

## Update from the General Service Board Weekend – October 30 to November 2, 2020

### 71<sup>st</sup> General Service Conference:

With all currently available information and in light of the COVID-19 related challenges, throughout 2021, the General Service Board concluded that these facts will put all Conference attendees at an unacceptable risk. The General Service Board recommends that the 71<sup>st</sup> General Service Conference be conducted during the scheduled time of April 18-24, 2021 via remote meeting technology, as everyone expected.

Accessibility Barriers in Background Materials: The Trustees Committee for the GSC reviewed a request to address accessibility barriers in the Conference background materials, noting our Conference Coordinator can make process improvements to identify image issues that impact the ability for them to be read by text to voice or screen-reading software. We even had on screen real time electronic closed captioning on Zoom at our meetings – it worked pretty well, not perfect, and is one more step towards even more inclusiveness

### AA Grapevine, Inc.

The A.A. Grapevine is facing some challenges during this time. The cumulative effect of COVID-19 on book sales, not being able to sell books, materials and subscriptions at the 2020 International Convention and the decline of La Viña subscriptions (due to the cancellation of large-scale Spanish events) has brought some financial hardship. As a result of the decline in income, the GV Board has withdrawn approximately \$250,000 from the Subscription Liability Fund. Basically, they are giving an advance to themselves.

In the Spring of 2021, La Viña anticipates publishing “*Voices of Women*” – in Spanish. Also, at that time, Grapevine hopes to publish a Prison Book, titled “*Free on the Inside*.”

Setting up an Instagram account is being investigated upon request of the Conference Committee on GV/LV. Instagram is widely used mostly by young people. The GV Board believe “daily quotes,” or other quotes from current books, would be a natural fit.

For those looking for a way to perform 12<sup>th</sup> Step work via Grapevine’s Carry the Message (CTM) project, members can purchase gift certificates for those in need (i.e., loners, A.A. members in prisons, treatment or in remote communities). CTM is especially important during times when face-to-face 12<sup>th</sup> Step work becomes a challenge. Since January, over 421 CTM gift certificates have been processed. Essentially, that’s 421 people receiving subscriptions from folks they never even met.

### AAWS – responsible for the General Service Office

Following the Voluntary Retirement Incentive Plan (VRIP), one of our former employees, Mary C. (Past Staff Coordinator) has been retained as the Interim International Desk Coordinator. So, our GSO continues to support all services, even with the staff reduction.

The Group Services coordinator (Jeff W.) is serving on the My Portal Task Force, and is helping prepare the survey to area registrars, reviewing it with the Past Registrars on the Task Force, and analyzing the results. Working with the Technology Communication Services folks, a list of goals for My Portal has been developed and reviewed carefully to guide in the different phases of My Portal.

The office has continued functioning at a high level while on an entirely remote basis. Technical and HR support has been continuous. Much work has gone into recasting the budgets both for 2020 and 2021 based on changing circumstances.

Following VRIP, information is being gathered on the defined benefit pension plan, with the intention of bringing forward a proposal to the General Service Board, with discussion to continue through the fourth quarter and into 2021. Specifically, we'll need to revisit/recalculate our current obligations, now that 20 of our employees have retired.

Big Book Update: By the end of Board Weekend, the warehouse received approximately 2,000 Big Books of a print run of 9,000. The 2,000 Big Books have all been distributed (or are in the process of being distributed) to fill all the back orders.

Big Book Special Summer Offer Sales Results: Our "Big Book Summer Special Offer" is completed. A printed flyer with an order form was inserted into the June Box 4-5-9 and posted on *aa.org* (previously provided). Email blasts announced the offer to the Fellowship at the beginning of the offer, and a reminder email was sent in September.

- 5,188 total orders were placed during this 3-month period, utilizing the offer,
- 523 orders were placed by 239 Central Offices and Intergroups, many of whom used the offer for repeat ordering,
- Lifts in sales include: ASL Big Book, Abridged Pocket edition, Large Print, Navajo Audio CD set, as well as several international translations,
- \$2,088,227 in gross sales were generated during this Summer offer, and
- The final day of the Special Summer Offer, September 30, yielded \$171,823.
- The Big Book Special Offer was a huge success – except that we sold out (and this necessitated a print run of 9,000 additional books)!

#### International Licensing and Translations Activity:

- Russia (RSO) – Tatar translation of the Big Book was submitted for final review,
- India – Oriya translation of the Big Book has been favorably reviewed, with final approval pending for issuing a License to print and distribute in India, and
- Ukraine – Finished printed books of the newly re-translated Ukrainian edition of the Big Book, printed in Ukraine, have been received.

#### Technology Communication Services:

The Director of Technology Services addressed the progress on My Portal, noting feedback from Area Registrars that indicates:

- There is a need to communicate new process, capabilities, and expectations for how the Area Registrar's role may change,
- Registrars are asking for more control over information and want to self-serve. Understandably, they would like less dependence on GSO to make updates as well as to shift responsibility from GSO to themselves as the point-of-contact for Groups in their respective Areas,
- There are a variety of meeting requests: to use information from My Portal to help with meeting listings, whether that is through the Meeting Guide or their own local databases, and to maintain "Online" meeting information as well, and
- Other features, to include additional meeting designations, such as: "Seniors," "Outdoor," and such. That is why it's so important to engage Registrars upfront.

*A Visual History of Alcoholics Anonymous: An Archival Journey:* The revised publication date of what was going to be the International Convention's souvenir book remains on course for a February 14, 2021, production (with a digital presale flyer on course for later in November 2020). All printing of this book will be billed in fiscal year 2021 and print runs will be adjusted based on pre-sales indicators and requests.

8<sup>th</sup> Floor Renovation: Even though the work is complete, our GSO site remains closed. Our staff has relocated Archival materials from a more expensive storage facility; so, we have the workspace to properly sort through our Archival materials. As a result, we're saving on warehousing costs.

#### Finance:

Paul Konigstein, our very new CFO, has extensive financial background with a focus on non-profit organizations and provides leadership to the GSO Finance department. He is responsible for all finance, accounting, control, auditing, and budgeting analysis, etc. Paul has retained Bob W., as his Assistant (or Advisor). As a result, our reforecasts, chart of accounts, and updates to office policies and procedures continue to move forward seamlessly.

Based on our independent auditor's recommendation, in-kind donations will be reported as a footnote on our financial statements.

The second authorization of drawdown from the Reserve Fund was for \$1.5 million, but AAWS has so far only seen a need to withdraw \$1 million with the option to draw the other half million if needed.

The insurance settlement on the International Convention loss will go far to cover our continuing expenses and AAWS feels that they will be able to repay the total drawdown in the next few years.

I will include financial charts from AAWS, AAGV and GSB related funds at the end of this report.

Now on to Trustees Committees

### Archives Committee:

We continued our ongoing discussion regarding the possible AA History Book –Several interesting considerations were mentioned: The Contributions of Women in AA; Growth of AA Overseas; the Illustrious History of those Early General Service Conferences; unpublished photos, etc. So, while there's no Advisory Action for a history book, the idea has got some traction.

We have received well over a dozen submissions from local Archivists in time to update the Shared Experiences section in our *Archives Workbook*. Michelle Mirza, our non-alcoholic Archivist, is compiling the sharing for our consideration in January 2021.

### Literature:

Regarding the “A.A. for the Black and African-American Alcoholic” pamphlet, having heard the voice of the Fellowship, the committee recognized that this recommendation from the Conference committee (along with the subsequent Floor Action) and is moving forward. However, to ensure that the 71<sup>st</sup> General Service Conference is respected, the progress report will be presented to them for consideration.

Subtitled versions in Spanish and French of the updated video, “*Your General Service Office, Grapevine Office and the General Service Structure*,” are completed, with distribution efforts to follow. Event submissions for Box 4-5-9 have decreased, reflecting fewer events due to COVID-19. In cooperation with Publishing, event notices and listing practices have been adapted so that virtual platforms are being accepted in our electronic newsletter.

The Trustees' Literature Committee discussed making current literature accessible in all possible formats noting that various approaches and strategies for broadening format availability of such items, with accessibility in mind, is already underway within the Publishing Department (and being discussed by the A.A.W.S. Publishing Committee).

