement over last year's cost of service of \$571,939.

Part III. F. June 2025 Income Statement Notes

Grapevine:

The total number of subscriptions is 399 lower than this time last year and under budget by 2,397. As expected, there is growth in digital and app subscriptions and reduced print magazine subscriptions. Total subscription income is under budget but almost equal to last year due to a price increase during 2024. Direct costs are under budget in production and postage, due to a reallocation of expenses of fulfillment and postage costs between our print magazines and books. Even with reduced subscription numbers in 2025, subscription Gross Margin is over budget by \$54k and \$53k higher than last year.

Content income is under the 2025 budget by \$83k and lower than last year by \$7k. Sales of the International Convention Journal were lower than expected and shipping costs to Vancouver were high. Total Cost of Goods Sold is over budget due to the reallocation of fulfillment and postage costs previously discussed. Gross Margin for Content Income is \$130k under budget and 61k lower than last year.

Total Gross Margin is under budget by \$76k and \$8k lower than last year. Subscription gross margin is 54% and content gross margin is 62% for the first 6 months of 2025.

Grapevine Expenses are over budget by \$23k through June 30th. The costs for retiree medical, prescriptions and actuarial expense and the AAGV website maintenance are higher than projected.

The Net Deficit for Grapevine is \$141,195 through June 30th which is \$99,713 over budget. However, this is an \$246k improvement from last year.

La Viña:

Subscription numbers for La Viña continue to do well. Total subscriptions are over budget by 152 and 1,203 higher than last year. However, the subscription income continues to lag for the print magazine. The ongoing App issue has been addressed and the LV earnings per copy now average approximately \$2.50 which is in line with the budget. We are now addressing how Gift Certificates and subscriptions are being recorded. LV Sub revenue is under budget by \$6,671.

Cost of Goods Sold for subscriptions is over budget by \$622 but Gross Margin is under budget by \$6,094.

La Viña content is under budget by \$3,601 and \$2,500 of the year-to-date profit of the Souvenir Journal has been allocated to La Viña. Direct costs are slightly under budget and gross margin is under budget \$2,852.

Total Gross Margin is under budget by \$8,946.

La Viña expenses are under budget by almost \$11k and \$16k lower than last year.

Overall, La Viña is under budget by \$1,885 and the bottom line improved by \$54,338 over last year.

Part IV: Reserve Fund and Grapevine Subscription Liability

As of June 30, 2025, the Reserve Fund Assets total \$12.481 million consisting of cash and certificates of deposit. Less the liability for unfulfilled Grapevine subscriptions of \$540k, the Reserve Fund Balance is \$11.941 million. This is net of the \$150K approved by the GSB in February for AAGV operations but does not reflect the draws approved by the GSB in August of up to \$2.1 million for the GSO retrofit and \$350K for AAGV operations.

Based on the expense budgets for GSO, Grapevine and La Viña (total \$22.33 million) the reserve fund balance is equal to 6.42 months of operating expenses. The goal range is coverage of 9 to 12 months. Note that the calculation is influenced equally by (1) the size of the Reserve Fund Balance and (2) the level of GSO, Grapevine and La Viña expenses.

The AAWS/GSB capital budget reflects the cost of the office renovation expected to begin in August 2025 that will ultimately allow for the elimination of the space on the 8th floor when the lease for that space expires at the end of 2025.

Part V: Other Notable Items

None.

AAWS/GSB

FINANCIAL STATEMENTS

Alcoholics Anonymous World Services
General Service Board of Alcoholics Anonymous
Comparative Balance Sheet
End of June 2025

	06/30/25	06/30/24	CHANGE
ASSETS			
Current Assets			
Cash	2,975,812	690,469	2,285,343
Accounts Receivable (Literature + GV)	1,369,773	762,481	607,292
Prepaid Expense	4,454,798	1,065,486	3,389,312
Literature Inventory	3,127,234	3,164,275	(37,040)
Reserve Fund	12,481,173	12,261,129	220,044
Total Current Assets	24,408,791	17,943,840	6,464,950
Fixed Assets			
Fixed Assets	5,054,797	7,441,079	(2,386,283)
Accumulated Depreciation	(3,239,453)	(4,149,071)	909,617
Net Fixed Assets	1,815,343	3,292,009	(1,476,666)
Other Assets			
Postretirement Medical Fund	9,197,255	8,452,935	744,320
Total Other Assets	9,197,255	8,452,935	744,320
Total ASSETS	35,421,389	29,688,784	5,732,605
LIABILITIES			
Accounts Payable	1,621,416	710,333	911,084
Accrued Expenses	149,253	278,076	(128,823)
Defined Benefit Pension Liability	(11,414,732)	(7,183,690)	(4,231,042)
Sales Tax	4,198	2,136	2,062
Deferred Revenue	5,931,070	0	5,931,070
Grapevine Subscription Liability	540,000	540,000	0
Employee Withholding	33,019	29,644	3,375
Postretirement Benefit	5,189,509	5,631,648	(442,139)
Rent Lease Liability	949,133	1,886,482	(937,349)
Total LIABILITIES	3,002,865	1,894,629	1,108,237
NET ASSETS			
Reserve Fund	11,941,173	11,721,129	220,044
Postretirement Medical Fund	4,007,746	2,821,287	1,186,459
Capital Projects Fund	715,908	1,148,253	(432,345)
Defined Benefit Pension Liability	11,414,732	7,183,690	4,231,042
General Fund	4,338,965	4,919,796	(580,831)
Total NET ASSETS	32,418,524	27,794,155	4,624,368
Total LIABILITIES AND NET ASSETS	35,421,389	29,688,784	5,732,605

