

Quarterly Financial Report – Alcoholics Anonymous (“AA”)
December 31, 2025 (Fourth 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. 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. 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
 - Statement of Functional Expenses
 - Capital Projects Report
 - 2026 Budget
 - Reserve Fund History
- AAGV Financial Statements
 - Statement of Activities – Grapevine
 - Statement of Activities – La Viña
 - Statement of Financial Position/Balance Sheet
 - Rolling Cash Flow Forecast
 - 2026 Budget

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 year ended December 31, 2025, total operating revenue is \$18,853,249 which is about 7% less than the budget of \$20,283,275. Total operating expenses before depreciation are \$18,528,182 which is about 2% less than the budget of \$18,967,187. Operating surplus before depreciation is \$325,068 compared to a budgeted surplus of \$1,316,088. Literature accounts receivable is \$543,685 of which 33.5% is current, 36.5% is less than 60 days past due, and 30.0% is more than 60 days past due. The reserve fund is at 5.92 months of 2025 budgeted GSO, GV, and LV operating expenses.

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	2025 Actual Versus 2025 Budget	2025 Actual Versus 2024 Actual
Contributions	\$10.579M vs \$11.000M, 4% less than budget	\$10.579M vs \$11.249M, 6% less than prior year
Gross Literature Sales	\$15.264M vs \$16.000M, 5% less than budget	\$15.264M vs \$14.452M, 6% more than prior year
Net Literature Sales (Gross Margin) ¹	\$7.456M vs \$8.510M, 12% less than budget	\$7.456M vs \$7.640M, 2% less than prior year
Gross Margin as a Percentage of Gross Literature Sales	48.8% versus 53.2%	48.8% versus 52.9%
Operating Expenses before depreciation	\$18.528M vs \$18.967M, 2% less than budget	\$18.528M vs \$18.444, 1% more than prior year
Operating Surplus before depreciation	\$325K vs \$1.316M	\$325K vs \$1.276M
Reserve Coverage (# of months)	5.92	6.47

¹To explain gross margin, if a hard cover Big Book is sold for \$12, \$12 goes to gross literature 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 $5.88/12.00 = 49\%$.

II. C. Comparative Balance Sheet Notes

Cash – Cash decreased \$4.278M from the prior year due to the International Convention (IC). Cash received from IC registration in the last quarter of 2024 was spent on IC production in 2025. The International Convention has a separate budget and profit and loss statement, but the funds received and disbursed are recorded on our Balance Sheet in accordance with generally accepted accounting principles (GAAP). 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 related to Convention are our assets and must be included on our Balance Sheet as such.

Accounts Receivable – Accounts receivable, including the receivable from Grapevine, increase \$2K from the prior year, which is not a significant change.

Prepaid Expense – Prepaid expense decreased by \$871K because prepaid expenses associated with the Convention were moved in 2025 from prepaid expense to the Convention income statement as expenses.

Literature Inventory – Literature inventory decreased by \$308K due to the sale on the facsimile first edition Big Book and careful inventory management. 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.

Reserve Fund and Grapevine Subscription Liability– See Part IV.

Net Fixed Assets – Net Fixed Assets (durable property used for more than one year) decreased by \$926K 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 \$9.599 million and liabilities of \$5.190 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. The plan currently has \$4.410 million more investment assets than required to meet expected benefits when due.

Accounts Payable and Accrued Expenses – Accounts payable and accrued expenses decreased \$623K from 2024 due to increased contributions in the fourth quarter of 2025.

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 September 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. The plan currently has more investment assets than required to meet expected benefits when due.

Rent Lease Liability – This reflects the present value of the liability for the current lease at 475 Riverside Drive which expired at the end of 2025. Present value is how much money you would have to set aside today in an interest bearing account to make future payments. Since the lease ended, there are no future payments and the present value of the lease is 0. The present value for the lease which commenced on January 1, 2026 will be calculated as part of the audit of the 2025 financial statements and reported in the Q1 2026 QFR.

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

The budget, per our Bylaws, is approved by the General Service Board (“GSB”) at its Q1 meeting. 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. A budget reforecast is approved by the GSB at its Q3 meeting and from then on 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 and is also consistent with Bill W’s words in Concept 11.

The QFRs for the 1st and 2nd Quarters are based on the Original Budget. The QFRs for the 3rd quarter and full year are based on the Reforecast Budget.

II. E. Budget – AAWS/GSB

The 2026 budget was approved by the GSB at its February 2, 2026 meeting and is included in the Financial Statements section of this report. The AAWS/GSB capital budget reflects the cost of the office retrofit that allowed for the elimination of the space on the 8th floor when the lease for that space expired at the end of 2025.

II. F. Income Statement Notes

Revenue – As noted above, contributions were 6% less than last year. 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. At its October 30, 2025 meeting, the AAWS Board approved a monthly activity communication to Conference members that will be initiated from the Self-Support Finance assignment. This communication is developed in consultation with the AAWS Treasurer, Chair of the General Service Board and General Manager with regular updates provided to the AAWS Self-Support Subcommittee. Communications were sent in November and December 2025 and January 2026.

In 2025, Seventh Tradition Self-Support contributions covered 57% of operating expenses. We rely on Seventh Tradition contributions and literature sales to serve the Fellowship.

Gross literature sales were 5% less than budget, primarily due a sales dip in November, 2025. However, gross literature sales were 6% more than in 2024 due to a full year of Plain Language Big Book sales. Since its introduction in November 2024 over 228,000 copies of the Plain Language Big Book have been sold producing a gross revenue of just over \$2 million.

Expense – Overall, operating expenses before depreciation were 2% below budget and, due to inflation, 1% more than in 2024.

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 2025 was \$325K which is less than the \$1.316M budgeted surplus and less than the \$1.276M surplus in 2024.

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 assets and liabilities, utilization of the World Service Meeting (WSM) Fund and International Literature Fund (ILF)¹ 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.

¹ The WSM Fund is used to help WSM Delegates attend the event if their structures request financial support. The fund is used to assist countries with development, translation, production, and purchasing of literature.

Part III: AAGV Financial Statements

III. A. Executive Summary

Grapevine: Grapevine made excellent progress in 2025, with bottom line improvement of over \$575k (67%) compared to 2024. Although print subscriptions declined by 8%, both Online and App subscriptions increased by over 34%. Total Subscription income increased by 5.4% and Subscription gross margin increased 39%. Books and other Published Items income increased by 7.7%, but its gross margin decreased by 3%. Total Gross Margin increased 18% to \$1,951k. Operating Expenses improved 11.5% compared to 2024, but were slightly over the 2025 reforecast.

La Viña: has shown tremendous improvement in all areas year-over-year. Below are key percentages:

- Average circulation increased 6% to 7,951, and subscription income increased 36% to \$150k.
- Books and other Published Items income increased 30% to \$179k.
- La Viña total gross margin increased 63% to \$178k.
- Total expenses decreased 5% to \$630k.
- La Viña's bottom line improved 17%. The support from the GSB is reduced \$95k, from \$572k to \$477k.

The net shortfall La Viña subscriptions and materials minus expenses does not flow to the AAGV corporate bottom line; instead, per Advisory Action, it is funded by the General Service Board.

Note: Results are preliminary and subject to audit and adjustments are expected.

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	Versus Prior Year (September 30, 2024)
Total Grapevine (“GV”) Subscription Income	\$2,063k vs \$1,990k, 3.6% ahead of budget	\$2,063k vs \$1,957k, 5.4% ahead of prior year
Total GV Print-only Circulation	41,258 vs 41,455, 0.4% behind budget	41,258 vs 45,048, 8% below prior year
GV App + Online + GV Complete Subscriptions	17,315 vs 16,679, 3.8% ahead of budget	17,315 vs 14,141, 22% ahead of prior year
Total Circulation	58,574 vs 58,134, 0.7% ahead of budget	58,574 vs 59,189, 1% below prior year
GV Subscription Net Profit Percentage	56.9% vs 54.1%	56.9% vs 42.9%, reflecting the impact of price increase
GV Total Gross Margin (all products)	\$1,952K vs \$1,809k, 8% ahead of budget	\$1,952k vs \$1,641k, an increase of 19% reflecting higher prices and impact of higher-margin digital products
GV Operating Expenses	\$2,113 vs \$2,063k, 2.4% above budget	\$2,113 vs \$2,388, 11.5% improvement due to staff reductions and other cost savings
GV Net (Loss) before Reserve Transfers	\$(284k) vs \$(389k), a \$105k improvement	\$(284) vs \$(852), a \$567k improvement
LV Total Gross Margin	\$178k vs \$167k, 6.5% above budget	\$178k vs \$109k, an increase of 63%
LV Total Circulation	7,951 vs 8,545, 7% behind budget	7,951 vs 7,492, 6% greater than prior year
LV Expenses	\$630k vs \$632k, a \$1k improvement over budget	\$630k vs \$666k, a decrease of 5.3%
LV Shortfall	\$(477k) vs \$(493k), 3% improvement over budget	\$(477k) vs \$(572k), an improvement of 17%

III. C. Statement of Financial Position Notes

Cash and Cash Equivalents – Cash increased year-over-year from \$125k to \$180k. Cash as a percentage of Total Accounts Payable improved from 18% to 27%.

Inventory – Inventory levels increased slightly compared to 2024 because of additional printing related to the International Convention and inventory restocking.

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. 2026 Budget

The 2026 budget was approved by the GSB at its February 2, 2026 meeting and is included in the Financial Statements section of this report.

Part III. E. September 2025 Income Statement Notes

Grapevine:

Total circulation and subscription income for 2025 was 58,574 and \$2,063k and both exceeded the reforecast, by 439 copies and \$72k respectively. The combined Back Issues and Prison/Hospital sales are particularly strong as they are \$49k over reforecast and \$38k higher than last year.