International: Our Trustees at Large attended the following on line activities

- May and October: REDELA Sharing Sessions
- October: Australian National Conference
- October: Women's Encounter III Argentina
- November: Virtual 26<sup>th</sup> World Service Meeting

### Cooperation with the Professional Community (CPC) / Treatment Facilities

- LinkedIn - The committee noted that content on the LinkedIn Page is developed from A.A. materials that were either approved by the General Service Conference or extracted from A.A. service materials that are comprised of shared experiences on a specific topic. The committee was presented with a proposed agenda item, “Consider a request to discontinue a LinkedIn page” and took no action.

- The Treatment desk continues to receive sharing on *Bridging the Gap* activities from the Fellowship; many committees are impacted by the COVID-19 pandemic and have had limited access to share about this service. Meanwhile, updates to the “Bridging the Gap” pamphlet are in progress with a focus on inclusive language.
- The desk is continuing to work with the Communication Services department to create a Remote Communities page on the A.A. website, see below.

#### Accessibilities Remote Communities (RC) and Loners and Internationalists:

Our Accessibilities Staff and the Communications Services Department have created a working draft of the Remote Communities Service page on our web site. The page will most likely include literature and A.A. Guidelines on Remote Communities. The Accessibilities desk is also working with the Publishing and Communications Services Departments on a military audio project.

The committee noted that the “A.A. Guidelines: Remote Communities Committees” are being revised by the Publishing department and expressed appreciation for the ongoing work to develop the RC workbook and kit, making them available in contemporary ways.

Nominating: The Trustees’ Nominating Committee continues to have a busy year with 8 Trustees (including the Board Chair) rotating after the 2021 Conference. We received 21 resumes from past and present Class A and Class B trustees. We spent hours interviewing and reducing that group to three candidates to present to the General Service Board for their final selection. The General Service Board then interviewed the three final candidates again and voted to select Linda Chezem to be presented to the General Service Conference next April. Two more Class A Trustees will rotate at the next GSC. We received 28 candidate resumes for those two positions. We have reviewed all and will interview 14 candidates to reduce that group to about 6 to 8 candidates to select from at our next Board meeting in January. We will also be reviewing the applications / resumes for the Southeast and East Central Regional Trustees and the U.S. Trustee-at-large. We will have two new General Service Trustees to present to the 71<sup>st</sup> GSC, Deborah Koltai to serve on AAWS and Tommi Handley to serve on GV. We also approved and sent to the GSC the following candidates for NTD, John Weiss and Vera Farrell for AAWS and Coree Hogan for GV. Lots of new members to serve our Fellowship, plus we will also be involved with assisting in the search for a new General Manager to replace Greg T.

Corrections: As many committees are not going into facilities during the pandemic, committee members have developed lists of inmates and have been writing to those inmates in their local area. GSO and both AAWS and GV boards are making some inroads to digitally provide inmates with pre-approved items; understand that the approval process is case by case, prison by prison.

#### International Convention:

For your consideration, here are some numbers:

Original International Convention Budget:

\$5,518,520.

Registration fees Contributed to GSO (7 <sup>th</sup> Tradition):	\$ <u>40,324.</u>
Amount received from “Event Insurance” to date:	\$ 971,092.
Amount due to us from “Event Insurance”:	\$ <u>1,181,042.</u>
Final insurance settlement:	\$ <u>2,152,134.</u>
Cost of our “Event Insurance”:	\$ <u>57,507.</u>

After paying our remaining contractual expenses from the International Convention, the balance will be distributed/allocated to GSO, AAWS and AAGV to cover in-office expenditures (i.e., salaries, lost revenue from sales and registration, legal fees, etc.).

#### US/Canada Regional Forums:

- Two one-day U.S./Canada (“US/CAN”) Forums have been scheduled for December 5 (East) and December 19 (West). The Forum programming has been designed to foster Fellowship engagement and participation (especially among first time attendees), and
- The expected return to in-person Regional Forums is tentatively planned for 2022 with the addition of a virtual component to allow for wider participation.

Sandra W., promoted to the Director of Staff Services position, thanked all who submitted topics. The registration flyer is undergoing final review and will soon be available.

The Forums will be simultaneously translated from English into French, Spanish and ASL. Mike W., our Zoom consultant, has found a way to adapt closed caption features.

#### Public Information:

At present, AdWords is on “pause” for technical reasons. AdWords can be easily de-activated. In fact, regardless of the extent that AdWords is implemented, the upgrades that went into our web redesign was well worth the effort (i.e., analytics, update to webstore, metadata, etc.).

#### General Service Conference - TCGSC

I also serve on this committee, and it has been a busy time. Most importantly we carefully took all of the suggestions from the post conference surveys and have done everything we can to make the next virtual conference much more acceptable and more similar to a “normal” GSC. Remember that we had to schedule the 70<sup>th</sup> in cooperation of delegate availability and knowing that a conference held during the previously scheduled week will give us 7 days to work with. Next, considering that a virtual conference must consider delegates from 6 time zones (Eastern Canada to Hawaii), we worked on a schedule which will allow for full and complete discussion of all issues. We also looked at committee meetings starting prior to the start of conference, pre recorded reports to conserve actual conference hours and allow members to view these reports at their leisure yet allowing for all questions and discussion necessary at conference. Similar consideration is given to the finance reports and questions.

We did much of this planning not knowing if the 71<sup>st</sup> GSC would be virtual or in-person, but we knew that we had to be prepared in either case. Now that the decision has been made to hold the 71<sup>st</sup> conference on Zoom, we will actively work to finish the schedule.

The TCGSC also addressed some question relating to some unique issues from the 70<sup>th</sup> GSC. The many questions, points of order and such will be addressed in a more orderly fashion, and we are still considering solutions. Some conference members asked for copies of video presentations from the gratitude booth and other events. These requests are not in keeping with our archival procedures, but audio recordings of some portions are already addressed by existing policies. The outstanding is the consideration of distribution of recognizable pictures or AA members which is clearly beyond all of the policies of archival preservation. Don't forget, the conference is recorded for archival purposes, and those recordings are controlled by our archives.

**AAWS WORLD SERVICES, INC GSO (CONSOLIDATED)**  
**FINANCIAL REPORT**  
**FROM JANUARY, 2020 TO SEPTEMBER, 2020**  
**EXECUTIVE SUMMARY**

**Revenue and Expense**

- Individual/group contributions revenue as of 9/30 is \$7,169,609. With 75% of the year elapsed, we have raised 73% of the expected amount. Since contributions tend to peak in October and December, we appear to be on track to meet or exceed the reforecast.
- Gross literature sales revenue as of 9/30 is \$7,156,475. With 75% of the year elapsed, we have generated 73% of the expected amount. Since literature sales tend to peak in December, we appear to be on track to meet or exceed the reforecast.
- The revenue split between gross profit on publications and contributions is about 38% publications/62% contributions this year whereas in 2018 it was 58% publications/42% contributions.
- Total expenses as of 9/30 are \$11,882,137. With 75% of the year elapsed, we have spent 71% of the expected amount so there is a slightly favorable variance in expenses pending reclassification of prepaid items.
- As of 9/30, we are running a surplus of \$795,000. However, this is not a reliable number because the continuing reclassification of prepaid items and undeposited funds affects the bottom line. Reclassifying prepaid items lowers the surplus and reclassifying undeposited funds increases it. The reforecast anticipates a deficit of \$337,000 for 2020.
- The Reforecast 2.2 Budget to Actual contains a Notes column explaining the most significant variances on a line by line basis.

**Cash Flow**

- As noted in the attached Cash Flow Statement, cash on hand as of September 30 was \$1,026,923. This is a native NetSuite report showing the balance on our books. While we have caught up on AAWS cash account bank reconciliations, we are not yet caught up on GSB cash account bank reconciliations, so this number is not exact.
- Our bank balance the close of business of October 23 was \$1,359,825, which represents about one month of expenses. Since we have converted to Bill.com, we have very few outstanding checks so the bank balance should be up to date as far as capturing disbursements. However, since we have not yet implemented a lockbox, there is a lag in depositing cash receipts, so our true balance is likely higher.