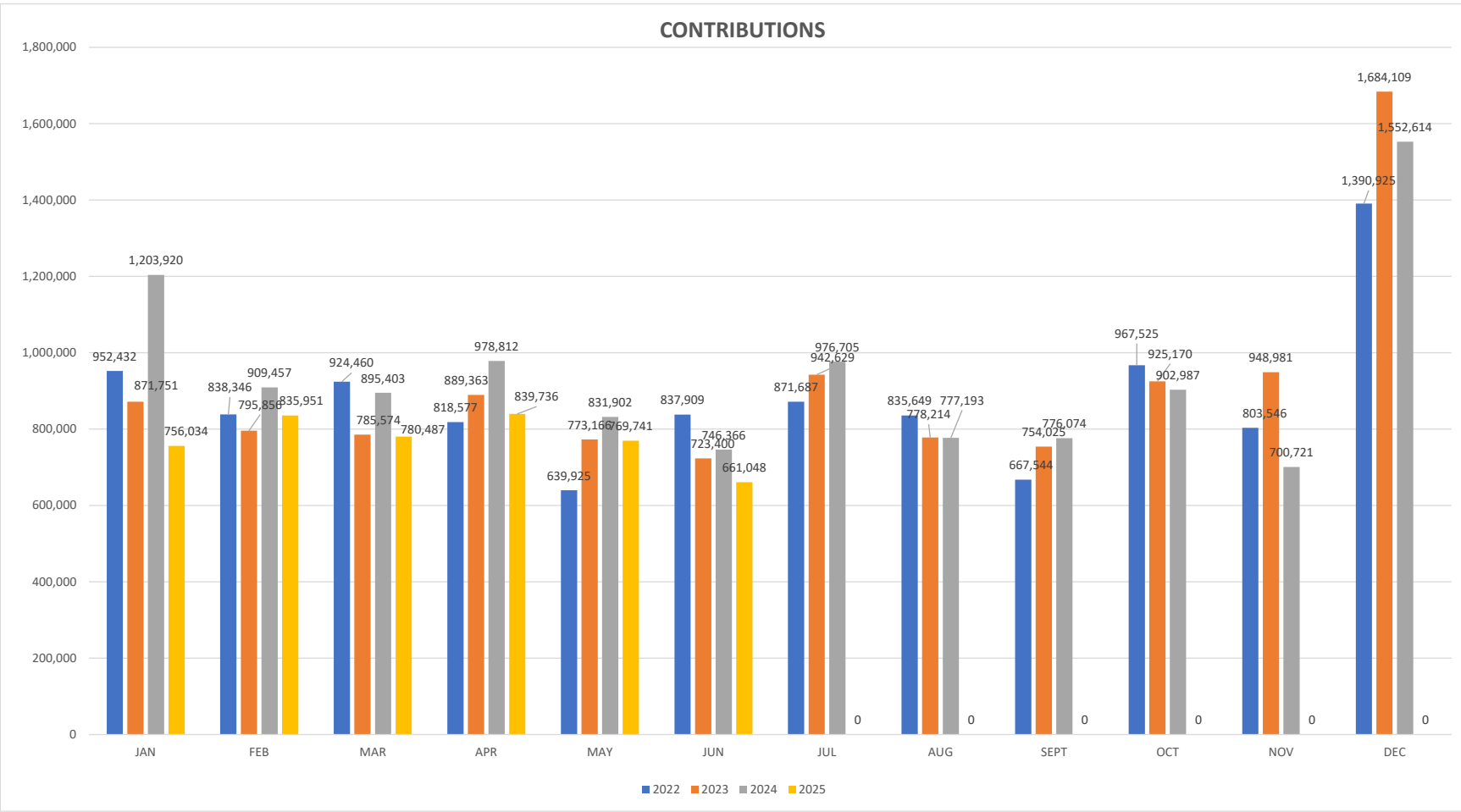
A.A. World Services and General Service Board
Consolidated
Comparative Income Statement
June-25