Direct cost for subscriptions is an improvement over reforecast by \$24k. This is due to the refund by our Canadian vendor that was overpaid due a currency conversion error. During 2023, AAGV requested this vendor to change the invoice currency from USD to CAD. However, our billing platform continued to assume these invoices were in USD and adjusted the amounts to CAD. This resulted in overpaying this vendor almost \$24k in USD. This has been refunded.

Gross margin on subscriptions is \$1,173k, an \$97k improvement over reforecast.

Books and other Published items revenue is \$1,163 and higher than the reforecast by \$35k. Gross Margin is \$778k which is a \$45k improvement compared to the reforecast.

Total gross margin for Grapevine is \$1,951k which is an improvement of \$142k compared to the reforecast. Additionally, the total gross margin is \$309k (18%) higher than last year.

Grapevine Expenses are higher than the reforecast by a total of \$49k but \$275k lower than last year. These costs will be monitored, and reductions are expected to continue in 2026. The net deficit is \$284k, which is \$105k improvement compared to the reforecast and a \$567k improvement over last year.

La Viña:

Circulation numbers for La Viña continue to do well in 2025 compared to 2024. However, there were subscriptions that were not renewed in recent months. We associate that with the price increase. This is being monitored carefully and there will be continuous efforts to encourage renewals.

Subscription income continues to improve and is \$8k higher than the Reforecast. Magazine COGS is \$1k lower than the Reforecast and Subscription Gross Margin is a \$9k improvement over the Reforecast.

La Viña Other Published Items revenue continues to increase but is \$3k lower than the reforecast. However, this is a \$40k (26%) improvement compared to 2024.

La Viña total Gross Margin is \$178k through December 31st which is a \$11k improvement over the reforecast and \$69k higher than 2024.

La Viña operating expenses are \$630k, which is \$1k lower than the reforecast and a \$36k improvement compared to last year.

Overall, La Viña's bottom line improved by \$16k compared to the reforecast and a \$95k improvement compared to last year. Therefore, the support from the GSB decreased \$95k compared to 2024.

Part IV: Reserve Fund and Grapevine Subscription Liability

As of December 31, 2025, the Reserve Fund Assets total \$11.562 million consisting of cash and certificates of deposit. Less the liability for unfulfilled Grapevine subscriptions of \$540k, the Reserve Fund Balance is \$11.022 million. In December the GSB approved a drawdown of up to \$750,000 for AAWS/GSB operations. \$500,000 has been drawn to date. At its Q1 meeting, the GSB approved a drawdown of \$200K for AAGV operations. As of December 31, \$247K of the \$2.1 million approved for the retrofit has been drawn down.

Based on the 2025 expense budgets for GSO, Grapevine and La Viña (total \$22.33 million) the reserve fund balance is equal to 5.92 months of operating expenses. Since actual 2025 expenses were less than budget, the reserve fund balance is equal to 6.17 months of actual expenses. If the entire \$2.1 million authorized for the retrofit is drawn down, the reserve fund will have approximately 5.0 months of operating expenses at the completion of the project. Note that the calculation of months of operating expenses is influenced equally by (1) the size of the Reserve Fund Balance and (2) the level of GSO, Grapevine and La Viña expenses.

A 10 year history of the reserve fund balance and months of operating expenses is included in the financial statements.

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 December 2025**

SUBJECT TO CHANGE DUE TO AUDIT

	12/31/25	12/31/24	CHANGE
ASSETS			
Current Assets			
Cash	1,322,545	5,601,374	(4,278,829)
Accounts Receivable (Literature + GV)	1,136,082	1,133,709	2,373
Prepaid Expense	964,867	1,836,182	(871,316)
Literature Inventory	2,681,904	2,990,009	(308,105)
Reserve Fund	11,562,418	12,454,738	(892,320)
Total Current Assets	17,667,815	24,016,013	(6,348,197)
Fixed Assets			
Fixed Assets	4,745,983	4,920,440	(174,457)
Accumulated Depreciation	(3,610,830)	(2,859,504)	(751,325)
Net Fixed Assets	1,135,154	2,060,936	(925,782)
Other Assets			
Postretirement Medical Fund	9,599,471	8,789,578	809,894
Total Other Assets	9,599,471	8,789,578	809,894
Total ASSETS	28,402,440	34,866,526	(6,464,086)
LIABILITIES			
Accounts Payable	1,488,611	1,257,397	231,214
Accrued Expenses	48,007	902,792	(854,785)
Defined Benefit Pension Liability	(11,414,732)	(11,414,732)	0
Sales Tax	1,803	1,183	620
Deferred Revenue	123,789	4,858,133	(4,734,344)
Grapevine Subscription Liability	540,000	540,000	0
Employee Withholding	41,386	27,632	13,754
Postretirement Benefit	5,189,509	5,189,509	0
Rent Lease Liability	0	949,133	(949,133)
Total LIABILITIES	(3,981,627)	2,311,048	(6,292,675)
NET ASSETS			
Reserve Fund	11,022,418	11,914,738	(892,320)
Postretirement Medical Fund	4,409,962	3,600,069	809,894
Capital Projects Fund	1,037,105	908,014	129,091
Defined Benefit Pension Liability	11,414,732	11,414,732	0
General Fund	4,499,850	4,717,924	(218,075)
Total NET ASSETS	32,384,067	32,555,478	(171,411)
Total LIABILITIES AND NET ASSETS	28,402,440	34,866,526	(6,464,086)

**A.A. World Services and General Service Board Consolidated
Comparative Income Statement
December-25
SUBJECT TO CHANGE DUE TO AUDIT**

Account	Current Year December-25	Last Year December-24	Variance	Current YTD Jan-25 to December-25	Last YTD Jan-24 to December-24	YTD Variance
Operating Revenue						
Contributions	1,781,892	1,549,031	232,861	10,578,707	11,248,573	(669,866)
International (2024 includes WSM)	22,624	62,367	(39,743)	92,396	385,873	(293,478)
General Service Conference	21,100	13,439	7,661	429,752	445,363	(15,611)
Convention Item Sales	0	0	0	296,286	0	296,286
Gross Literature Sales	1,228,783	1,040,678	188,105	15,264,029	14,452,651	811,378
Literature Shipping Charges	25,438	28,306	(2,868)	352,813	340,281	12,532
Literature Discounts	(17,328)	(117,804)	100,476	(676,154)	(568,379)	(107,774)
Cost of Goods Sold	599,110	831,866	(232,755)	7,484,579	6,585,045	899,534
Gross Margin	637,782	119,314	518,468	7,456,109	7,639,508	(183,399)
Total - Operating Revenue	2,463,398	1,744,151	719,247	18,853,249	19,719,317	(866,068)
Operating Expense						
Salary & Benefits	799,782	2,299,206	(1,499,424)	11,279,161	10,934,833	344,328
Payroll Taxes	58,300	79,963	(21,663)	747,864	752,466	(4,602)
Professional Fees	359,803	378,017	(18,214)	1,568,925	1,748,646	(179,721)
Printing, Postage, Supplies, and Subscriptions	52,536	61,399	(8,863)	562,386	604,375	(41,989)
Data, Automation & Website	73,970	57,410	16,559	718,367	578,785	139,582
Insurance	7,640	4,355	3,285	88,147	75,217	12,930
Facility & Equipment	139,396	124,062	15,334	1,368,120	1,287,410	80,711
Travel & Meetings	91,954	102,216	(10,262)	2,195,212	2,462,059	(266,847)
Total - Operating Expense	1,583,380	3,106,628	(1,523,248)	18,528,182	18,443,791	84,391
Operating Surplus/(Deficit) Before Depreciation	880,018	(1,362,477)	2,242,495	325,068	1,275,526	(950,459)
Depreciation Expense	56,386	66,140	(9,754)	751,325	843,246	(91,921)
Operating Surplus/(Deficit) After Depreciation	823,632	(1,428,617)	2,252,249	(426,258)	432,280	(858,538)
Non-Operating Revenue	72,731	(176,074)	248,804	1,627,915	1,420,864	207,051
Non-Operating Expense**	161,147	(5,618,818)	5,779,965	1,451,625	(2,915,810)	4,367,435
Non-Operating Surplus/(Deficit)	(88,417)	5,442,744	(5,531,161)	176,290	4,336,674	(4,160,384)
Total Surplus/(Deficit)	735,215	4,014,127	(3,278,912)	(249,968)	4,768,954	(5,018,922)