**A.A.W.S. GSB Consolidated**  
**Income Statement w/ Comparison to Reforecast Budget 2.2**  
**YTD September 2020**

	Reforecast	Actual	Variance	Actual as % of Reforecast	Notes
<b>Revenue:</b>					
<b>Publication Sales:</b>			0		
Gross Literature Sales	9,856,109	7,156,475	(2,699,634)	73%	
Discounts	(225,528)	(184,758)	40,770	82%	January and April Netsuite inventory reset
<b>Net Sales</b>	<b>9,630,581</b>	<b>6,971,717</b>	<b>(2,658,864)</b>	<b>72%</b>	
 <b>Cost of Goods Sold:</b>					
Manufacturing	1,747,567		(1,747,567)	0%	Reclassification from old chart of accounts to new pending: also January and April inventory reset
Warehouse & Shipping	1,680,946	1,645,473	(35,473)	98%	
<b>Total Cost of Goods Sold</b>	<b>3,428,513</b>	<b>1,645,473</b>	<b>(1,783,040)</b>	<b>48%</b>	
 <b>Gross Profit From Literature Sales</b>	<b>6,202,068</b>	<b>5,326,244</b>	<b>(875,824)</b>	<b>86%</b>	Gross Margin 76%
 <b>Contributions:</b>					
Individual/Groups	9,886,255	7,169,609	(2,716,647)	73%	
Area Delegate Fees	163,800	163,800	0	100%	
Additional Area Contributions	103,346	103,946	600	101%	
World Service Meeting & ILF	20,468	35,560	15,091	174%	
<b>Total Contributions</b>	<b>10,173,870</b>	<b>7,472,915</b>	<b>(2,700,955)</b>	<b>73%</b>	
 <b>Other Revenue</b>	<b>0</b>	<b>(121,829)</b>	<b>(121,829)</b>	<b>N/A</b>	
 <b>Total Revenue</b>	<b>16,375,938</b>	<b>12,677,330</b>	<b>(3,698,608)</b>	<b>77%</b>	

	Reforecast	Actual	Variance	Actual as % of Reforecast	Notes
<b>Expenses:</b>					
<b>Payroll &amp; Benefits:</b>					
Salaries	8,135,511	5,158,551	(2,976,960)	63%	80% actual VRIP participation vs. 50% forecast
Severance	1,195,109	1,195,109	0	100%	
Payroll Taxes	725,414	511,583	(213,831)	71%	
Insurance	1,303,430	1,021,399	(282,031)	78%	
Retirement	344,503	254,503	(90,000)	74%	
<b>Total Payroll &amp; Benefits</b>	<b>11,703,967</b>	<b>8,141,145</b>	<b>(3,562,822)</b>	<b>70%</b>	
<b>Other Expenses:</b>					
Other program printing	209,593	170,967	(38,626)	82%	Final conference report printing bill not yet received
Mailing and labor	42,174	55,004	12,830	130%	Reclassification to Cost of Goods Sold pending
Postage & express	51,184	70,399	19,215	138%	
Editorial services	27,121	400	(26,721)	1%	
Other literature assist	1,485		(1,485)	0%	
Selling expenses	156,581	93,549	(63,032)	60%	
Professional fees	682,822	704,354	21,532	103%	Professional fees and contracted services are best analyzed when grouped together
Contracted services	1,753,802	1,310,842	(442,959)	75%	
<i>Subtotal prof fees &amp; contracted serv</i>	<i>2,436,624</i>	<i>2,015,196</i>	<i>(421,428)</i>	83%	
Occupancy	1,098,686	718,703	(379,983)	65%	
Telephone	118,123	84,486	(33,637)	72%	
Furniture & equip maintenance	22,998	19,682	(3,316)	86%	
Furniture & equipment	28,163	128,622	100,458	457%	Reclassification pending
Stationery & office expense	226,434	107,584	(118,850)	48%	
Office service & expense	384,038	84,538	(299,501)	22%	
Travel, meals & accomodations	202,351	191,612	(10,739)	95%	Very little travel anticipated for the remainder of FY
Bad debts	3,543	251	(3,292)	7%	
<b>Total Other Expenses</b>	<b>5,009,098</b>	<b>3,740,993</b>	<b>(1,268,105)</b>	<b>75%</b>	
<b>Total Expenses</b>	<b>16,713,065</b>	<b>11,882,137</b>	<b>(4,830,928)</b>	<b>71%</b>	
<b>Net Income (Loss)</b>	<b>(337,127)</b>	<b>795,192</b>	<b>1,132,320</b>		Reclassification of prepaid items and undeposited funds pending