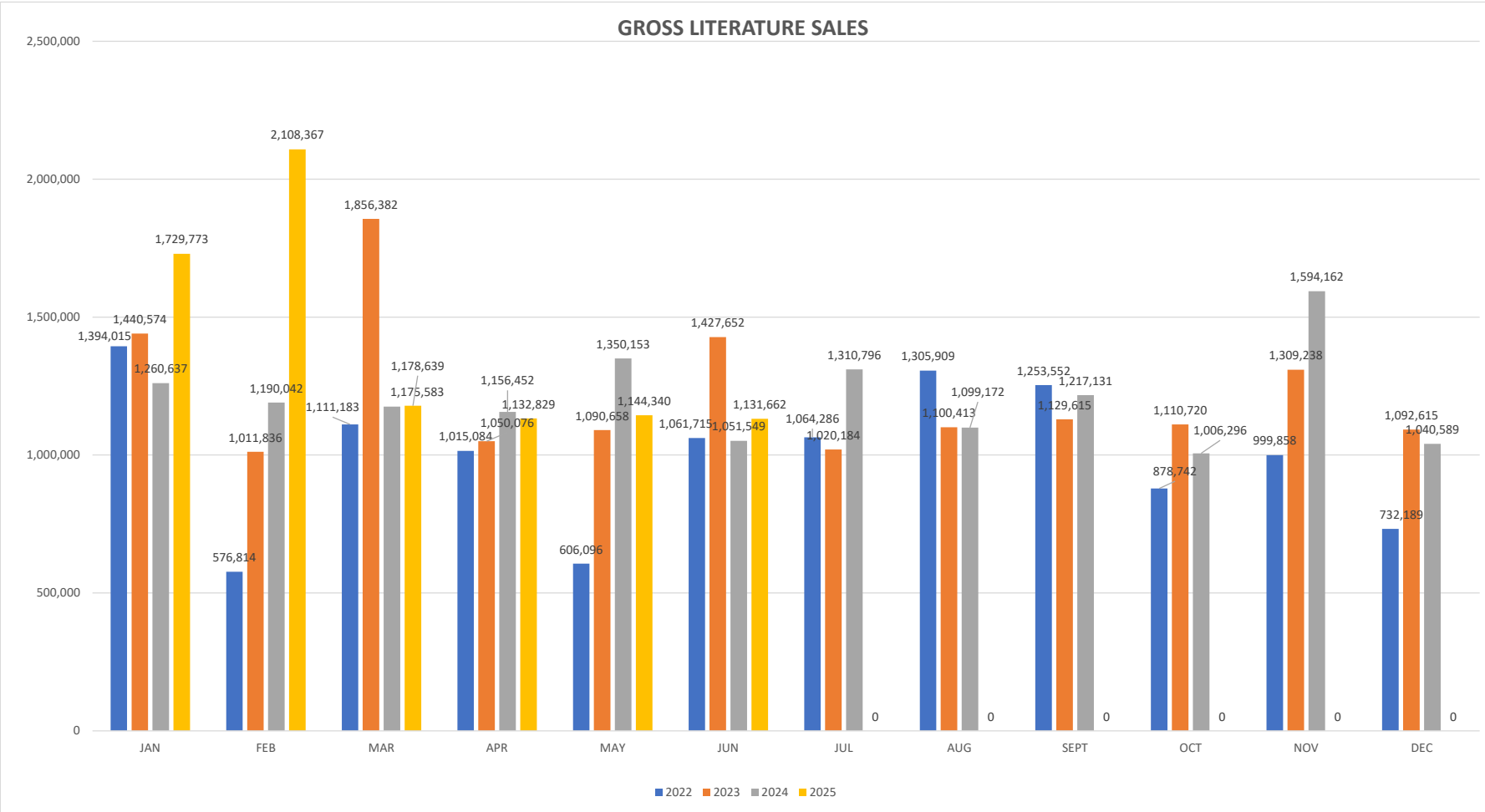
Account	Current Year June-25	Last Year June-24	Variance	Current YTD Jan-25 to June-25	Last YTD Jan-24 to June-24	YTD Variance
Operating Revenue						
Contributions	661,048	746,366	(85,318)	4,642,998	5,565,861	(922,863)
International (2024 includes WSM)	300	18,748	(18,448)	36,636	76,664	(636,308)
General Service Conference	3,600	11,700	(8,100)	370,302	400,469	(636,308)
Gross Literature Sales	1,131,662	1,051,549	80,113	8,425,610	7,184,417	1,241,193
Literature Shipping Charges	25,308	21,586	3,722	197,394	158,651	38,744
Literature Discounts	(15,940)	(70,160)	54,221	(570,317)	(294,436)	(275,882)
Cost of Goods Sold	525,815	479,125	46,690	3,706,418	3,383,125	323,293
Gross Margin	615,216	523,850	91,366	4,346,269	3,665,507	680,762
Total - Operating Revenue	1,280,164	1,300,664	(20,500)	9,396,205	9,708,502	(312,296)
Operating Expense						
Salary & Benefits	882,381	862,606	19,774	5,536,042	5,615,648	(79,607)
Payroll Taxes	57,601	55,088	2,513	376,553	395,232	(18,679)
Professional Fees	136,249	142,463	(6,214)	674,938	689,313	(14,376)
Printing, Postage, Supplies, and Subscriptions	65,315	42,072	23,243	318,710	236,273	82,437
Data, Automation & Website	24,152	27,611	(3,459)	318,696	263,700	54,996
Insurance	6,359	6,442	(83)	43,435	38,652	4,783
Facility & Equipment	108,378	99,285	9,094	650,628	613,417	37,210
Travel & Meetings	591,291	25,495	565,797	1,420,752	1,326,481	94,271
Total - Operating Expense	1,871,726	1,261,062	610,665	9,339,753	9,178,716	161,037
Operating Surplus/(Deficit) Before Depreciation	(591,562)	39,602	(631,165)	56,452	529,785	(473,333)
Depreciation Expense	63,745	70,230	(6,485)	379,949	430,699	(50,749)
Operating Surplus/(Deficit) After Depreciation	(655,307)	(30,627)	(624,680)	(323,497)	99,087	(422,584)
Non-Operating Revenue	331,366	162,499	168,867	741,743	756,089	(14,346)
Non-Operating Expense**	57,770	7,556	50,214	440,395	847,255	(406,861)
Non-Operating Surplus/(Deficit)	273,596	154,943	118,654	301,348	(91,167)	392,515
Total Surplus/(Deficit)	(381,711)	124,315	(506,026)	(22,149)	7,920	(30,069)

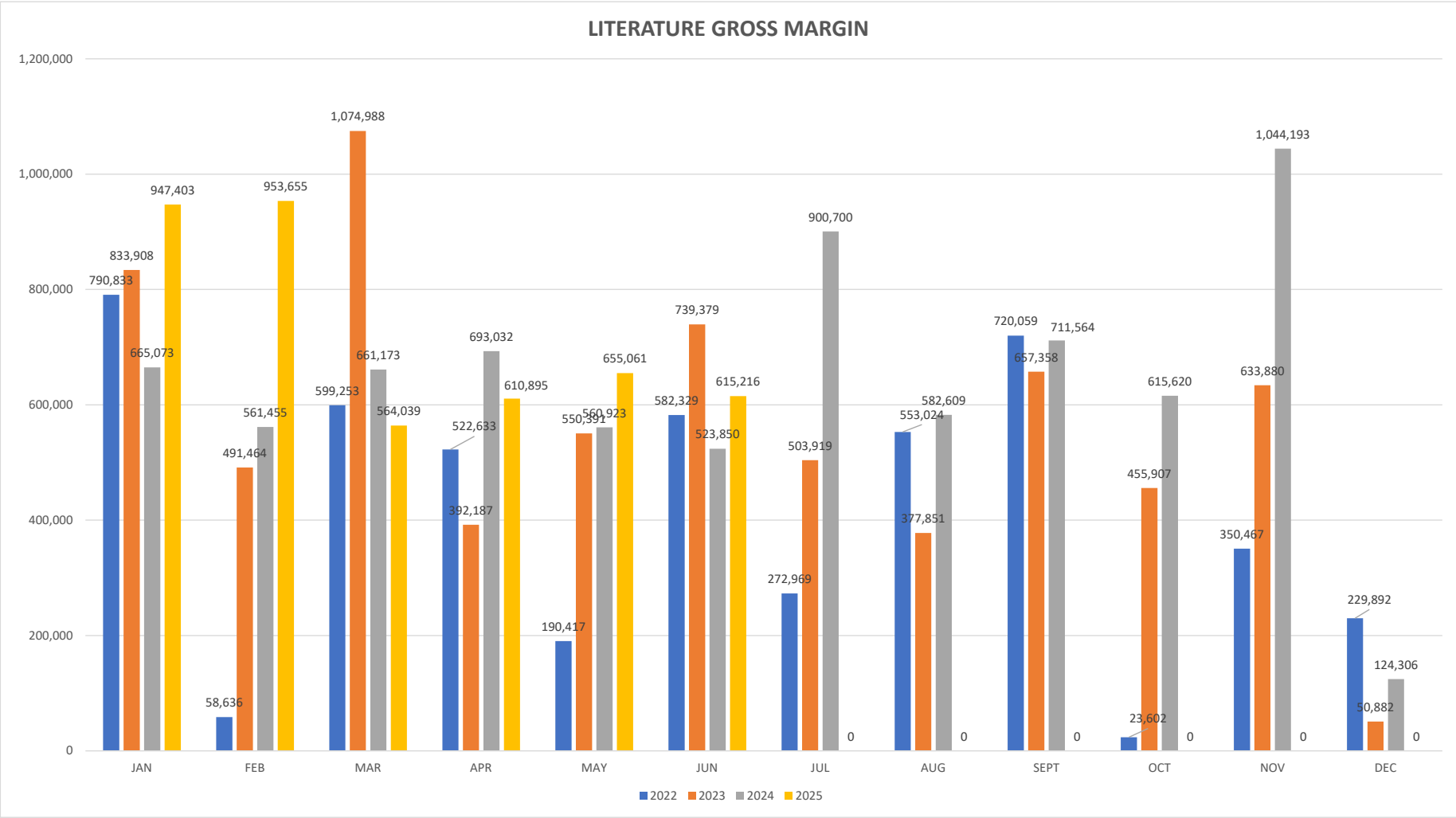
**Withdrawals from the Reserve Fund for Grapevine are an expense for GSB and revenue for GV, netting to 0 on a consolidated basis.