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

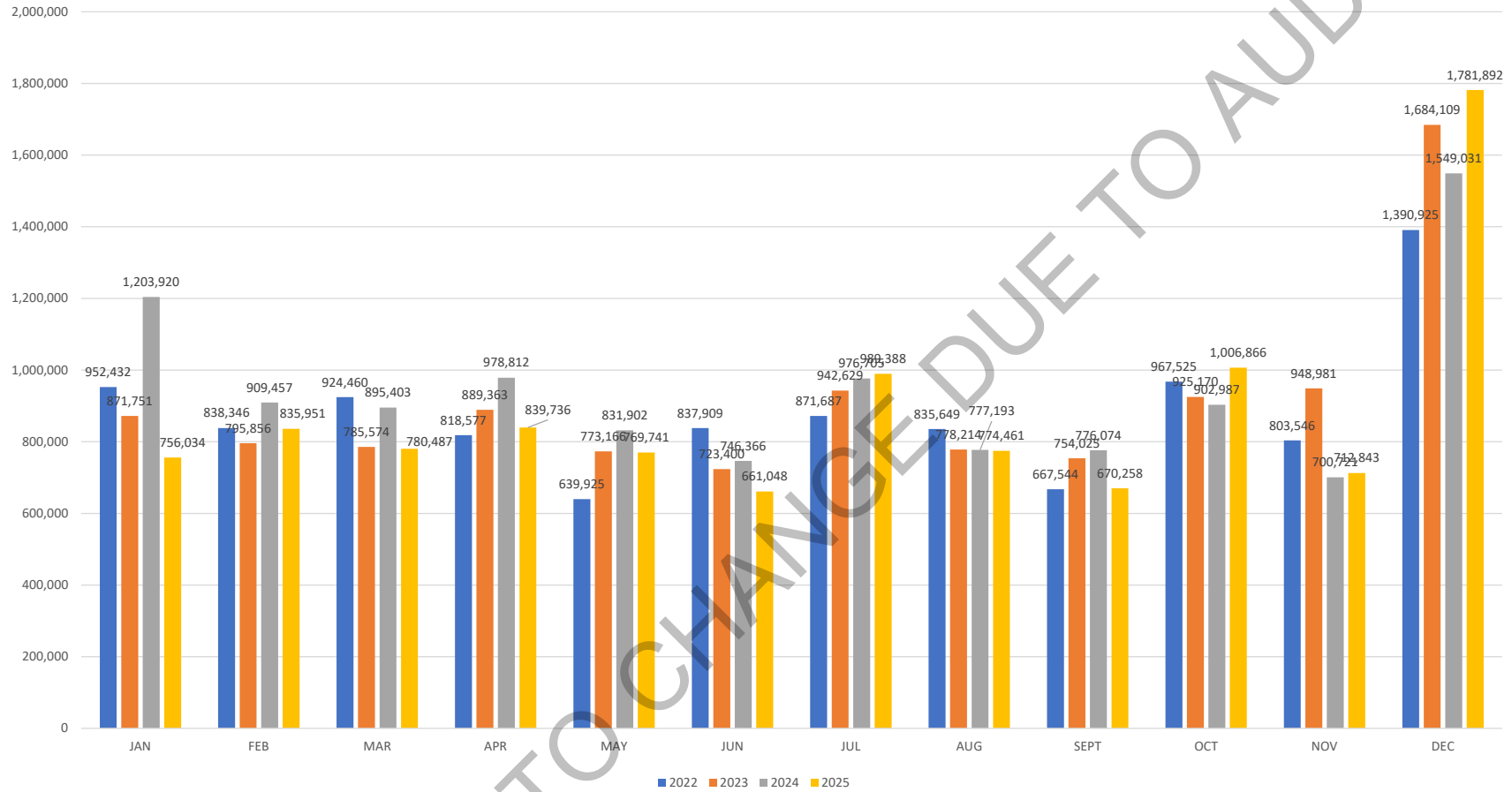
A.A. World Services and General Service Board
Consolidated
Income Statement Compared to Prior Year and Budget
December-25
SUBJECT TO CHANGE DUE TO AUDIT

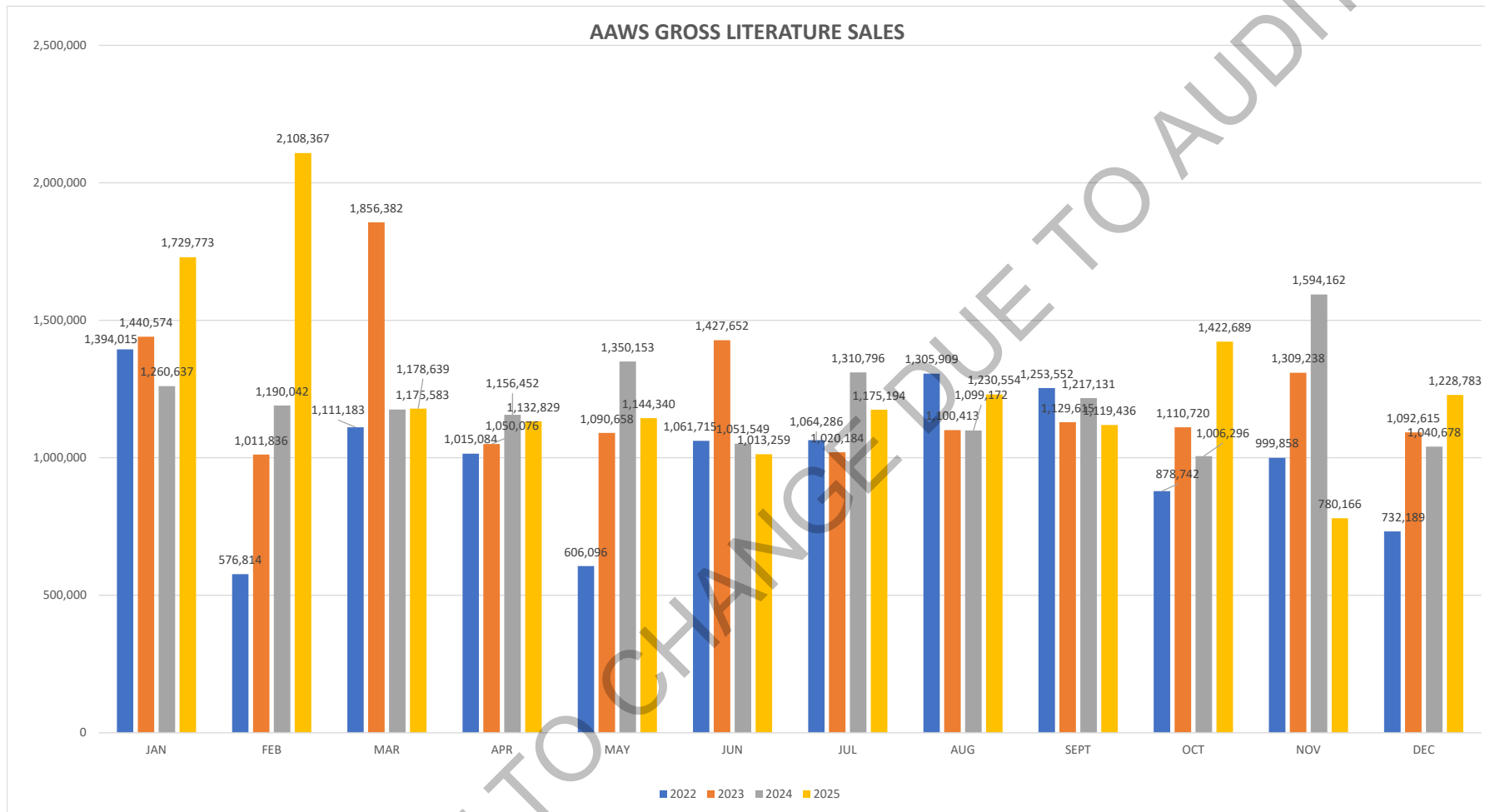
Account	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25
Operating Revenue							
Total - 40000 - Contributions - Members & Groups	756,034	835,951	780,487	839,736	769,741	661,048	989,388
Total - 42000 - International	8,767	9,550	0	6,311	11,709	300	2,757
Total - 43000 - General Service Conference	0	109,417	197,985	22,600	36,700	3,600	4,200
Total - Operating Revenue before Literature	764,801	954,918	978,472	868,647	818,150	664,948	996,345
Total - 46000 - Net Literature Sales	1,521,139	1,903,971	1,186,817	1,144,519	1,155,210	1,026,225	1,185,956
Total - Cost Of Sales	573,735	950,316	622,778	533,624	500,149	517,810	790,363
Literature Gross Margin	947,403	953,655	564,039	610,895	655,061	508,415	395,592
Convention Item Sales Gross Margin	0	0	0	0	0	0	279,167
Total Operating Revenue	1,712,204	1,908,573	1,542,511	1,479,542	1,473,211	1,173,363	1,671,104
Operating Expense							
60100 - Payroll & Benefits : Salaries	311,411	708,841	706,447	726,809	1,115,462	711,320	747,951
Total - 60300 - Payroll & Benefits : Employee Benefits	279,214	139,582	164,753	145,032	146,147	134,640	140,308
Total - 60500 - Payroll & Benefits : Retirement Plan Contributions	44,810	31,430	45,412	43,227	0	81,506	34,892
Subtotal - 60000 - Payroll & Benefits	635,435	879,853	916,612	915,068	1,261,608	927,466	923,150
Total - 60400 - Payroll & Benefits : Payroll Taxes	47,893	68,671	59,678	52,442	90,267	57,601	60,160
Total - 70000 - Professional Fees	57,601	83,967	100,691	153,318	143,112	121,744	59,788
Total - 72000 - Printing, Postage, and Supplies Expenses	68,071	49,234	43,978	44,843	47,269	63,426	23,124
Total - 73000 - Data, Automation & Website	45,078	79,615	36,706	41,623	91,522	24,152	68,175
Total - 74000 - Insurance	7,251	7,450	7,458	7,458	7,458	6,359	7,273
Total - 76000 - Facility & Equipment Expenses	106,385	103,187	105,340	115,173	112,165	108,378	113,065
Total - 78000 - Travel & Meetings Expenses	320,186	49,301	18,318	369,121	72,534	589,101	180,267
Total Operating Expense	1,287,900	1,321,279	1,288,782	1,699,046	1,825,935	1,898,227	1,435,003
Operating Surplus/(Deficit) Before Depreciation	424,304	587,294	253,729	(219,504)	(352,723)	(724,864)	236,102
76800 - Facility & Equipment Expenses : Depreciation Expense	64,285	63,510	63,352	62,718	62,339	63,745	62,750
Operating Surplus/(Deficit) After Depreciation	360,018	523,785	190,376	(282,222)	(415,062)	(788,610)	173,351
Other Income and Expenses							
Other Income							
Total - 45000 - Other Revenue	221,758	3,979	(209,369)	59,908	334,100	331,366	123,415
Total - Other Income	221,758	3,979	(209,369)	59,908	334,100	331,366	123,415
Other Expense							
Total - 92000 - Other Expenses	24,612	18,542	1,862	18,380	14,214	11,611	17,038
92150 - Disbursements from the ILF and WSM Fund	990	660	8,422	1,916	880	4,660	0
92600 - Transfers to La Vina	0	43,805	(12,228)	48,317	33,663	42,119	55,037
92650 - Grapevine Transfers	0	165,493	0	0	0	0	23,634
92800 - Pension	0	0	0	0	0	0	0
92850 - Post Retirement Medical Plan	6,592	0	0	6,506	0	0	6,898
92400 - Bad Debt Expense	0	0	0	0	0	0	0
Total - Other Expense	32,194	228,500	(1,944)	75,118	48,757	58,390	102,607
Net Other Income and Expense	189,564	(224,521)	(207,424)	(15,211)	285,343	272,977	20,809
Surplus/(Deficit)	549,583	299,264	(17,048)	(297,432)	(129,719)	(515,633)	194,160