**A.A. World Services, Inc**  
**GSO (Consolidated)**  
**Income Statement**  
**From Jan 2020 to Sep 2020**

Financial Row	Jan 2020 Amount	Feb 2020 Amount	Mar 2020 Amount	Apr 2020 Amount	May 2020 Amount	Jun 2020 Amount	Jul 2020 Amount	Aug 2020 Amount	Sep 2020 Amount	Total Amount
<b>Ordinary Income/Expense</b>										
<b>Income</b>										
<b>40000 - Contributions - Members &amp; Groups</b>										
<b>41000 - Contributions - Members &amp; Groups : US/Canada</b>										
41100 - Contributions - Members & Groups : US/Canada : Mail	\$638,383.33	\$673,038.96	\$439,547.26	\$235,877.96	\$657,691.69	\$737,924.12	\$936,070.11	\$883,849.10	\$710,450.74	\$5,912,833.27
41200 - Contributions - Members & Groups : US/Canada : Online	\$87,636.44	\$63,846.40	\$88,578.95	\$122,247.73	\$180,864.17	\$160,387.92	\$188,065.22	\$145,273.78	\$197,830.99	\$1,234,731.60
<b>Total - 41000 - Contributions - Members &amp; Groups : US/Canada</b>	<b>\$726,019.77</b>	<b>\$736,885.36</b>	<b>\$528,126.21</b>	<b>\$358,125.69</b>	<b>\$838,555.86</b>	<b>\$898,312.04</b>	<b>\$1,124,135.33</b>	<b>\$1,029,122.88</b>	<b>\$908,281.73</b>	<b>\$7,147,564.87</b>
<b>43000 - Contributions - Members &amp; Groups : General Service Conferenc</b>										
43100 - Contributions - Members & Groups : General Service Conf	\$0.00	\$0.00	\$0.00	\$0.00	\$103,346.28	\$0.00	\$600.00	\$0.00	\$0.00	\$103,946.28
43200 - Contributions - Members & Groups : General Service Con	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$22,100.00	\$22,100.00
<b>Total - 43000 - Contributions - Members &amp; Groups : General Ser</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$103,346.28</b>	<b>\$0.00</b>	<b>\$600.00</b>	<b>\$0.00</b>	<b>\$22,100.00</b>	<b>\$126,046.28</b>
<b>Total - 40000 - Contributions - Members &amp; Groups</b>	<b>\$726,019.77</b>	<b>\$736,885.36</b>	<b>\$528,126.21</b>	<b>\$358,125.69</b>	<b>\$941,902.14</b>	<b>\$898,312.04</b>	<b>\$1,124,735.33</b>	<b>\$1,029,122.88</b>	<b>\$930,381.73</b>	<b>\$7,273,611.15</b>
<b>42000 - International</b>										
42100 - World Service Meeting Fund	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$7,204.01	\$7,204.01
42150 - World Service Meeting Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,000.00	\$1,000.00
42200 - International Literature Fund	\$16,458.20	\$0.00	\$4,010.21	\$0.00	\$0.00	\$0.00	\$0.00	\$1,500.00	\$5,387.41	\$27,355.82
<b>Total - 42000 - International</b>	<b>\$16,458.20</b>	<b>\$0.00</b>	<b>\$4,010.21</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,500.00</b>	<b>\$13,591.42</b>	<b>\$35,559.83</b>
<b>43500 - Contributions - old</b>										
43101 - Contributions - old : Individual / Group Contributions - old	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	(\$56.34)	(\$56.34)
43202 - Contributions - Members & Groups : General Service Confer	\$1,800.00	\$0.00	\$0.00	\$0.00	\$138,600.00	\$7,200.00	\$16,200.00	\$0.00	\$0.00	\$163,800.00
<b>Total - 43500 - Contributions - old</b>	<b>\$1,800.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$138,600.00</b>	<b>\$7,200.00</b>	<b>\$16,200.00</b>	<b>\$0.00</b>	<b>(\$56.34)</b>	<b>\$163,743.66</b>
<b>46000 - Sales</b>										
46100 - Sales : Literature Sales	\$1,359,585.62	\$1,269,185.41	\$901,536.28	\$273,216.30	\$436,119.17	\$659,655.67	\$687,313.96	\$609,654.47	\$940,956.58	\$7,137,223.46
46200 - Sales : Shipping Charge	(\$23,311.67)	\$25,435.80	\$16,843.27	\$163.61	\$67.35	(\$9.90)	\$29.69	(\$4.44)	\$37.71	\$19,251.42
46300 - Sales : Discounts	(\$20,446.55)	(\$17,053.36)	(\$10,154.49)	(\$978.60)	(\$105.78)	(\$955.03)	(\$41,928.63)	(\$35,728.90)	(\$57,406.65)	(\$184,757.99)
<b>Total - 46000 - Sales</b>	<b>\$1,315,827.40</b>	<b>\$1,277,567.85</b>	<b>\$908,225.06</b>	<b>\$272,401.31</b>	<b>\$436,080.74</b>	<b>\$658,690.74</b>	<b>\$645,415.02</b>	<b>\$573,921.13</b>	<b>\$883,587.64</b>	<b>\$6,971,716.89</b>
<b>Total - Income</b>	<b>\$2,060,105.37</b>	<b>\$2,014,453.21</b>	<b>\$1,440,361.48</b>	<b>\$630,527.00</b>	<b>\$1,516,582.88</b>	<b>\$1,564,202.78</b>	<b>\$1,786,350.35</b>	<b>\$1,604,544.01</b>	<b>\$1,827,504.45</b>	<b>\$14,444,631.53</b>
<b>Cost Of Sales</b>										
<b>50000 - Cost of Goods Sold</b>										
50200 - Cost of Goods Sold : Cost of Goods Sold - Direct Shipping ai	(\$409,830.93)	\$998,988.31	\$347,195.60	(\$246,953.83)	\$108,940.70	\$206,599.78	\$180,396.01	\$236,393.00	\$223,744.34	\$1,645,472.98
50300 - Cost of Goods Sold : Cost of Goods Sold - Selling Expenses	\$9,910.77	\$15,024.40	\$12,164.60	\$10,214.88	\$4,153.49	\$6,935.32	\$13,769.76	\$8,923.25	\$7,593.75	\$88,690.22
<b>Total - 50000 - Cost of Goods Sold</b>	<b>(\$399,920.16)</b>	<b>\$1,014,012.71</b>	<b>\$359,360.20</b>	<b>(\$236,738.95)</b>	<b>\$113,094.19</b>	<b>\$213,535.10</b>	<b>\$194,165.77</b>	<b>\$245,316.25</b>	<b>\$231,338.09</b>	<b>\$1,734,163.20</b>
<b>Total - Cost Of Sales</b>	<b>(\$399,920.16)</b>	<b>\$1,014,012.71</b>	<b>\$359,360.20</b>	<b>(\$236,738.95)</b>	<b>\$113,094.19</b>	<b>\$213,535.10</b>	<b>\$194,165.77</b>	<b>\$245,316.25</b>	<b>\$231,338.09</b>	<b>\$1,734,163.20</b>
<b>Gross Profit</b>	<b>\$2,460,025.53</b>	<b>\$1,000,440.50</b>	<b>\$1,081,001.28</b>	<b>\$867,265.95</b>	<b>\$1,403,488.69</b>	<b>\$1,350,667.68</b>	<b>\$1,592,184.58</b>	<b>\$1,359,227.76</b>	<b>\$1,596,166.36</b>	<b>\$12,710,468.33</b>

TO: Albin M. Zezula, Publisher, AA Grapevine, Inc.  
FROM: Marlen Guayara, YPTC  
DATE: October 28, 2020  
RE: September 30, 2020 Financial Statements

---

Enclosed please find the following financial statements, for the nine months ended September 30, 2020

Summary Statements of Activities, Budget vs Actual  
Summary Statements of Activities, Budget vs Actual - Dashboard  
Statement of Activities- Budget vs Actual, and Prior Year - Grapevine  
Statement of Activities- Budget vs Actual, and Prior Year - La Vina  
Statements of Financial Position  
Cash Forecast

*The financial statements provided herein are a DRAFT with several accounts still being reviewed and reconciled. The transition to Quick Books Online was started and is in process.*

## Executive Summary - Draft

Grapevine's main sources of revenue had been impacted by COVID-19. The 2020 International Convention scheduled every five years, as well as the Annual Conference were canceled, dramatically impacting revenue for 2020. Books and Other Published Items are well under budget, as well as La Vina which is event /convention driven revenue.

September 2020 Net Income (Loss) of (\$307K) reflects corrections, and cost transactions that were not included in July's Financials, such as:

- (\$230K) Withdrawal done in Apr'20, but recorded after July, along with the expenses paid by those funds. In fact, funds were kept in the inter-company account to cover expenses paid on Grapevine's behalf.
- (\$42K) Correction on postage usages; used to be recorded as estimates, changed to actual cost.
- (\$106K) Direct cost transactions processed via Bill.com for Mar to May'20.
- (\$63K) Corrections in Traverse accounts payable module that were not reflected in the General Ledger during the transition from Traverse to QB's.
- (40K) Correction on allocation accounts for 403B, and benefits during transition to QB's
- (\$51K) Severance and taxes to Jeff Monasch

Grapevine is working with GSO to improve inter-company reporting.

## Revenue

### \* Grapevine

Reported income of \$1.04M YTD, which is (\$480K) or (32%) under the budgeted income of \$1.52M. The most prominent reasons for this difference include:

Actual vs Budgeted Net Subscription income decreased by (\$90K) or (10%) YTD, and decreased year over year by (\$162K) or 17%. Which was mainly the result of the timing that the direct cost was entered. Page 6. (Cost entered at the time that payments were done; instead of using the actual time of cost incurred).

Net Other Published Items decreased Actual vs Budget by (\$390K) or (66%), YTD, and decreased year over year by (\$216K) or (66%) YTD. Due to the 2020 International Convention, and the Annual Conference cancelation. Page 6.

### \* La Vina

Reported income of \$26K YTD which is (\$25K) or (49%) under the budgeted income of \$51K. Expected conference and convention sales did not take place.

Net Subscription income decreased Actual vs Budget by (\$16K) or (40%) YTD and decrease year over year by (\$37K) or (61%) Page 7.

Net Other Published Items decreased Actual vs Budget by (\$9K) or (84%) YTD, and decreased year over year by (\$15K) or (90%) YTD. Page 7

## Expenses

In the ongoing transition process from Traverse accounting system to QuickBooks Online; All data from January to September 2020 is in QuickBooks Online

The next step is to start reconciling accounts in QBO such as Bank Reconciliation directly in the system. As we move on in this process still there will some changes / adjustments to customize income and expense accounts to allow for more simplified and straightforward reporting.

- \* Grapevine expenses \$1,35M approximately (\$135K) or (9%) YTD, less than budgeted, and below last year by (\$234K) or (15%). Mainly due to personnel reduction and restructuring. Page 6.
- \* La Vina expenses are below budget by (\$10K) or (4%) YTD. The allocation of payroll costs to La Vina began in late FY19 and resulted in a 48% increase in costs when compared to the same period last year. Page 7.

Cash and balance sheet accounts are still in the process of been reconciled

Please let me know if you have any questions.