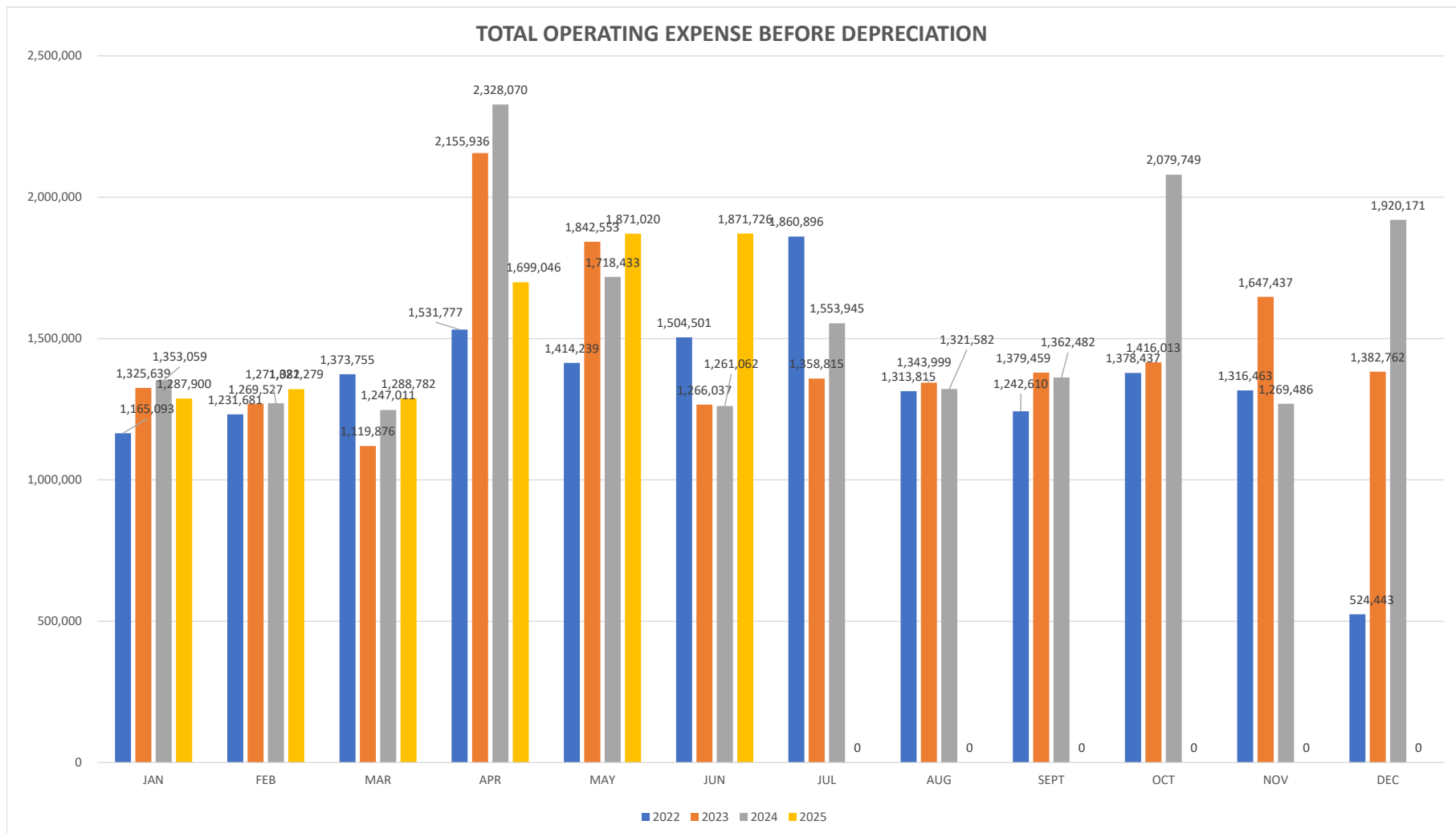
A.A. World Services and General Service Board
Consolidated
Income Statement Compared to Prior Year and Budget
June-25