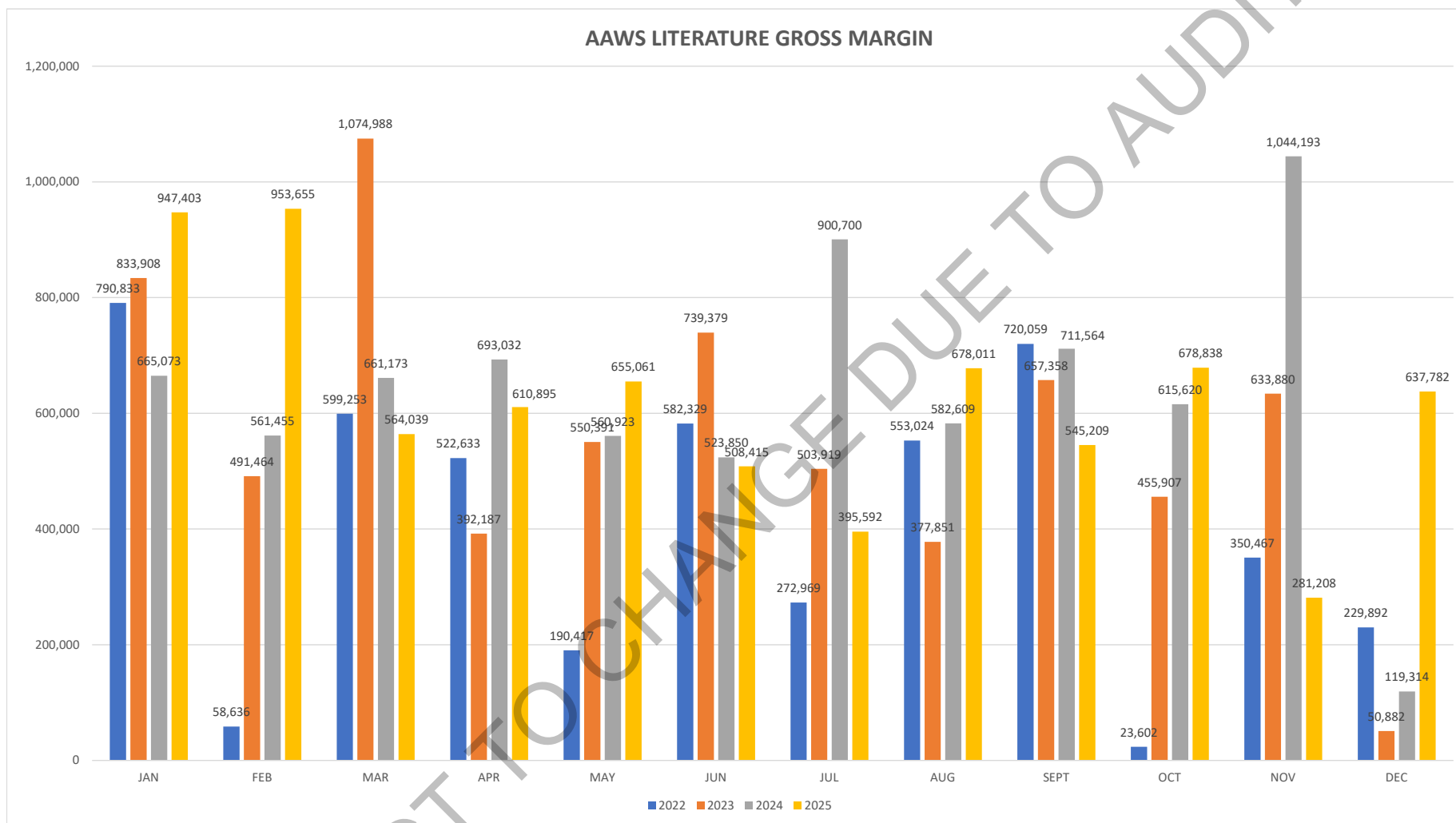
A.A. World Services and General Service Board
Consolidated
Income Statement Compared to Prior Year and Budget
December-25
SUBJECT TO CHANGE DUE TO AUDIT

Account	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	YTD 2025	Reforecast 1.1 YTD Budget 2025	% of YTD Reforecast 1.1	YTD Actual 2024
Operating Revenue									
Total - 40000 - Contributions - Members & Groups	774,461	670,258	1,006,866	712,843	1,781,892	10,578,707	11,000,000	96%	11,248,573
Total - 42000 - International	2,000	1,070	1,509	25,800	22,624	92,396	90,000	103%	385,873
Total - 43000 - General Service Conference	2,800	17,283	11,767	2,300	21,100	429,752	414,600	104%	445,363
Total - Operating Revenue before Literature	779,261	688,611	1,020,142	740,943	1,825,616	11,100,855	11,504,600	96%	12,079,809
Total - 46000 - Net Literature Sales	1,235,824	1,139,465	1,422,819	781,850	1,236,893	14,940,688	15,710,000	95%	14,224,553
Total - Cost Of Sales	557,813	594,256	743,981	500,642	599,110	7,484,579	7,200,000	104%	6,585,045
Literature Gross Margin	678,011	545,209	678,838	281,208	637,782	7,456,109	8,510,000	88%	7,639,508
Convention Item Sales Gross Margin	17,119	0	0	0	0	296,286	268,675	110%	
Total Operating Revenue	1,474,391	1,233,820	1,698,980	1,022,151	2,463,398	18,853,249	20,283,275	93%	19,719,317
Operating Expense									
60100 - Payroll & Benefits : Salaries	735,741	724,302	1,089,779	737,578	735,864	9,051,503	8,966,281	101%	9,153,868
Total - 60300 - Payroll & Benefits : Employee Benefits	153,526	146,583	185,201	119,665	26,005	1,780,655	1,490,535	119%	1,371,430
Total - 60500 - Payroll & Benefits : Retirement Plan Contributions	33,073	31,642	32,328	30,770	37,914	447,003	454,420	98%	409,535
Subtotal - 60000 - Payroll & Benefits	922,340	902,527	1,307,308	888,013	799,782	11,279,161	10,911,236	103%	10,934,833
Total - 60400 - Payroll & Benefits : Payroll Taxes	58,906	57,790	79,783	56,372	58,300	747,864	808,898	92%	752,466
Total - 70000 - Professional Fees	124,775	117,947	139,365	106,815	359,803	1,568,925	2,148,754	73%	1,748,646
Total - 72000 - Printing, Postage, and Supplies Expenses	43,952	38,035	40,169	47,749	52,536	562,386	553,992	102%	604,375
Total - 73000 - Data, Automation & Website	73,903	74,179	57,596	51,847	73,970	718,367	731,757	98%	578,785
Total - 74000 - Insurance	7,273	7,508	7,508	7,508	7,640	88,147	85,739	103%	75,217
Total - 76000 - Facility & Equipment Expenses	110,011	120,691	119,826	114,504	139,396	1,368,120	1,322,773	103%	1,287,410
Total - 78000 - Travel & Meetings Expenses	113,333	116,833	184,363	89,901	91,954	2,195,212	2,404,038	91%	2,462,059
Total Operating Expense	1,454,494	1,435,509	1,935,918	1,362,709	1,583,380	18,528,182	18,967,187	98%	18,443,791
Operating Surplus/(Deficit) Before Depreciation	19,897	(201,689)	(236,938)	(340,558)	880,018	325,068	1,316,088		1,275,526
76800 - Facility & Equipment Expenses : Depreciation Expense	62,604	62,342	63,405	63,888	56,386	751,325	947,623	79%	843,246
Operating Surplus/(Deficit) After Depreciation	(42,707)	(264,031)	(300,343)	(404,446)	823,632	(426,258)	368,465		432,280
Other Income and Expenses									
Other Income									
Total - 45000 - Other Revenue	223,050	242,396	152,869	71,712	72,731	1,627,915	0		1,420,864
Total - Other Income	223,050	242,396	152,869	71,712	72,731	1,627,915	0		1,420,864
Other Expense									
Total - 92000 - Other Expenses	15,077	13,856	8,757	16,484	24,569	185,000	170,800	108%	216,752
92150 - Disbursements from the ILF and WSM Fund	770	110	0	460	0	18,868	20,000	94%	83,951
92600 - Transfers to La Vina	37,941	76,830	4,298	33,883	76,477	440,142	493,313	89%	571,939
92650 - Grapevine Transfers	350,000	0	0	157,921	0	697,048	0		573,793
92800 - Pension	0	14,522	0	0	0	14,522	0		(3,976,446)
92850 - Post Retirement Medical Plan	0	0	7,230	0	0	27,226	0		(412,819)
92400 - Bad Debt Expense	8,719	0	0	0	60,101	68,820	0		27,021
Total - Other Expense	412,507	105,318	20,286	208,747	161,147	1,451,625	684,113	212%	(2,915,810)
Net Other Income and Expense	(189,457)	137,078	132,583	(137,035)	(88,417)	176,290	(684,113)		4,336,674
Surplus/(Deficit)	(232,164)	(126,953)	(167,759)	(541,481)	735,215	(249,968)	(315,648)		4,768,954