**AA Grapevine Inc.**  
**Summary Statements Of Activities, Budget vs Actual**  
**September 30, 2020**

**Grapevine**

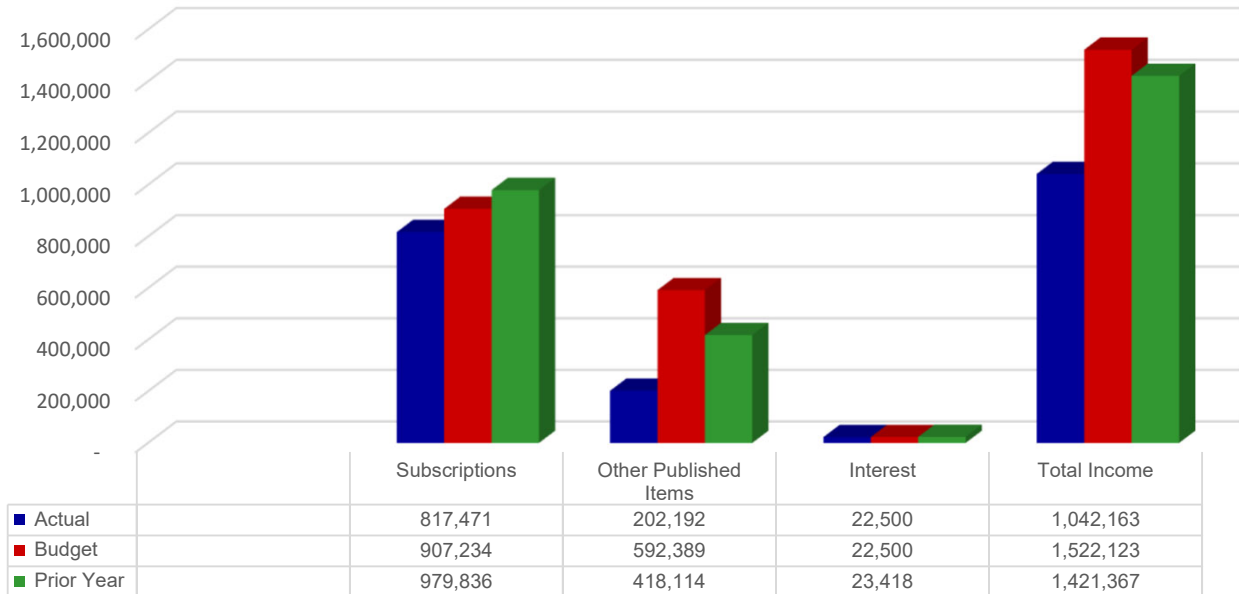
	September 2020 Actual YTD	September 2020 Budget YTD	Variance Actual vs Budget	September 2019 Actual YTD	Variance Prior Year
<b>Circulation</b>					
GV Magazine	65,115	67,802	(2,687)	66,618	(1,503)
GV Online	3,867	4,046	(179)	3,053	814
GV Sub App	-	-	-	2,040	(2,040)
GV ePub	1,745	-	1,745	-	1,745
<b>Total GV Circulation</b>	<b>70,727</b>	<b>71,848</b>	<b>(1,121)</b>	<b>71,711</b>	<b>(984)</b>
<b>Income</b>					
Net Subscriptions	817,471	907,234	(89,763)	979,836	(162,365)
Net Other Published Items	202,192	592,389	(390,197)	418,114	(215,922)
Interest	22,500	22,500	-	23,418	(918)
<b>Total Income</b>	<b>1,042,163</b>	<b>1,522,123</b>	<b>(479,961)</b>	<b>1,421,367</b>	<b>(379,205)</b>
<b>Expenses</b>					
Editorial Cost	544,975	576,592	(31,617)	512,829	32,146
Circulation and Business Cost	561,421	661,328	(99,907)	869,165	(307,744)
General and Administrative	243,062	246,606	(3,544)	201,178	41,884
<b>Total Expenses</b>	<b>1,349,458</b>	<b>1,484,526</b>	<b>(135,068)</b>	<b>1,583,173</b>	<b>(233,714)</b>
<b>Net Income (Loss)</b>	<b>(307,296)</b>	<b>37,597</b>	<b>(344,893)</b>	<b>(161,805)</b>	<b>(145,491)</b>

**La Vina**

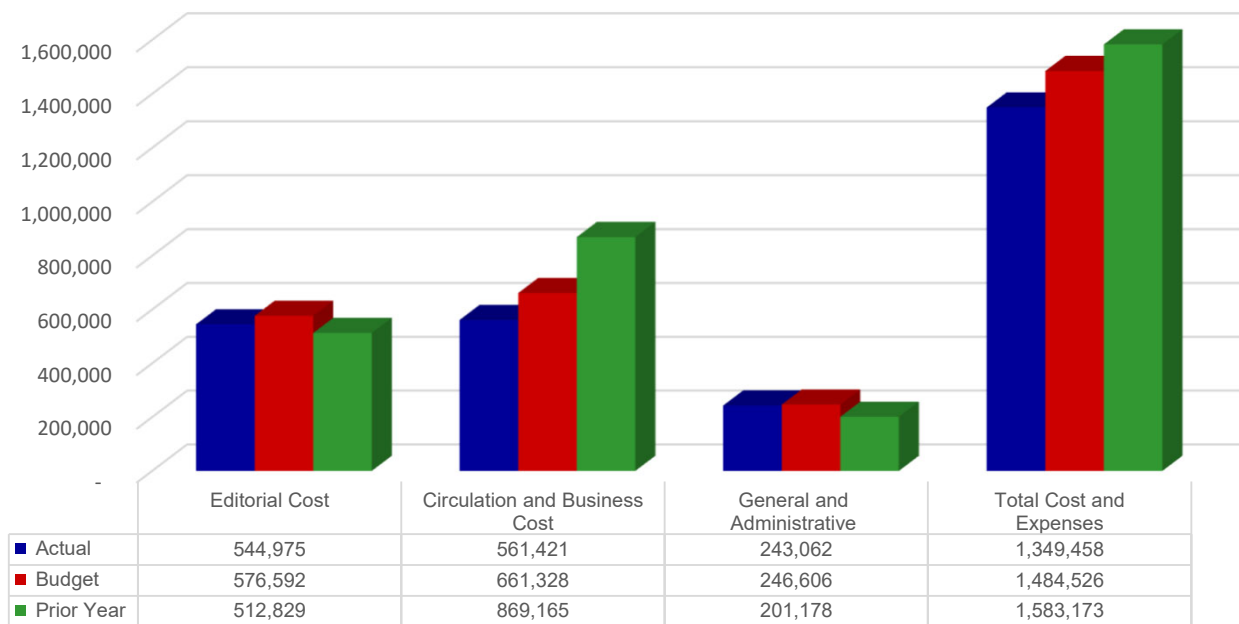
	September 2020 Actual YTD	September 2020 Budget YTD	Variance Actual vs Budget	September 2019 Actual YTD	Variance Prior Year
<b>Circulation</b>					
<b>Total LV Magazine</b>	<b>7,722</b>	<b>10,100</b>	<b>(2,378)</b>	<b>10,177</b>	<b>(2,455)</b>
<b>Income</b>					
Net Subscriptions	23,906	39,925	(16,020)	60,752	(36,846)
Net other Published Items	1,694	10,631	(8,937)	16,856	(15,162)
<b>Total Income</b>	<b>25,599</b>	<b>50,556</b>	<b>(24,957)</b>	<b>77,607</b>	<b>(52,008)</b>
<b>Expenses</b>					
Editorial Cost	156,059	169,360	(13,301)	112,543	43,516
Circulation and Business Cost	108,984	114,702	(5,719)	70,871	38,113
General and Administrative	12,637	4,261	8,375	4,692	7,945
<b>Total Expenses</b>	<b>277,680</b>	<b>288,324</b>	<b>(10,644)</b>	<b>188,106</b>	<b>89,574</b>
<b>Net Income (Loss)</b>	<b>(252,080)</b>	<b>(237,768)</b>	<b>(14,312)</b>	<b>(110,499)</b>	<b>(141,581)</b>