Account	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	YTD 2025	% of YTD Budget 5.1	Budget 5.1 YTD Budget 2025	YTD Actual 2024
Operating Revenue										
Total - 40000 - Contributions - Members & Groups	756,034	835,951	780,487	839,736	769,741	661,048	4,642,998	90%	5,170,000	5,565,861
Total - 42000 - International	8,767	9,550	0	6,311	11,709	300	36,636	81%	45,000	76,664
Total - 43000 - General Service Conference	0	109,417	197,985	22,600	36,700	3,600	370,302	105%	352,410	400,469
Total - Operating Revenue before Literature	764,801	954,918	978,472	868,647	818,150	664,948	5,049,936	91%	5,567,410	6,042,995
Total - 46000 - Literature Sales	1,521,139	1,903,971	1,186,817	1,144,519	1,155,210	1,141,031	8,052,687	101%	7,975,000	7,048,632
Total - Cost Of Sales	573,735	950,316	622,778	533,624	500,149	525,815	3,706,418	103%	3,600,000	3,383,125
Literature Gross Margin	947,403	953,655	564,039	610,895	655,061	615,216	4,346,269	99%	4,375,000	3,665,507
Convention	0	0	0	0	0	0	0		0	
Total Operating Revenue	1,712,204	1,908,573	1,542,511	1,479,542	1,473,211	1,280,164	9,396,205	95%	9,942,410	9,708,502
Operating Expense										
60100 - Payroll & Benefits : Salaries	311,411	708,841	706,447	726,809	1,115,462	711,320	4,280,289	98%	4,371,980	4,441,135
Total - 60300 - Payroll & Benefits : Employee Benefits	279,214	139,582	164,753	145,032	146,147	134,640	1,009,368	113%	891,803	950,771
Total - 60500 - Payroll & Benefits : Retirement Plan Contributions	44,810	31,430	45,412	43,227	45,085	36,421	246,385	107%	230,722	223,742
Subtotal - 60000 - Payroll & Benefits	635,435	879,853	916,612	915,068	1,306,694	882,381	5,536,042	101%	5,494,505	5,615,648
Total - 60400 - Payroll & Benefits : Payroll Taxes	47,893	68,671	59,678	52,442	90,267	57,601	376,553	91%	415,697	395,232
Total - 70000 - Professional Fees	57,601	83,967	100,691	153,318	143,112	136,249	674,938	68%	995,164	689,313
Total - 72000 - Printing, Postage, and Supplies Expenses	68,071	49,234	43,978	44,843	47,269	65,315	318,710	120%	265,593	236,273
Total - 73000 - Data, Automation & Website	45,078	79,615	36,706	41,623	91,522	24,152	318,696	103%	309,932	263,700
Total - 74000 - Insurance	7,251	7,450	7,458	7,458	7,458	6,359	43,435	102%	42,515	38,652
Total - 76000 - Facility & Equipment Expenses	106,385	103,187	105,340	115,173	112,165	108,378	650,628	99%	654,283	613,417
Total - 78000 - Travel & Meetings Expenses	320,186	49,301	18,318	369,121	72,534	591,291	1,420,752	92%	1,544,194	1,326,481
Total Operating Expense	1,287,900	1,321,279	1,288,782	1,699,046	1,871,020	1,871,726	9,339,753	96%	9,721,881	9,178,716
Operating Surplus/(Deficit) Before Depreciation	424,304	587,294	253,729	(219,504)	(397,809)	(591,562)	56,452		220,529	529,785
76800 - Facility & Equipment Expenses : Depreciation Expense	64,285	63,510	63,352	62,718	62,339	63,745	379,949	80%	472,816	430,699
Operating Surplus/(Deficit) After Depreciation	360,018	523,785	190,376	(282,222)	(460,148)	(655,307)	(323,497)		(252,287)	99,087
Other Income and Expenses										
Other Income										
Total - 45000 - Other Revenue	221,758	3,979	(209,369)	59,908	334,100	331,366	741,743		0	756,089
Total - Other Income	221,758	3,979	(209,369)	59,908	334,100	331,366	741,743		0	756,089
Other Expense										
Total - 92000 - Other Expenses	24,612	18,542	1,862	18,380	14,214	10,991	88,600	46%	84,200	108,952
92150 - Disbursements from the ILF and WSM Fund	990	660	8,422	1,916	880	4,660	17,528	58%	10,000	3,960
92600 - Transfers to La Vina	0	43,805	(12,228)	48,317	33,663	42,119	155,676	27%	113,907	148,777
92650 - Grapevine Transfers	0	165,493	0	0	0	0	165,493		0	573,793
92800 - Pension	0	0	0	0	0	0	0		0	0
92850 - Post Retirement Medical Plan	6,592	0	0	6,506	0	0	13,098		0	11,774
92400 - Bad Debt Expense	0	0	0	0	0	0	0		0	0
Total - Other Expense	32,194	228,500	(1,944)	75,118	48,757	57,770	440,395	56%	208,107	847,255
Net Other Income and Expense	189,564	(224,521)	(207,424)	(15,211)	285,343	273,596	301,348		(208,107)	(91,167)
Surplus/(Deficit)	549,583	299,264	(17,048)	(297,432)	(174,805)	(381,711)	(22,149)		(460,394)	7,920









A.A. WORLD SERVICES AND GENERAL SERVICE BOARD
CONSOLIDATED
YTD CAPITAL EXPENDITURES
JANUARY THROUGH JUNE 2025

	AMOUNT	ESTIMATED ANNUAL MAINTENANCE
Communications		
Meeting Guide App Development	35,468	Estimated annual Meeting Guide App maintenance is \$38,500
Website Development ¹	116	Estimated annual website maintenance is \$225,000
Digital Publication Platform	19,945	To be determined
Analytics Reporting Data Warehouse	15,900	To be determined
Audio video equipment	6,995	No maintenance is required
Total Communications	78,424	
Technology Services		
Cisco Switches	16,819	Estimated annual maintenance is \$1,500
ERP Enhancements	(4,825)	Estimated annual ERP maintenance is \$77,500
Computers and Peripherals	15,069	No maintenance is required
Total Technology Services	27,063	
Publishing		
Digital Publication Platform	19,945	To be determined
Digital Video Distribution Phase One	0	
Computers and Peripherals	8,926	No maintenance is required
Total Publishing	28,871	
Office Retrofit	0	
TOTAL CAPITAL EXPENDITURES	134,357	
CAPITAL EXPENDITURE BUDGET	2,473,355	
REMAINING BUDGET	2,338,998	
% OF BUDGET SPENT	5%	

¹Capital expenditures for the website were deferred until Quarters 3 and 4 to complete the Digital Publication Platform.