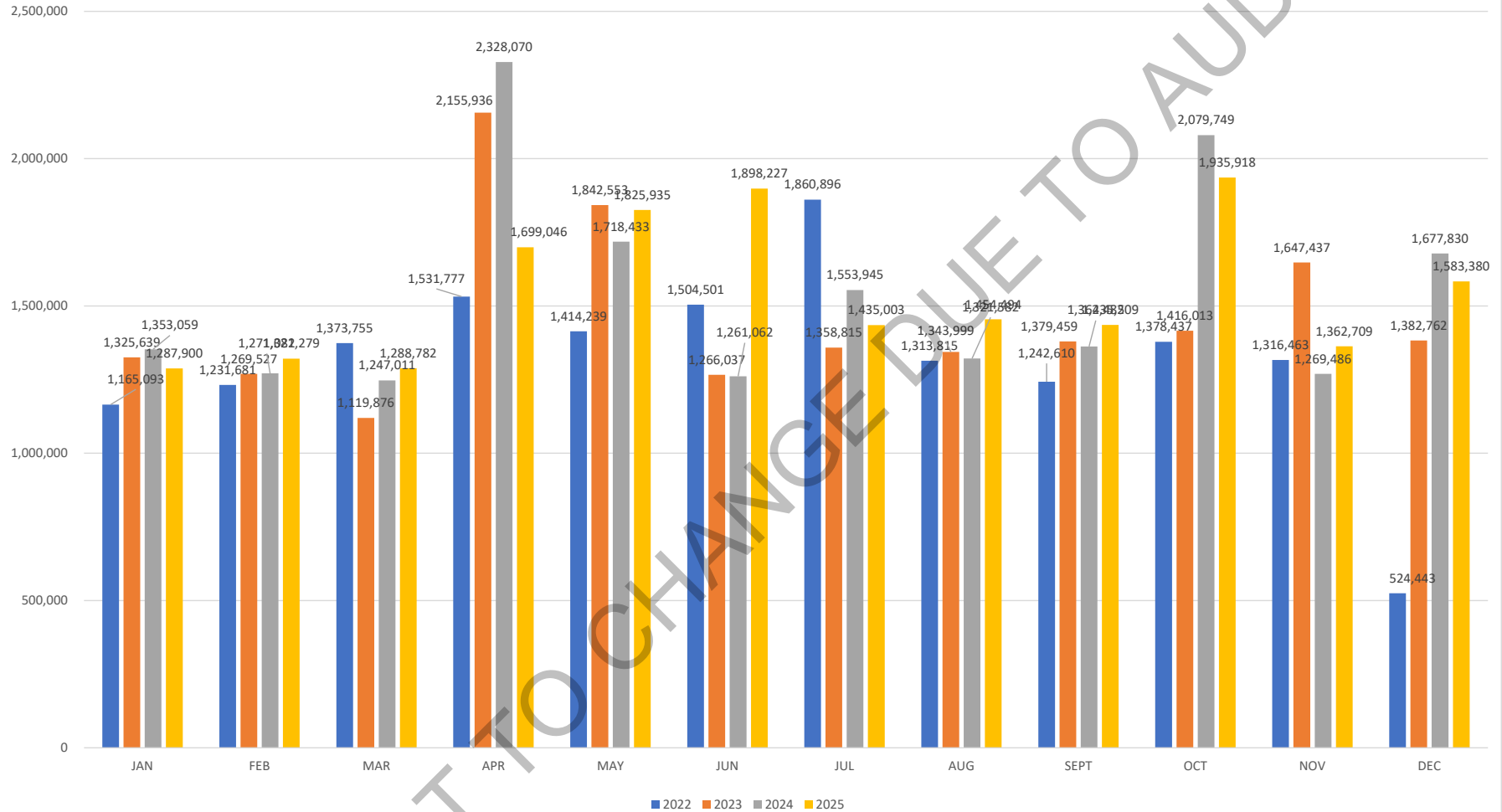
CONTRIBUTIONS TO GENERAL SERVICE BOARD







AAWS AND GSB TOTAL OPERATING EXPENSE BEFORE DEPRECIATION



A.A. World Services, Inc
General Service Board
Statement of Functional Expenses
From Jan 2025 to Dec 2025
SUBJECT TO CHANGE DUE TO AUDIT

Financial Row	Literature Development and Distribution	10 - Regional Forums	11 - Archives	12 - Nominating	International Assignment	15 - Communications	17 - International Convention	21 - Language Services	24 - Self Support/Finance	3 - Staff Assignment	4 - Public Information	5 - Cooperation with Profession	6 - Treatment/Accessibili ty
Expense													
60100 - Payroll & Benefits : Salaries	\$1,179,296.80	\$176,131.71	\$495,488.99	\$205,206.22	\$213,372.39	\$737,116.37	\$139,943.83	\$333,938.71	\$43,581.21	\$168,024.40	\$145,556.12	\$162,179.47	\$121,243.33
60300 - Payroll & Benefits : Employee Benefits	\$215,642.25	\$26,714.15	\$69,605.08	\$29,830.77	\$28,346.65	\$58,076.90	\$24,195.72	\$61,588.90	\$5,338.21	\$26,053.57	\$26,417.25	\$25,972.02	\$25,229.95
60500 - Payroll & Benefits : Retirement Plan Contribution	\$64,949.24	\$8,045.80	\$20,963.76	\$8,984.48	\$8,537.50	\$30,273.28	\$6,884.95	\$19,131.43	\$2,010.14	\$7,735.01	\$7,956.40	\$7,822.28	\$7,598.81
60400 - Payroll & Benefits : Payroll Taxes	\$113,973.84	\$14,065.45	\$36,683.89	\$15,718.97	\$9,837.99	\$52,934.70	\$10,289.83	\$33,341.49	\$5,171.70	\$13,475.34	\$13,973.29	\$13,626.07	\$13,290.21
70000 - Professional Fees	\$130,800.17	\$26,131.91	\$7,111.31	\$2,736.39	\$50,621.08	\$35,308.64	\$1,907,282.26	\$18,538.62	\$0.00	\$128.61	\$10,409.03	\$4,147.06	\$9,266.53
72000 - Printing, Postage, and Supplies Expenses	\$19,475.81	\$20,051.42	\$6,108.20	\$87.27	\$436.89	\$46,029.66	\$305,655.57	\$2,102.25	\$800.02	\$503.53	\$10,368.55	\$21,218.57	\$224.77
73000 - Data, Automation & Website	\$32,677.03	\$3,879.88	\$12,657.98	\$4,332.54	\$4,116.98	\$297,318.82	\$41,331.33	\$9,225.59	\$0.00	\$0.00	\$3,836.71	\$3,772.12	\$3,664.32
74000 - Insurance	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$76,275.30	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
76000 - Facility & Equipment Expenses	\$282,827.04	\$34,980.71	\$107,228.96	\$39,061.69	\$37,708.99	\$132,588.90	\$53,111.40	\$83,622.74	\$0.00	\$0.00	\$35,638.76	\$34,008.97	\$33,425.32
78000 - Travel & Meetings Expenses	\$7,825.34	\$266,576.21	\$231.92	\$5,227.75	\$72,928.45	\$396.58	\$3,181,755.30	\$112.01	\$421.36	\$1,402.68	\$1,536.42	\$79,289.60	\$2,067.87
Total - Expense	\$2,047,467.52	\$576,577.24	\$756,080.09	\$311,186.08	\$425,906.92	\$1,390,043.85	\$5,746,725.49	\$561,601.74	\$57,322.64	\$217,323.14	\$255,692.53	\$352,036.16	\$216,011.11
Other Income and Expenses													
Other Income	\$0.00	\$0.00	\$0.00	\$0.00	(\$2,142.00)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$13,411,902.00	\$0.00	\$0.00
Other Expense	\$51.77	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$213,452.22	\$0.00	\$0.00	\$0.00	\$13,411,902.00	\$0.00	\$0.00
Total Net Expenses	\$2,047,519.29	\$576,577.24	\$756,080.09	\$311,186.08	\$428,048.92	\$1,390,043.85	\$5,960,177.71	\$561,601.74	\$57,322.64	\$217,323.14	\$255,692.53	\$352,036.16	\$216,011.11

A.A. World Services, Inc
General Service Board
Statement of Functional Expenses
From Jan 2025 to Dec 2025
SUBJECT TO CHANGE DUE TO AUDIT