**AA Grapevine Inc.**  
**Summary Statements Of Activities, Budget vs Actual - Dashboard**  
**September 30, 2020**

**Grapevine Income vs Budget**

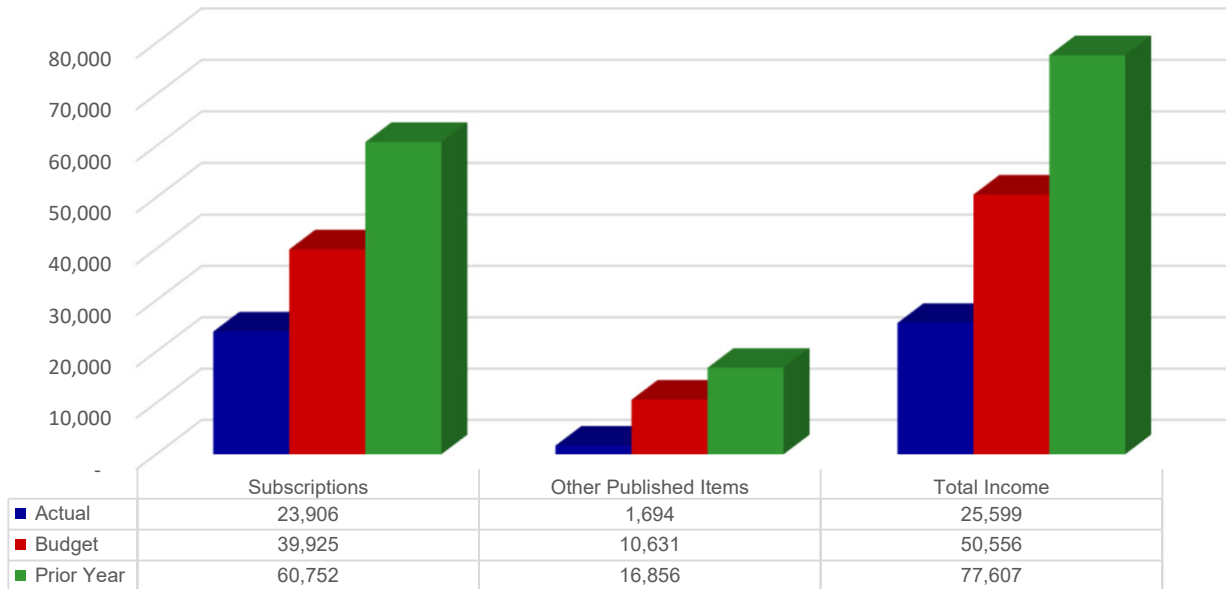


**Grapevine Costs and Expenses**

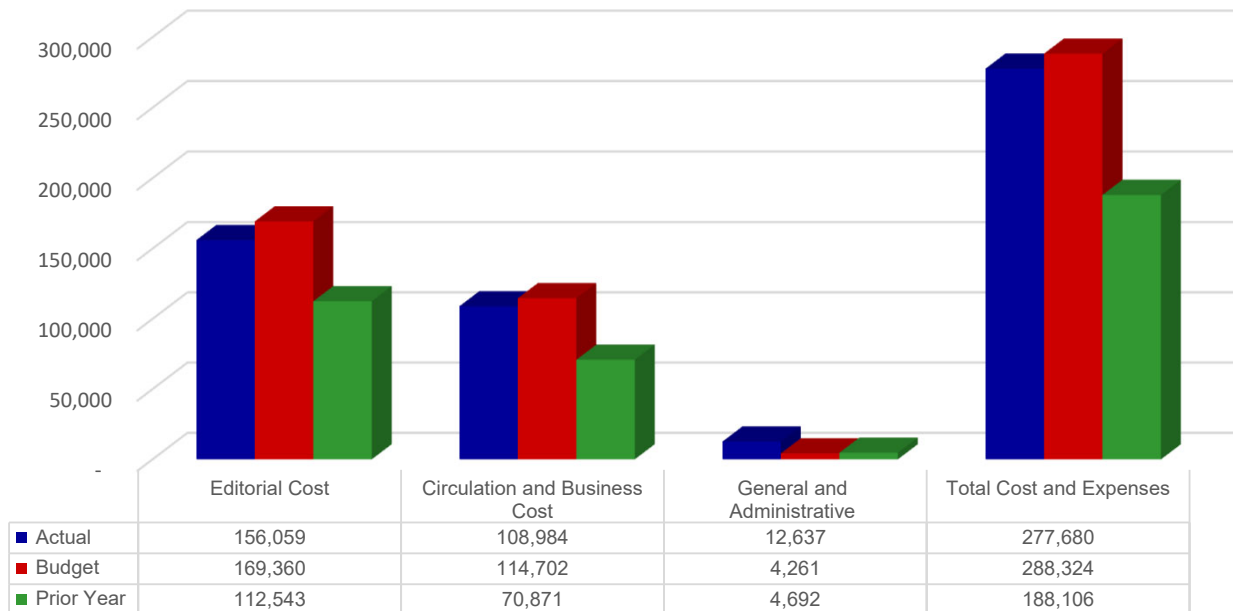


**AA Grapevine Inc.**  
**Summary Statements Of Activities, Budget vs Actual - Dashboard**  
**September 30, 2020**

**La Vina Income vs Budget**

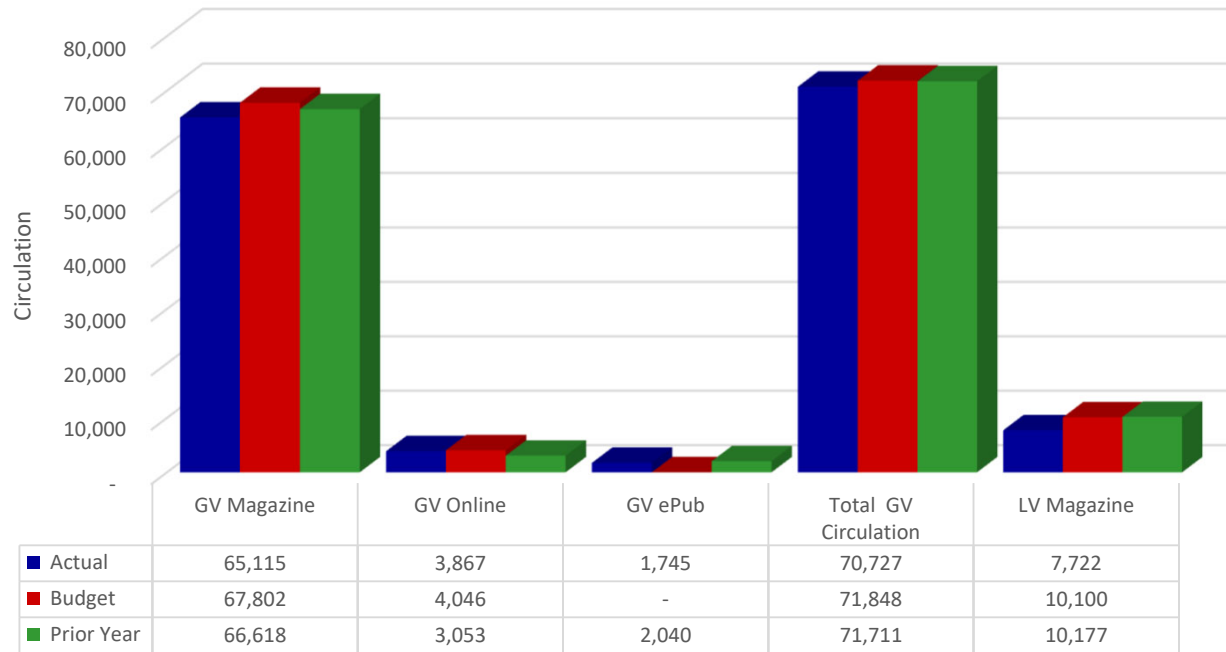


**La Vina Costs and Expenses**



**AA Grapevine Inc.**  
**Summary Statements Of Activities, Budget vs Actual - Dashboard**  
**September 30, 2020**

**AA Grapevine Circulation**





**AA Grapevine Inc.**  
**Statement of Activities- Budget vs Actual, and Prior Year**  
**For the 9 Months Ended September 30,, 2020**