AAGV

FINANCIAL STATEMENTS

AA Grapevine Inc.
Statements of Activities - Actual vs Budget and Prior Year
(Income Statement)
For the periods ending June 30, 2025 and 2024

	Actual	Budget	Variance Actual vs Budget	Prior Year	Variance Actual vs Prior Year
Grapevine					
Circulation (Average Number of Subscribers)					
GV Print subscriptions	42,165	43,488	(1,323)	45,943	(3,778)
GV Complete (Print & Online)	5,566	5,533	33	5,492	74
GV Online subscriptions	4,027	4,285	(257)	2,790	1,237
GV App subscriptions	6,876	7,725	(850)	4,807	2,069
Total Circulation	58,634	61,031	(2,397)	59,032	(399)
Revenue per Print subscription	2.53	2.59	(0.06)	2.38	0.15
Revenue per GV Complete (Print & Online)	3.97	3.94	0.03	3.88	0.09
Revenue per GV Online subscription	2.25	2.74	(0.49)	2.22	0.03
Revenue per App subscription	2.55	2.33	0.22	2.57	(0.02)
Income					
Subscription Income					
Print Magazine	\$ 641,094	\$ 669,152	(28,058)	\$ 656,092	(14,998)
GV Complete	132,735	\$ 129,597	3,138	127,906	4,829
GV Online	54,476	\$ 66,335	(11,859)	37,181	17,295
GV App	105,348	\$ 100,773	4,575	74,232	31,116
GV Back Issues & Prison/Hospital Issues	72,619	\$ 72,500	119	21,709	50,910
Prior Year Revenue Adjustment	-	-	-	87,772	(87,772)
Total Subscription Income	1,006,273	1,038,357	(32,084)	1,004,892	1,381
Direct Cost					
Magazine Production	194,789	248,133	(53,345)	234,142	(39,354)
Audio Production	13,260	13,500	(240)	5,777	7,483
Warehousing	34,069	33,600	469	22,100	11,969
Postage	208,993	243,016	(34,023)	245,263	(36,270)
GV App	15,802	15,116	686	11,050	4,752
Total Direct Cost	466,912	553,365	(86,453)	518,332	(51,420)
Gross Margin on Subscriptions	539,361	484,992	54,369	486,560	52,801
Content Related Income					
Books and Booklets	448,277	519,669	(71,392)	512,584	(64,307)
Audio Products	18,172	19,050	(878)	4,958	13,214
Specialty Items	8,083	7,500	583	7,403	680
Specialty Items-International Convention	42,980	54,000	(11,020)	-	42,980
Total Content Related Income	517,513	600,219	(82,706)	524,945	(7,432)
Cost of Goods -Books and Booklets	119,453	115,000	4,453	131,016	(11,563)
Cost of Goods-Audio Products	152	600	(448)	465	(313)
Cost of Goods- Specialty Items	1,617	4,200	(2,583)	2,961	(1,344)
Cost of Goods-IC2025 Journal + Fulfill+Shipping	24,539	15,000	9,539	-	24,539
Mailing-Postage, Fulfillment, and Other Services	49,420	12,500	36,920	7,531	41,889
Total Content Related Direct Cost	195,181	147,300	47,881	141,973	53,208
Gross Margin - Other Published Items	322,332	452,919	(130,587)	382,972	(60,640)
Interest Reserve Fund	4,500	4,500	0	4,800	(300)
Total Gross Margin	\$866,193	\$942,411	(\$76,218)	\$874,332	(\$8,139)

AA Grapevine Inc.
Statements of Activities - Actual vs Budget and Prior Year
(Income Statement)
For the periods ending June 30, 2025 and 2024

Expenses	Actual	Budget	Variance Actual vs Budget	Prior Year	Variance Actual vs Prior Year
Editorial					
Salaries	89,085	89,984	(899)	121,977	(32,892)
Payroll Taxes and Benefits	17,287	19,896	(2,609)	40,506	(23,219)
Freelance/Temp Help	85,217	80,000	5,217	75,429	9,788
Professional fees	10,521	12,500	(1,979)	51,922	(41,401)
Website Maint./Development	37,528	32,500	5,028	54,153	(16,625)
Total Editorial	239,637	234,880	4,757	343,987	(104,350)
Circulation And Business					
Salaries	364,496	362,226	2,270	373,660	(9,164)
Payroll taxes and benefits	121,245	114,228	7,017	121,459	(214)
Freelance/Temp Help	4,500	3,000	1,500	-	4,500
Fulfillment	140,864	112,500	28,364	104,494	36,370
Fulfillment vendor credit	(46,002)	-	(46,002)	-	(46,002)
App Development	24,000	24,000	-	84,000	(60,000)
Professional fees	54,204	42,500	11,704	94,708	(40,504)
Website Maint./Development	4,639	4,500	139	3,901	738
Recruitment Fees	-	-	-	30,000	(30,000)
AAWS HR Allocation	6,553	7,969	(1,416)	-	6,553
Bank/CC service charges	41,050	39,260	1,790	37,184	3,866
Total Circulation And Business	715,548	710,183	5,365	849,406	(133,858)
General And Administrative					
Depreciation expense	65,645	70,000	(4,355)	47,629	18,016
Meetings and conferences	10,629	17,502	(6,873)	24,941	(14,312)
Occupany & Insurance	31,447	33,540	(2,093)	40,837	(9,390)
Office supplies and expenses	33,148	17,501	15,647	54,895	(21,747)
IC2025 Expenses	11,045	-	11,045	-	11,045
Total General And Administrative	151,914	138,543	13,371	168,302	(16,388)
Total Expenses	1,107,100	1,083,606	23,494	1,361,695	(254,595)
Net Income (Shortfall) Grapevine	(240,908)	(141,195)	(99,713)	(487,363)	246,455

AA Grapevine Inc.
Statements of Activities - Actual vs Budget and Prior Year
(Income Statement)
For the periods ending June 30, 2025 and 2024