Financial Row	7 - Correctional Facilities	8 - International Lit Fund	9 - General Service Conference	Total Program	Management & General	13 - Trustee and Director Activ	19 - Member Services	22 - Legal, Licensing & Intellectual Property	23 - Retrofit	Total Support	Total
Expense											
60100 - Payroll & Benefits : Salaries	\$170,338.03	\$0.00	\$204,295.08	\$4,495,712.66	\$3,932,816.47	\$0.00	\$561,346.24	\$479,470.49	\$0.00	\$4,973,633.20	\$9,469,345.86
60300 - Payroll & Benefits : Employee Benefits	\$25,081.64	\$0.00	\$31,432.96	\$679,526.02	\$946,781.19	\$0.00	\$78,361.40	\$75,986.71	\$0.00	\$1,101,129.30	\$1,780,655.32
60500 - Payroll & Benefits : Retirement Plan Contribution	\$7,554.11	\$0.00	\$9,565.58	\$218,012.77	\$1,712,123.15	\$0.00	\$23,601.38	\$22,217.48	\$0.00	\$1,757,942.01	\$1,975,954.78
60400 - Payroll & Benefits : Payroll Taxes	\$13,140.09	\$0.00	\$16,473.06	\$375,995.92	\$317,998.89	\$0.00	\$41,346.92	\$39,915.89	\$0.00	\$399,261.70	\$775,257.62
70000 - Professional Fees	\$8,636.98	\$9,772.54	\$152,492.79	\$2,373,383.92	\$1,147,752.14	\$24,011.71	\$2,044.31	\$12,533.53	\$87,197.50	\$1,273,539.19	\$3,646,923.11
72000 - Printing, Postage, and Supplies Expenses	\$218.94	\$0.00	\$24,318.31	\$457,599.76	\$379,227.09	\$10,257.48	\$19.99	\$27,326.07	\$0.00	\$416,830.63	\$874,430.39
73000 - Data, Automation & Website	\$3,642.87	\$0.00	\$4,612.78	\$425,068.95	\$314,943.77	\$0.00	\$11,381.08	\$11,818.47	\$0.00	\$338,143.32	\$763,212.27
74000 - Insurance	\$0.00	\$0.00	\$0.00	\$76,275.30	\$88,146.99	\$0.00	\$0.00	\$0.00	\$0.00	\$88,146.99	\$164,422.29
76000 - Facility & Equipment Expenses	\$33,230.98	\$0.00	\$41,588.22	\$949,022.68	\$1,020,820.52	\$595.86	\$102,613.83	\$99,504.24	\$0.00	\$1,223,534.45	\$2,172,557.13
78000 - Travel & Meetings Expenses	\$3,693.78	\$4,021.58	\$1,091,892.59	\$4,719,379.44	\$28,163.85	\$629,233.21	\$0.00	\$220.72	\$0.00	\$657,617.78	\$5,376,997.22
Total - Expense	\$265,537.42	\$13,794.12	\$1,576,671.37	\$14,769,977.42	\$9,888,774.06	\$664,098.26	\$820,715.15	\$768,993.60	\$87,197.50	\$12,229,778.57	\$26,999,755.99
Other Income and Expenses											
Other Income	\$0.00	\$0.00	\$0.00	\$13,409,760.00	\$1,612,759.81	\$0.00	\$0.00	\$0.00	\$0.00	\$1,612,759.81	\$15,022,519.81
Other Expense	\$0.00	\$28,240.72	\$0.00	\$13,653,646.71	(\$1,725,248.87)	\$40.00	\$0.00	\$0.00	\$0.00	(\$1,725,208.87)	\$11,928,437.84
Total Net Expenses	\$265,537.42	\$42,034.84	\$1,576,671.37	\$15,013,864.13	\$6,550,765.38	\$664,138.26	\$820,715.15	\$768,993.60	\$87,197.50	\$8,891,809.89	\$23,905,674.02

A.A. WORLD SERVICES AND GENERAL SERVICE BOARD
CONSOLIDATED
YTD CAPITAL PROJECTS REPORT
JANUARY THROUGH DECEMBER 2025
SUBJECT TO CHANGE DUE TO AUDIT

	AMOUNT	ESTIMATED ANNUAL MAINTENANCE
Communications		
Meeting Guide App Development	41,763	Estimated annual Meeting Guide App maintenance is \$38,500
Website Development	25,832	Estimated annual website maintenance is \$225,000
Digital Publication Platform	25,813	To be determined
Analytics Reporting Data Warehouse	32,614	To be determined
Audio video equipment	6,995	No maintenance is required
Total Communications	133,017	
Technology Services		
Digital Asset Repository	15,500	No maintenance is required
Cisco Switches	32,033	Estimated annual maintenance is \$1,500
ERP Enhancements	27,050	Estimated annual ERP maintenance is \$77,500
Computers and Peripherals	32,090	No maintenance is required
Total Technology Services	106,673	
Publishing		
Digital Publication Platform	25,813	To be determined
Digital Video Distribution Phase One	24,349	To be determined
Computers and Peripherals	8,926	No maintenance is required
Total Publishing	59,087	
Office Retrofit	492,775	
TOTAL CAPITAL EXPENDITURES	791,552	
 CAPITAL EXPENDITURE BUDGET	 2,374,982	
REMAINING BUDGET	1,583,430	
% OF BUDGET SPENT	33%	

2026 OPERATING BUDGET
A.A. WORLD SERVICES AND GENERAL SERVICE BOARD

	2026 OPERATING BUDGET	2025 REFORECAST	2025 PRELIMINARY ACTUAL	2025 BUDGET	2024 ACTUAL	2023 ACTUAL	2022 ACTUAL
OPERATING REVENUE							
Literature (excluding Convention)							
Gross Literature Sales	18,672,343	16,000,000	15,264,000	16,000,000	14,452,652	14,641,176	11,999,441
Shipping Charges	431,593	350,000	352,813	350,000	340,281	294,321	277,893
Discounts	(778,748)	(640,000)	(676,363)	(400,000)	(568,379)	(453,695)	(482,071)
Net Sales	18,325,187	15,710,000	14,940,449	15,950,000	14,224,553	14,481,802	11,795,264
Cost of Goods Sold	8,429,586	7,200,000	7,333,474	7,200,000	6,585,045	7,726,991	6,901,151
Gross Profit	9,895,601	8,510,000	7,606,976	8,750,000	7,639,508	6,754,811	4,894,113
Contributions							
Individuals/Groups	10,500,000	11,000,000	10,539,758	11,000,000	11,248,573	10,841,419	10,548,525
Conference Delegate Fees	204,600	204,600	202,276	204,600	199,811	163,800	165,600
Additional Conference Contributions	210,000	210,000	227,476	210,000	245,551	219,186	162,640
World Service Meeting Delegate Fees	148,000	0	0	0	148,000	2,891	49,617
World Service Meeting Fund	100,000	30,000	47,826	30,000	94,772	24,775	35,682
International Literature Fund	60,000	60,000	44,570	60,000	143,102	41,484	54,513
Total Contributions	11,222,600	11,504,600	11,061,906	11,504,600	12,079,809	11,293,556	11,016,577
Convention							
Souvenir Book Sales		430,500	215,505	430,500			
Three Big Meeting Video		58,000	80,781	58,000			
Cost of Goods Sold		219,825	151,106	219,825			
Gross Profit	0	268,675	145,180	268,675			
TOTAL OPERATING REVENUE	21,118,201	20,283,275	18,814,061	20,523,275	19,719,318	18,048,367	15,910,691
OPERATING EXPENSE							
Salary	10,374,015	9,634,036	9,051,503	9,912,120	9,153,868	8,469,058	included below
Recoupment of Convention Overhead		(552,165)	(545,000)	(552,165)			
Vacancy Allowance	(207,480)	(96,340)	N/A	(99,121)			
GV HR Shared Services Payment	(33,298)	(19,250)	(19,250)	(19,250)		0	0
Employee Benefits	2,187,831	1,944,954	1,952,091	1,990,248	2,021,421	1,879,954	included below
Payroll Taxes	868,999	808,898	747,864	831,393	752,466	692,343	included below
Subtotal Personnel	13,190,067	11,720,133	11,187,208	12,063,225	11,927,755	11,041,355	10,303,829
Professional Fees	1,468,467	2,148,755	1,651,998	2,118,862	1,748,646	1,841,628	1,756,363
Printing, Postage, and Supplies	390,898	553,991	562,386	560,206	604,373	575,949	451,413
Data, Automation & Website	748,529	731,757	718,367	702,736	578,785	573,591	611,490
Insurance	97,000	85,739	88,147	85,739	75,217	70,884	69,575
Facility and Equipment	1,294,867	1,372,224	1,368,120	1,361,099	1,287,410	1,223,760	1,258,295
GV Rent Payment	(15,060)	(49,451)	(55,710)	(63,844)			
Travel and Meeting	2,436,931	2,404,038	2,185,739	2,498,920	2,462,059	2,147,709	1,854,281
Other	154,000	170,800	236,924	168,400		193,436	228,127
TOTAL OPERATING EXPENSE	19,765,699	19,137,986	17,943,178	19,495,343	18,684,245	17,668,310	16,533,372
OPERATING SURPLUS/(DEFICIT) BEFORE DEPRECIATION**	1,352,503	1,145,289	870,883	1,027,932	1,035,073	380,057	(622,681)
Depreciation	950,000	947,623	751,325	1,124,328	843,246	1,056,630	1,184,394
OPERATING SURPLUS/(DEFICIT) AFTER DEPRECIATION	402,503	197,666	119,557	(96,396)	191,827	(676,573)	(1,807,075)
Non-Operating Revenue							
Investment		0	1,447,107	0	1,420,864	1,344,343	(1,228,234)
Total Non-Operating Revenue	0	0	1,447,107	0	1,420,864	1,344,343	(1,228,234)
Non-Operating Expense							
Cash							
International Literature Fund	20,000	20,000	18,868	20,000	13,723	17,110	29,296
G.S.B. support for La Viña	434,000	493,313	440,142	455,626	571,939	755,749	636,604
Recommended addition to Reserve Fund*	250,000						
Non-Cash							
Inventory Adjustment							821,900
Pension			14,522		(3,976,446)	(2,398,106)	(1,199,878)
Post-Retirement Medical			27,226		(653,275)	243,253	(2,327,970)
Total Non-Operating Expense	704,000	513,313	500,758	475,626	(4,044,059)	(1,381,994)	(2,040,048)
NON-OPERATING SURPLUS/(DEFICIT)	(704,000)	(513,313)	946,349	(475,626)	5,464,923	2,726,337	811,814
GRAND TOTAL SURPLUS/(DEFICIT)	(301,497)	(315,647)	1,065,906	(572,022)	5,656,750	2,049,764	(995,261)

*Any additional funds available at the end of 2026 will be recommended for addition to the Reserve Fund