	YTD ended 9/30/2020					Year-end Projection 12/31/2020			
	Actual	Budget	Variance vs Budget	Prior Year	Variance vs Prior Year	Projected	Forecast	Budget	Forecast vs Budget
<b>Grapevine Circulation</b>									
Paid Circulation Average	65,115	67,802	(2,687)	66,618	(1,503)	62,561	67,802	(5,241)	
GV Online	3,867	4,046	(179)	3,053	814	4,258	4,046	212	
GV Sub App	-	-	-	2,040	(2,040)	-	-	-	
GV ePub	1,745	-	1,745		1,745	1,319	-	1,319	
Revenue Per Magazine	2.10	2.25				2.25	2.25		
Revenue Per Gv Online Sub	2.04	2.49				2.49	2.49		
<b>Total Circulation</b>	<b>70,727</b>	<b>71,848</b>	<b>(1,121)</b>	<b>71,711</b>	<b>(984)</b>	<b>68,138</b>	<b>71,848</b>	<b>(3,710)</b>	
<b>Income</b>									
Total Subscription Income	1,437,244	1,486,987	(49,743)	1,470,669	(33,425)	1,888,191	1,982,649	(94,458)	
Direct Cost	619,773	579,753	40,020	490,833	128,940	813,024	773,004	40,020	
<b>Gross Profit On Subscription</b>	<b>817,471</b>	<b>907,234</b>	<b>(89,763)</b>	<b>979,836</b>	<b>(162,365)</b>	<b>1,075,167</b>	<b>1,209,645</b>	<b>(134,478)</b>	
Content Related Income									
Books and Booklets	369,655	749,721	(380,066)	598,338	(228,683)	474,242	999,628	(525,386)	
Cassets and MP3	7,253	215	7,038	287	6,967	7,325	287	7,038	
Other Special Items	14,909	77,623	(62,715)	33,965	(19,057)	40,855	103,211	(62,356)	
Content Related Income	391,817	827,560	(435,743)	632,590	(240,773)	522,422	1,103,126	(580,704)	
Content Related Direct Cost	189,625	235,170	(45,546)	214,477	(24,852)	246,020	313,273	(67,254)	
<b>Gross Profit On Content Related Income</b>	<b>202,192</b>	<b>592,389</b>	<b>(390,197)</b>	<b>418,114</b>	<b>(215,922)</b>	<b>276,402</b>	<b>789,853</b>	<b>(513,451)</b>	
Interest Reserve Fund	22,500	22,500	-	23,418	(918)	30,000	30,000	-	
<b>Total Income</b>	<b>1,042,163</b>	<b>1,522,123</b>	<b>(479,961)</b>	<b>1,421,367</b>	<b>(379,205)</b>	<b>1,381,569</b>	<b>2,029,498</b>	<b>(647,929)</b>	
<b>Expenses</b>									
Editorial	544,975	576,592	(31,617)	512,829	32,146	725,042	768,790	(43,748)	
Circulation And Business	561,421	661,328	(99,907)	869,165	(307,744)	772,076	881,770	(109,693)	
General And Administrative	243,062	246,606	(3,544)	201,178	41,884	325,264	374,326	(49,062)	
<b>Total Expenses</b>	<b>1,349,458</b>	<b>1,484,526</b>	<b>(135,068)</b>	<b>1,583,173</b>	<b>(233,714)</b>	<b>1,822,383</b>	<b>2,024,886</b>	<b>(202,503)</b>	
<b>Net Operating Income (Loss)</b>	<b>(307,296)</b>	<b>37,597</b>	<b>(344,893)</b>	<b>(161,805)</b>	<b>(145,491)</b>	<b>(440,814)</b>	<b>4,612</b>	<b>(445,426)</b>	
Miscellaneous Income	-	-	-	-	-	-	-	-	
<b>Net Income (Loss)</b>	<b>(307,296)</b>	<b>37,597</b>	<b>(344,893)</b>	<b>(161,805)</b>	<b>(145,491)</b>	<b>(440,814)</b>	<b>4,612</b>	<b>(445,426)</b>	

**AA Grapevine Inc.**  
**Statement of Activities- Budget vs Actual, and Prior Year**  
**For the 9 Months Ended September 30,, 2020**

	YTD ended 9/30/2020					Year-end Projection 12/31/2020			
	Actual	Budget	Variance vs Budget	Prior Year	Variance vs Prior Year	Projected	Forecast	Budget	Forecast vs Budget
<b>La Vina</b>									
<b>Circulation</b>									
Paid Circulation Average	7,722	10,100	(2,378)	10,177	(2,455)	7,364	10,100	(2,736)	
Revenue Per Magazine	1.81	1.80		1.81	1.80	1.80	1.80		
Total Circulation	7,722	10,100	(2,378)	10,177	(2,455)	7,364	10,100	(2,736)	
<b>Income</b>									
Subscription Income									
Subscription income	56,958	81,810	(24,852)	100,382	(43,424)	68,138	109,080	(40,942)	
Back issues	1,178	5,615	(4,437)	5,867	(4,689)	3,050	7,487	(4,437)	
Total Subscription Income	58,136	87,425	(29,289)	106,250	(48,113)	71,188	116,567	(45,379)	
Direct Cost	34,231	47,500	(13,269)	45,498	(11,268)	44,786	63,333	(18,547)	
Gross Profit On Subscription	23,906	39,925	(16,020)	60,752	(36,846)	26,402	53,234	(26,832)	
Content Related Income	23,892	14,209	9,683	16,856	7,037	28,629	18,946	9,683	
Cost of Goods	22,199	3,579	18,620	-	22,199	23,392	4,772	18,620	
Gross Profit On Subscription Content	1,694	10,631	(8,937)	16,856	(15,162)	5,237	14,174	(8,937)	
<b>Total Income</b>	<b>25,599</b>	<b>50,556</b>	<b>(24,957)</b>	<b>77,607</b>	<b>(52,008)</b>	<b>31,639</b>	<b>67,408</b>	<b>(35,769)</b>	
<b>Expenses</b>									
Editorial	156,059	169,360	(13,301)	112,543	43,516	208,178	225,813	(17,635)	
Circulation And Business	108,984	114,702	(5,719)	70,871	38,113	144,436	152,936	(8,500)	
General And Administrative	12,637	4,261	8,375	4,692	7,945	14,058	5,683	8,375	
Total Expenses	277,680	288,324	(10,644)	188,106	89,574	366,672	384,433	(17,760)	
Net Operating Income (Loss)	(252,080)	(237,768)	(14,312)	(110,499)	(141,581)	(335,033)	(317,025)	(18,008)	
Net Income (Loss)	(252,080)	(237,768)	(14,312)	(110,499)	(141,581)	(335,033)	(317,025)	(18,008)	

**AA Grapevine Inc.**  
**Statements of Financial Position**  
As of September 30, 2020 and December 31, 2019

	<u>September 30, 2020</u>	<u>December 31, 2019</u>	<u>Variance</u>
<b>Assets</b>			
Current Assets			
Cash and Cash Equivalents	269,330	195,798	73,532
Accounts Receivable Net	29,026	55,301	(26,275)
Accounts Receivable GSB	22,748	30,683	(7,935)
Invested With Reserve Fund	1,443,500	1,893,500	(450,000)
Inventory	299,729	282,221	17,508
Total Current Assets	<u>2,064,333</u>	<u>2,457,503</u>	<u>(393,171)</u>
Other Assets			
Prepaid Expenses	63,330	91,054	(27,724)
Security Deposits	12,316	13,281	(965.00)
Fixed Assets Net	203,490	226,851	(23,361)
Total Other Assets	<u>279,136</u>	<u>331,186</u>	<u>(52,050)</u>
Total Assets	<u><u>2,343,469</u></u>	<u><u>2,788,689</u></u>	<u><u>(445,220)</u></u>
<b>Liabilities and Net Assets</b>			
Liabilities			
Accounts payable	148,238	207,891	(59,653)
Inter-Company Due to GSB	(206)	(206.12)	-
Inter-Company Due to AAWS	112,122	(7,748)	119,871
Total Accounts Payable	<u>260,155</u>	<u>199,937</u>	<u>60,218</u>
Other Current Liabilities			
PR Tax and Benefits Payable	47,809	24,703	23,106
Accrued expenses	86,945	71,945	15,000
GST Payable	(663)	914	(1,577)
NYS Sales Tax	1,979	1,385	594
Deferred Income Subscriptions	1,629,504	1,620,884	8,620
Gift Certificates	(4,375)	(7,307)	2,932
Gift Certificate CTM	13,923	8,660	5,263
Total Other Current Liabilities	<u>1,775,122</u>	<u>1,721,184</u>	<u>53,938</u>
Total Liabilities	<u><u>2,035,277</u></u>	<u><u>1,921,121</u></u>	<u><u>114,156</u></u>
Net Assets			
Net Assets - Beg Bal	867,568	894,871	(27,304)
Net Assets - Current	(559,376)	(27,303)	(532,073)
Total Net Assets	<u>308,192</u>	<u>867,568</u>	<u>(559,376)</u>
Total Liabilities and Net Assets	<u><u>2,343,469</u></u>	<u><u>2,788,689</u></u>	<u><u>(445,220)</u></u>