La Vina	Actual	Budget	Variance Actual vs Budget	Prior Year	Variance Actual vs Prior Year
Circulation (Average Number of Subscribers)					
LV Print subscriptions	7,689	7,570	119	6,782	907
LV Complete	158	196	(38)	107	51
LV Online subscriptions	83	88	(5)	53	30
LV App subscriptions	430	354	76	215	215
Total Circulation	8,360	8,208	152	7,157	1,203
Revenue per Print subscription	2.41	2.75	(0.34)	2.46	(0.05)
Revenue per LV Complete (Print & Online)	4.19	3.95	0.24	3.54	0.65
Revenue per LV Online subscription	2.26	2.18	0.08	1.72	0.54
Revenue per App subscription	2.45	2.20	0.25	1.13	1.32
Income					
Subscription Income					
Print Magazine	55,491	\$ 60,777	(5,286)	50,112	5,379
LV Complete	1,982	\$ 2,060	(78)	1,137	845
LV Online	563	\$ 540	23	274	289
LV App	3,166	\$ 2,198	968	727	2,439
LV Back Issues	7,159	9,500	(2,341)	7,381	(222)
Prior Year Revenue Adjustment	-	-	-	(6,177)	6,177
Total Subscription Income	68,359	75,075	(6,716)	53,454	14,905
Direct Cost					
Magazine Production	30,181	32,500	(2,319)	30,412	(231)
Audio Production	5,235	5,417	(182)	5,235	-
Postage	13,197	11,250	1,947	12,459	738
LV App	262	330	(68)	109	153
Total Direct Cost	48,875	49,497	(622)	48,215	660
Gross Margin on Subscriptions	19,484	25,578	(6,094)	5,239	14,245
Content Related Income					
Books and Booklets	82,929	85,501	(2,572)	58,861	24,068
Audio Products	-	125	(125)	45	(45)
Specialty Items	2,096	2,500	(404)	2,212	(116)
10% of Convention Journal Income	2,500	3,000	(500)		2,500
Total Content Related Income	\$ 87,525	\$ 91,126	\$ (3,601)	\$ 61,118	\$ 26,407
Cost of Goods	26,405	27,001	(749)	21,564	4,841
Gross Margin - Other Published Items	\$ 61,120	\$ 64,125	\$ (2,852)	\$ 39,554	21,566
Total Gross Margin	80,604	89,703	(8,946)	44,793	35,811

AA Grapevine Inc.
Statements of Activities - Actual vs Budget and Prior Year
(Income Statement)
For the periods ending June 30, 2025 and 2024

Expenses			Variance		Variance
	Actual	Budget	Actual vs Budget	Prior Year	Actual vs Prior Year
Editorial					
Salaries	83,438	85,890	(2,452)	93,390	(9,952)
Payroll taxes and benefits	35,324	30,694	4,630	30,375	4,949
Freelance/Temp Help	14,361	20,000	(5,639)	12,126	2,235
Professional fees	1,435	2,500	(1,065)	7,067	(5,632)
Website Maint./Development	7,489	8,675	(1,186)	14,354	(6,865)
Total Editorial	142,048	147,759	(5,711)	157,312	(15,264)
Circulation And Business					
Salaries	79,535	90,853	(11,318)	82,134	(2,599)
Payroll taxes and benefits	32,758	31,627	1,131	27,773	4,985
Freelance/Temp Help	-	3,000	(3,000)	8,170	(8,170)
Professional fees	8,210	7,000	1,210	23,365	(15,155)
Fulfillment - Subscription orders	31,075	17,250	13,825	15,330	15,745
AAWS HR Allocation	1,404	1,406	(2)	-	1,404
Total Circulation And Business	152,982	151,136	1,846	156,772	(3,790)
General And Administrative					
Depreciation expense	12,979	20,001	(7,022)	8,750	4,229
Meetings & Conferences	4,367	5,616	(1,249)	5,222	(855)
Occupany & Insurance	15,809	15,930	(121)	18,293	(2,484)
Office Supplies & Expense	1,823	1,500	323	1,354	469
IC2025 Expenses	1,250	300	950		1,250
Total General And Administrative	36,228	43,347	(7,119)	33,619	2,609
Total Expenses	331,258	342,242	(10,984)	347,703	(16,445)
Total Operating Income (Shortfall)	(250,654)	(252,539)	1,885	(302,910)	52,256
Contribution from GSB	250,654	252,539	(1,885)	302,910	(52,256)
Net Income (Shortfall) La Vina					

AA Grapevine Inc.
Statements of Financial Position
(Balance Sheet)
June 30, 2025 and 2024

	June 30, 2025	June 30, 2024	Variance
Assets			
Current Assets			
Cash And Cash Equivalents	\$ 84,484	\$ 286,291	\$ (201,807)
Accounts Receivable Net	277,516	182,397	95,119
Accounts Receivable GSB	97,479	151,822	(54,343)
Subscription Liability Fund	540,000	540,000	-
Inventory	391,249	327,746	63,502
Total Current Assets	1,390,728	1,488,256	(97,529)
Other Assets			
Prepaid Expenses	71,510	55,415	16,095
Security Deposits	14,756	13,841	915
Mobile App Net	370,078	375,165	(5,087)
Fixed Assets Net	66,774	89,412	(22,638)
Total Other Assets	523,118	533,833	(10,715)
Total Assets	\$ 1,913,846	\$ 2,022,089	\$ (108,244)
Liabilities and Net Assets			
Current Liabilities			
Accounts Payable	\$ 362,095	\$ 125,569	\$ 236,526
Inter-Company Due to AAWS	531,247	416,297	114,950
Total Accounts Payable	893,342	541,866	234,563
Other Current Liabilities			
PR Tax And Benefits Payable	2,462	2,471	(9)
Accrued Expenses	22,404	123,793	(101,389)
GST Payable	-	-	-
NYS Sales Tax	-	-	-
Deferred Income Subscriptions	1,651,831	1,558,212	93,620
Deferred Income-IC 2025	21,431	-	21,431
Gift Certificate CTM	8,878	19,253	(10,375)
Total Other Current Liabilities	1,707,005	1,703,728	3,277
Total Liabilities	2,600,347	2,245,594	237,840
Net Assets			
Net Assets - Beg Bal	(1,193,257)	(341,525)	(851,732)
Transfer from Reserve Fund	747,664	597,664	150,000
Consolidated Net Income (Shortfall)	(240,908)	(479,644)	238,736
Total Net Assets	(686,501)	(223,505)	(462,996)
Total Liabilities And Net Assets	\$ 1,913,846	\$ 2,022,089	\$ (225,156)