**Operating Surplus/(Deficit) Before Depreciation Less GSB support for La Vina	918,503	651,976	430,741	572,306	463,134	(375,692)	(1,259,285)
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2026 CAPITAL EXPENDITURE BUDGET
A.A. WORLD SERVICES AND GENERAL SERVICE BOARD

	2026	2025	CHANGE
COMMUNICATIONS			
Meeting Guide App Development - FosterMade	18,000	40,800	(22,800)
Meeting Guide App Development-CoCreate	4,600	9,300	(4,700)
Website development - Perficient	39,120	36,700	2,420
Digital Publication Project	0	40,000	(40,000)
Analytics Reporting Data Warehouse	0	75,000	(75,000)
Audio video equipment	100	7,400	(7,300)
TOTAL COMMUNICATIONS	61,820	209,200	(147,380)
PUBLISHING			
Computer Equipment	3,000	9,928	(6,928)
Digital Publication Platform	0	40,000	(40,000)
Digital Distribution of Videos	0	34,315	(34,315)
TOTAL PUBLISHING	3,000	84,243	(81,243)
TECHNOLOGY SERVICES			
ERP Enhancement	110,000	20,625	89,375
AAWS App High Level Design	30,000	0	30,000
Uninterrupted Power Supply Devices	2,768	0	2,768
Cisco Switches	0	29,937	(29,937)
Meraki Wireless Access Points	7,200	0	7,200
Equipment	30,000	29,350	650
TOTAL TECHNOLOGY SERVICES	179,968	79,912	100,056
OFFICE RETROFIT¹	1,850,000	2,100,000	(250,000)
TOTAL CAPITAL EXPENDITURE	2,091,788	2,389,112	(297,324)

¹\$1.85M of the \$2.1M retrofit budget rolled over from 2025 to 2026.

RESERVE FUND BALANCE HISTORY
2015 - 2025

DATE	ASSETS	GV SUBSCRIPTION LIABILITY	BALANCE	OPERATING EXPENSES	MONTHS OF EXPENSES
2015	14,583,935	1,903,842	12,680,093	16,655,754	9.14
2016	14,958,734	1,841,125	13,117,609	17,034,889	9.24
2017	14,352,618	1,943,500	12,409,118	16,726,806	8.90
2018	17,898,391	1,943,500	15,954,891	19,072,945	10.04
2019	18,128,708	1,893,500	16,235,208	20,703,929	9.41
2020	13,923,464	1,443,500	12,479,964	18,806,219	7.96
2021	14,295,786	1,443,500	12,852,286	17,554,866	8.79
2022	14,192,560	1,243,500	12,949,060	20,105,896	7.73
2023	13,203,875	573,012	12,630,863	21,095,796	7.18
2024	12,454,738	540,000	11,914,738	21,799,168	6.56
2025	11,562,418	540,000	11,022,418	21,427,634	6.17

AAGV

FINANCIAL STATEMENTS

AA Grapevine Inc.
Statements of Activities - Actual vs Budget and Prior Year
(Income Statement)
For the periods ending December 31, 2025 and 2024

	Actual	Reforecast	Variance Actual vs Budget	Prior Year	Variance Actual vs Prior Year
Grapevine					
Circulation (Average Number of Subscribers)					
GV Print subscriptions	41,258	41,455	(197)	45,048	(3,790)
GV Complete (Print & Online)	5,564	5,573	(9)	5,421	143
GV Online subscriptions	4,219	3,868	351	3,149	1,070
GV App subscriptions	7,532	7,238	294	5,571	1,961
Total Circulation	58,574	58,134	439	59,189	(616)
Revenue per Print subscription	\$ 2.60	\$ 2.55	\$ 0.05	\$ 2.43	\$ 0.17
Revenue per GV Complete (Print & Online)	\$ 3.96	\$ 3.99	\$ (0.03)	\$ 3.84	\$ 0.12
Revenue per GV Online subscription	\$ 2.25	\$ 2.27	\$ (0.02)	\$ 2.28	\$ (0.03)
Revenue per App subscription	\$ 2.56	\$ 2.56	\$ (0.00)	\$ 2.57	\$ (0.01)
Income					
Subscription Income					
Print Magazine	\$ 1,289,634	\$ 1,260,802	28,832	\$ 1,222,924	66,710
GV Complete	264,730	265,234	(504)	250,016	14,714
GV Online	113,707	105,063	8,644	86,049	27,658
GV App	230,934	222,399	8,535	171,731	59,203
GV Back Issues & Prison/Hospital Issues	163,582	116,619	46,963	138,995	24,587
Revenue Adjustment	-	20,000	(20,000)	87,772	(87,772)
Total Subscription Income	\$ 2,062,587	\$ 1,990,117	\$ 72,470	\$ 1,957,486	\$ 105,100
Cost of Goods Sold					
Magazine Production	370,606	376,289	(5,683)	563,734	(193,128)
Audio Production	26,520	26,520	-	28,558	(2,038)
Warehousing	68,015	70,069	(2,054)	61,058	6,957
Postage	389,348	406,993	(17,645)	439,052	(49,704)
GV App	34,640	33,360	1,280	25,674	8,966
Total Cost of Goods Sold	889,130	913,231	(24,101)	1,118,076	(228,946)
Gross Margin on Subscriptions	\$ 1,173,457	\$ 1,076,886	\$ 96,571	\$ 839,410	\$ 334,046
Other Published Items Income					
Books and Booklets	992,472	963,277	29,195	1,030,476	(38,004)
Audio Products	36,845	33,172	3,673	16,368	20,477
Specialty Items	38,973	21,083	17,890	32,941	6,032
Specialty Items-International Convention	94,213	109,980	(15,767)	-	94,213
Total Other Published Items Income	\$ 1,162,503	\$ 1,127,512	\$ 34,991	\$ 1,079,785	\$ 82,718
Total Cost of Goods Sold					
Cost of Goods -Books and Booklets	260,770	258,503	2,267	228,798	31,972
Cost of Goods-Audio Products	4,717	632	4,085	8,209	(3,492)
Cost of Goods- Specialty Items	3,230	5,217	(1,987)	16,387	(13,157)
Cost of Goods-IC2025 Journal + Fulfill+Shipping	43,052	44,439	(1,387)	-	43,052
Mailing-Postage, Fulfillment, and Other Services	72,943	86,420	(13,477)	24,035	48,908
Total Direct Cost	384,711	395,211	(10,500)	277,428	107,282
Gross Margin - Other Published Items	\$ 777,792	\$ 732,301	\$ 45,491	\$ 802,357	\$ (24,564)
Total Gross Margin	\$ 1,951,249	\$ 1,809,187	\$ 142,062	\$ 1,641,767	\$ 309,482

AA Grapevine Inc.
Statements of Activities - Actual vs Budget and Prior Year
(Income Statement)
For the periods ending December 31, 2025 and 2024

Expenses	Actual	Reforecast	Variance Actual vs Budget	Prior Year	Variance Actual vs Prior Year
Editorial					
Salaries	182,907	180,585	2,322	259,398	(76,491)
Payroll Taxes and Benefits	41,920	40,787	1,133	80,334	(38,414)
Freelance/Temp Help	184,941	163,217	21,724	173,761	11,180
Professional fees	24,451	25,941	(1,490)	70,940	(46,489)
Website Maint./Development	83,135	75,028	8,107	86,677	(3,542)
Total Editorial	517,355	485,558	31,797	671,110	(153,755)
Circulation And Business					
Salaries	717,591	720,796	(3,205)	717,959	(368)
Payroll taxes and benefits	224,566	223,055	1,511	239,850	(15,284)
Freelance/Temp Help	3,000	4,500	(1,500)	14,326	(11,326)
Fulfillment	261,466	244,864	16,602	250,861	10,605
Fulfillment vendor credit	(46,002)	(46,002)	-	-	(46,002)
App Development	48,000	48,000	-	47,075	925
Professional fees	108,300	108,203	97	154,809	(46,509)
Website Maint./Development	9,649	9,139	510	8,017	1,632
Recruitment Fees	-	-	-	30,000	(30,000)
AAWS HR Allocation	12,122	13,105	(983)	-	12,122
Bank/CC service charges	90,805	84,250	6,555	78,429	12,376
Total Circulation And Business	1,429,499	1,409,910	19,588	1,541,326	(111,829)
General And Administrative					
Meetings and conferences	22,923	36,920	(13,997)	36,292	(13,369)
Occupancy & Insurance	58,130	62,893	(4,763)	73,332	(15,202)
Office supplies and expenses	68,475	56,468	12,007	65,618	2,857
IC2025 Expenses	16,684	12,045	4,639	-	16,684
Total General And Administrative	166,212	168,326	(2,114)	175,242	(9,030)
Total Operating Expenses	\$2,113,065	\$2,063,794	\$49,270	\$2,387,678	(\$274,614)
Grapevine Operating Income (Loss)	(\$161,815)	(\$254,607)	\$92,792	(\$745,911)	\$584,096
Non-Operating Income/Expenses					
Depreciation Expense	131,500	143,645	(12,145)	121,317	10,183
Interest from Reserve Fund	9,000	9,000	-	15,493	(6,493)
Total Non-Operating Income (Expense)	\$ (122,500)	\$ (134,645)	\$ 12,145	\$ (105,824)	\$ (16,676)
Grapevine Net Income (Loss)	\$ (284,316)	\$ (389,252)	\$ 104,936	\$ (851,735)	\$ 567,419

AA Grapevine Inc.
Statements of Activities - Actual vs Budget and Prior Year
(Income Statement)
For the periods ending December 31, 2025 and 2024