**AA Grapevine Inc.**  
**Cash Forecast**  
**For the Year Ending December 31, 2020**

	Actual	Projections					
	Jan to Sept 2020	Oct-20	Nov-20	Dec-20	Total	Budget FY20	Variance
<b>Grapevine</b>							
<b>Income</b>							
Subscription Income							
Subscription income	1,304,230	137,501	137,501	137,501	1,716,734	1,828,876	(112,142)
Back issues	39,839	2,917	2,917	2,917	48,589	35,000	13,589
GV Online	85,988	6,981	6,981	6,981	106,930	83,768	23,162
GV Sub App	7,187	2,917	2,917	2,917	15,938	35,005	(19,067)
Total Subscription Income	1,437,244	150,316	150,316	150,316	1,888,191	1,982,649	(94,458)
Total Direct Cost	619,773	64,417	64,417	64,417	813,024	773,004	40,020
Gross Profit On Subscription	817,471	85,899	85,899	85,899	1,075,167	1,209,645	(134,478)
Content Related Income							
Books and Booklets	369,655	34,862	34,862	34,862	474,242	999,628	(525,386)
Cassets and MP3	7,253	24	24	24	7,325	287	7,038
Other Special Items	14,909	8,649	8,649	8,649	40,855	103,498	(62,643)
Total Content Related Income	391,817	43,535	43,535	43,535	522,422	1,103,413	(580,991)
Cost of Goods -Books and Booklets	99,029	14,744	14,744	14,744	143,262	176,929	(33,667)
Cost of Goods Cassets and MP3	1,170	-	-	-	1,170	74,577	(73,407)
Cost of Goods Other Special Items	12,888	-	-	-	12,888	13,403	(515)
Mailing- postage, fulfilment, and other services	76,537	4,054	4,054	4,054	88,700	48,651	40,049
Total Content Related Direct Cost	189,625	18,798	18,798	18,798	246,020	313,561	(67,541)
Gross Profit On Content Related Income	202,192	24,737	24,737	24,737	276,402	789,853	(513,451)
Interest Reserve Fund	22,500	2,500	2,500	2,500	30,000	30,000	-
<b>Total Income</b>	1,042,163	113,135	113,135	113,135	1,381,569	2,029,498	(647,929)
<b>Expenses</b>							
Total Editorial	544,975	60,022	60,022	60,022	725,042	768,790	(43,748)
Total Circulation And Business	561,421	70,219	70,219	70,219	772,076	881,770	(109,693)
Total General And Administrative	243,062	27,401	27,401	27,401	325,264	374,326	(49,062)
Total Expenses	1,349,458	157,641	157,641	157,641	1,822,383	2,024,885	(202,503)
Net Operating Income (Loss)	(307,296)	(44,506)	(44,506)	(44,506)	(440,814)	4,612	(445,426)
<b>Total Change in Net Assets</b>	<b>(307,296)</b>	<b>(44,506)</b>	<b>(44,506)</b>	<b>(44,506)</b>	<b>(440,814)</b>	<b>4,612</b>	<b>(445,426)</b>
<b>La Vina</b>							
<b>Income</b>							
Subscription Income							
Total Subscription Income	58,136	624	11,804	624	71,188	116,567	(45,379)
Total Direct Cost	34,231	-	10,556	-	44,786	63,333	(18,547)
Gross Profit On Subscription	23,906	624	1,248	624	26,402	53,234	(26,832)

**AA Grapevine Inc.**  
**Cash Forecast**  
**For the Year Ending December 31, 2020**

	Actual	Projections				Budget FY20	Variance
	Jan to Sept 2020	Oct-20	Nov-20	Dec-20	Total		
Content Related Income							
Total Content Related Income	23,892	1,579	1,579	1,579	28,629	18,946	9,683
Gross Profit On Content Related Income	1,694	1,181	1,181	1,181	5,237	14,174	(8,937)
<b>Total Income</b>	<b>25,599</b>	<b>1,805</b>	<b>2,430</b>	<b>1,805</b>	<b>31,639</b>	<b>67,408</b>	<b>(35,769)</b>
<b>Expenses</b>							
Editorial Cost							
Salaries, incl temp help	128,433	14,443	14,443	14,443	171,762	187,758	(15,996)
Payroll taxes and benefits	22,862	2,892	2,892	2,892	31,538	37,597	(6,059)
Insurance	1,750	-	-	-	1,750	-	1,750
Occupancy costs	172	-	-	-	172	-	172
Office supplies and expenses	2,843	38	38	38	2,957	458	2,499
Total Editorial	156,059	17,373	17,373	17,373	208,178	225,813	(17,635)
Total Circulation And Business	108,984	11,817	11,817	11,817	144,436	152,936	(8,500)
Total General And Administrative	12,637	474	474	474	14,058	5,683	8,375
<b>Total Expenses</b>	<b>277,680</b>	<b>29,664</b>	<b>29,664</b>	<b>29,664</b>	<b>366,672</b>	<b>384,433</b>	<b>(17,760)</b>
<b>Total Change in Net Assets</b>	<b>(252,080)</b>	<b>(27,859)</b>	<b>(27,235)</b>	<b>(27,859)</b>	<b>(335,033)</b>	<b>(317,025)</b>	<b>(18,008)</b>
<b>Total Net Operating Income (Loss)</b>	<b>(559,376)</b>	<b>(72,365)</b>	<b>(71,741)</b>	<b>(72,365)</b>	<b>(775,847)</b>		
<b>Adjustments to Reconcile Accrual to Cash:</b>							
Accounts Receivable	65,294	-	-	-	65,294		
La Vina Reimbursement	-	148,060	104,020	-	252,080		
Invested With Reserve Fund- Loan	450,000	-	-	(150,000)	300,000		
Inventory	(283)	-	-	-	(283)		
Prepaid Expenses	9,486	-	-	-	9,486		
Prepaid Insurance	(27,371)	-	-	-	(27,371)		
Accumulated Depreciation	29,427	-	-	14,693	44,120		
Accounts Payable	56,752	-	-	-	56,752		
Inter-Company Due to AAWS	119,870	-	-	-	119,870		
PR and Ben.	9,094	-	-	-	9,094		
403B Withholding	4,055	-	-	-	4,055		
Aflac Insurance	(242)	-	-	-	(242)		
Supplemental Life Ins	(719)	-	-	-	(719)		
Accrued Expenses	15,000	-	-	-	15,000		
Goods And Services Tax- Canada	(1,577)	-	-	-	(1,577)		
New York State Sales Tax	594	-	-	-	594		
Deferred Income	(99,568)	-	-	-	(99,568)		
Gift Certificates	2,932	-	-	-	2,932		
CTM	5,263	-	-	-	5,263		
Fixed Asset Purchases	(5,100)	-	-	-	(5,100)		
Total Adjustments to reconcile Net Revenue to Net Cash	632,908	148,060	104,020	(135,307)	749,681		
Cash at Beginning of Period	195,798	269,330	345,025	377,305	195,798		
<b>Cash at End of Period</b>	<b>269,330</b>	<b>345,025</b>	<b>377,305</b>	<b>169,632</b>	<b>169,632</b>		