AA Grapevine Inc.
Rolling Cash Flow Forecast
For the Twelve Months Ended December 31, 2025

	ACTUAL						FORECAST						
	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Total
Grapevine & La Vina Revenue													
Consolidated Net Income (Shortfall)	\$ (51,038)	\$ (40,427)	\$ (74,300)	\$ 27,133	\$ (62,789)	\$ (45,547)	\$ (12,695)	\$ (25,248)	\$ (30,878)	\$ (46,536)	\$ (28,934)	\$ (13,746)	(405,006)
Accounts Receivable	(46,646)	(40,025)	8,514	(22,722)	667	8,315	(24,000)	-	-	-	-	-	(115,897)
La Vina Reimbursement Billed	(31,159)	(48,317)	(34,186)	(42,119)	(55,037)	(39,836)	(38,501)	(43,231)	(33,298)	(50,115)	(39,782)	(43,732)	(499,313)
La Vina Reimbursement Received	44,335	43,805	31,577	48,317	33,663	42,119	55,037	39,836	38,501	43,231	33,298	50,115	503,834
Draw from Reserve Fund		150,000						350,000					500,000
Inventory	(50,230)	12,680	(25,674)	(17,667)	14,371	(25,722)	(18,000)	5,000	5,000	2,000	-	-	(98,242)
Purchase of Fixed Assets			-			-			(3,000)	(3,000)		(3,000)	(9,000)
Depreciation/Amortization	12,566	12,481	12,458	12,373	14,040	15,000	15,000	15,000	15,000	15,000	15,000	15,000	168,918
Accounts Payable	121,920	(52,426)	(2,214)	(52,736)	20,783	135,325	20,000	(200,000)	(5,000)	(5,000)	(5,000)	-	(24,348)
Intercompany Due AAWS Charged	46,531	33,597	48,620	46,695	46,188	48,000	48,000	48,000	48,000	48,000	48,000	48,000	557,631
Intercompany Due AAWS Paid	(47,473)	(47,473)	(51,451)	-	-	(43,440)	(43,440)	(94,891)	(95,000)	(52,000)	(52,000)	(52,000)	(579,168)
Deferred Income	(38,414)	9,739	64,713	18,208	(18,441)	(51,710)	15,000	10,000	10,000	2,973	3,000	3,000	28,068
Int'l Conv Journal & other new content	2,715	2,100	(12,922)	6,072	(43,400)	-	-	-	-	-	-	-	(45,435)
Investment - Mobile App	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(48,000)
Gift Certificates	(2,504)	500	268	3,356	2,500	500	500	500	500	500	500	500	7,620
Total Adjustments to reconcile Net Revenue to Net Cash	7,641	72,661	35,703	(4,223)	11,332	84,549	25,595	126,213	(23,298)	(2,411)	(985)	13,883	346,668
Cash at Beginning of Period	121,573	78,177	110,411	71,814	94,724	43,587	82,589	95,489	196,453	142,277	93,330	63,714	121,573
Cash at End of Period	\$ 78,177	\$ 110,411	\$ 71,814	\$ 94,724	\$ 43,587	\$ 82,589	\$ 95,489	\$ 196,453	\$ 142,277	\$ 93,330	\$ 63,714	\$ 63,851	\$ 63,852

A.A. Grapevine Inc.
Consolidated Comparative Income Statements
(Dollars in Thousands)

Account	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024	Variance	2025 YTD Budget	Variance - Actual to Budget	2025 Full-Year Approved Reforecast
Grapevine						
Operating Revenue						
Subscriptions	1,006	1,005	1	1,038	(32)	1,990
Book and Other Content Sales	518	525	(7)	600	(82)	1,127
Total Operating Revenues	<u>1,524</u>	<u>1,530</u>	<u>(6)</u>	<u>1,638</u>	<u>(114)</u>	<u>3,117</u>
Cost of Goods Sold	662	660	2	700	(38)	1,308
Gross Margin	862	870	(8)	938	(76)	1,809
Operating Expense						
Editorial	240	344	(104)	235	5	486
Circulation and Business	715	850	(135)	710	5	1,410
General and Administrative	86	120	(34)	68	18	167
Total - Operating Expense	<u>1,041</u>	<u>1,314</u>	<u>(273)</u>	<u>1,013</u>	<u>28</u>	<u>2,063</u>
Operating (Deficit) Before Depreciation	(179)	(444)	265	(75)	(104)	(254)
Depreciation Expense	66	48	18	70	(4)	144
Operating (Deficit) After Depreciation	(245)	(492)	247	(145)	(100)	(398)
Interest on Reserve Fund	4	5	(1)	4	0	9
Transfer from Reserve Fund	0	0	0	0	0	0
Non-Operating Surplus	<u>4</u>	<u>5</u>	<u>(1)</u>	<u>4</u>	<u>0</u>	<u>9</u>
> Reserve Fund transfer of \$150k is not listed as it is to purchase inventory for sale at the International Convention, not to support operations						
Total Surplus/(Deficit)	(241)	(487)	246	(141)	(100)	(389)

La Vina						
Operating Revenue						
Subscriptions	68	53	15	75	(7)	142
Book and Other Content Sales	88	61	27	91	(3)	182
Total Operating Revenues	156	114	42	166	(10)	324
Cost of Goods Sold						
	75	69	6	77	(2)	157
Gross Margin	81	45	36	89	(8)	167
Operating Expense						
Editorial	142	157	(15)	148	(6)	295
Circulation and Business	153	157	(4)	151	2	287
General and Administrative	37	34	3	43	(6)	78
Total - Operating Expense	332	348	(16)	342	(10)	660
Operating (Shortfall)	(251)	(303)	52	(253)	2	(493)
Support from General Service Board	251	303	(52)	253	(2)	493
Net	0	0	0	0	0	0