	Actual	Reforecast	Variance Actual vs Budget	Prior Year	Variance Actual vs Prior Year
La Viña					
Circulation (Average Number of Subscribers)					
LV Print subscriptions	7,298	7,789	(491)	7,006	292
LV Complete	162	189	(27)	131	31
LV Online subscriptions	92	88	4	80	12
LV App subscriptions	399	479	(80)	275	124
Total Circulation	7,951	8,545	(594)	7,492	459
Revenue per Print subscription	\$ 2.79	\$ 1.39	\$ 1.40	\$ 2.28	\$ 0.51
Revenue per LV Complete (Print & Online)	\$ 4.06	\$ 4.19	\$ (0.13)	\$ 3.64	\$ 0.42
Revenue per LV Online subscription	\$ 2.14	\$ 2.17	\$ (0.03)	\$ 1.80	\$ 0.34
Revenue per App subscription	\$ 2.59	\$ 2.50	\$ 0.09	\$ 1.26	\$ 1.33
Income					
Subscription Income					
Print Magazine	121,990	\$ 112,299	9,691	96,039	25,951
LV Complete	3,946	\$ 4,877	(931)	2,853	1,093
LV Online	1,180	\$ 1,160	20	863	317
LV App	6,193	\$ 7,274	(1,081)	2,077	4,116
LV Back Issues	16,294	15,559	735	14,062	2,232
Prior Year Revenue Adjustment	-	400	(400)	(6,177)	6,177
Total Subscription Income	\$ 149,603	\$ 141,569	\$ 8,034	\$ 109,717	\$ 39,886
Direct Cost					
Magazine Production	60,721	63,181	(2,460)	62,292	(1,571)
Audio Production	10,470	10,470	-	12,680	(2,210)
Postage	25,881	24,447	1,434	22,866	3,015
LV App	717	878	(161)	310	407
Total Direct Cost	97,788	98,976	(1,187)	98,148	(359)
Gross Margin on Subscriptions	\$ 51,814	\$ 42,593	\$ 9,221	\$ 11,569	\$ 40,245
Other Published Items Income					
Books and Booklets	162,619	171,929	(9,310)	128,927	33,692
Audio Products	-	-	-	45	(45)
Specialty Items	13,433	3,446	9,987	8,614	4,819
10% of Convention Journal Income	2,500	6,500	(4,000)		2,500
Total Other Published Items Income	\$ 178,553	\$ 181,875	\$ (3,322)	\$ 137,586	\$ 40,967
Cost of Goods	52,611	57,605	(4,994)	40,230	12,381
Gross Margin - Other Published Items	\$ 125,942	\$ 124,270	\$ 1,672	\$ 97,356	\$ 28,586
Total Gross Margin	\$ 177,756	\$ 166,863	\$ 10,893	\$ 108,925	\$ 68,830

AA Grapevine Inc.
Statements of Activities - Actual vs Budget and Prior Year
(Income Statement)
For the periods ending December 31, 2025 and 2024

Expenses	Actual	Reforecast	Variance Actual vs Budget	Prior Year	Variance Actual vs Prior Year
Editorial					
Salaries	169,566	172,538	(2,972)	182,600	(13,034)
Payroll taxes and benefits	61,914	59,324	2,590	59,958	1,956
Freelance/Temp Help	40,691	41,361	(670)	16,331	24,360
Professional fees	4,250	4,435	(185)	10,885	(6,635)
Website Maint./Development	17,539	17,089	450	15,354	2,185
Total Editorial	293,960	294,747	(787)	285,128	8,832
Circulation And Business					
Salaries	149,100	148,660	440	175,252	(26,152)
Payroll taxes and benefits	61,204	57,658	3,546	55,177	6,027
Freelance/Temp Help	-	600	(600)	16,070	(16,070)
Professional fees	14,991	13,892	1,099	42,160	(27,169)
Fulfillment - Subscription orders	66,656	64,075	2,581	52,021	14,635
AAWS HR Allocation	2,808	2,808	-	-	2,808
Total Circulation And Business	294,759	287,693	7,066	340,680	(45,921)
General And Administrative					
Meetings & Conferences	9,631	14,367	(4,736)	18,685	(9,054)
Occupancy & Insurance	26,412	30,593	(4,181)	19,294	7,118
Office Supplies & Expense	4,276	2,849	1,427	2,376	1,900
IC2025 Expenses	1,250	1,350	(100)	-	1,250
Total General And Administrative	41,569	49,159	(7,590)	40,355	1,214
Total Operating Expenses	\$ 630,286	\$ 631,599	\$ (1,312)	\$ 666,163	\$ (35,876)
Total Operating Income (Shortfall)	\$ (452,531)	\$ (464,736)	\$ 12,205	\$ (557,238)	\$ 104,706
Depreciation Expense	24,600	28,579	(3,979)	14,701	9,899
Net Income / Shortfall before GSB Contribution	(477,131)	(493,315)	16,184	(571,939)	94,807
Contribution from GSB	\$ 477,131	\$ 493,315	\$ (16,184)	\$ 571,939	\$ (94,807)
Net Income (Shortfall)	\$ -	\$ -	\$ -	\$ -	\$ -

AA Grapevine Inc.
Statements of Financial Position
 (Balance Sheet)
December 31, 2025 and 2024

	December 31, 2025	December 31, 2024	Variance
Assets			
Current Assets			
Cash And Cash Equivalents	\$ 179,827	\$ 125,037	\$ 54,790
Accounts Receivable Net	309,861	200,303	109,558
Accounts Receivable GSB	76,837	103,633	(26,796)
Subscription Liability Fund	540,000	540,000	-
Inventory	393,765	292,955	100,809
Total Current Assets	1,500,290	1,261,928	238,362
Other Assets			
Prepaid Expenses	114,677	99,285	15,392
Security Deposits	13,391	14,756	(1,365)
Mobile App Net	334,489	406,334	(71,845)
Fixed Assets Net	71,996	85,142	(13,146)
Total Other Assets	534,553	605,517	(70,964)
Total Assets	\$ 2,034,844	\$ 1,867,446	\$ 167,398
Liabilities and Net Assets			
Current Liabilities			
Accounts Payable & Accrued Expenses	\$ 227,369	\$ 257,883	\$ (30,514)
Inter-Company Due to AAWS	441,171	432,357	8,814
Total Accounts Payable	668,540	690,240	234,563
Other Current Liabilities			
Deferred Income Subscriptions	1,575,514	1,759,511	(183,997)
Gift Certificate CTM	12,778	13,289	(511)
Total Other Current Liabilities	1,588,292	1,772,800	(184,507)
Total Liabilities	2,256,833	2,463,039	50,056
Net Assets			
Net Assets - Beg Bal	(1,193,257)	(341,525)	(851,732)
Transfer from Reserve Fund	1,097,664	(851,732)	1,949,396
Consolidated Net Income (Shortfall)	(126,396)	597,664	(724,060)
Total Net Assets	(221,989)	(595,594)	373,604
Total Liabilities And Net Assets	\$ 2,034,844	\$ 1,867,446	\$ 423,660

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

	ACTUAL												Total
	Jan-26	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	
Grapevine & La Vina Revenue													
Consolidated Net Income (Shortfall)	\$ (51,038)	\$ (40,427)	\$ (74,300)	\$ 27,133	\$ (62,789)	\$ (45,547)	\$ (5,916)	\$ (21,604)	\$ (20,250)	\$ (27,058)	\$ 9,051	\$ 21,492	(291,254)
Accounts Receivable	(46,646)	(40,025)	8,514	(22,722)	667	8,315	29,143	(26,012)	(26,286)	(157,218)	9,846	86,157	(176,267)
La Vina Reimbursement Billed	(31,159)	(48,317)	(34,186)	(42,119)	(55,037)	(39,836)	(38,415)	(42,713)	(33,883)	(45,649)	(30,847)	(36,969)	(479,130)
La Vina Reimbursement Received	44,335	43,805	31,577	48,317	33,663	42,119	55,037	37,941	76,830	4,298	33,883	45,629	497,434
Draw from Reserve Fund		150,000						350,000					500,000
Received from Post-Retirement Medical Fund											157,921		157,921
Inventory	(50,230)	12,680	(25,674)	(17,667)	14,371	(25,722)	2,320	13,133	(16,651)	5,312	3,029	9,323	(75,776)
Prepaid expenses			-			-			(17,509)	(2,154)	(14,192)	20,064	(13,791)
Depreciation/Amortization	12,566	12,481	12,458	12,373	14,040	15,000	15,734	16,373	17,373	18,484	13,437	(7,462)	152,857
Accounts Payable	121,920	(52,426)	(2,214)	(52,736)	20,783	135,325	(1,771)	(96,654)	27,745	(49,702)	(59,037)	(16,026)	(24,793)
Intercompany Due AAWS Charged	46,531	33,597	48,620	46,695	46,188	48,000	48,000	46,000	48,000	23,177	61,321	32,764	528,893
Intercompany Due AAWS Paid	(47,473)	(47,473)	(51,451)	-	-	(43,440)	(43,440)	(93,440)	(103,533)	(52,082)	(52,073)	(43,807)	(578,212)
Deferred Income	(38,414)	9,739	64,713	18,208	(18,441)	(51,710)	15,000	(29,807)	29,875	179,354	(143,705)	(69,920)	(35,108)
Int'l Conv Journal & other new content	2,715	2,100	(12,922)	6,072	(43,400)	-	(37,552)	-	-	-	-	-	(82,987)
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	2,821	12,449	500	500	500	4,460	25,850
Total Adjustments to reconcile Net Revenue to Net Cash	7,641	72,661	35,703	(4,223)	11,332	84,549	42,876	183,270	(1,540)	(79,680)	(23,918)	20,213	348,893
Cash at Beginning of Period	121,573	78,177	110,411	71,814	94,724	43,587	82,589	119,548	281,214	259,424	152,686	138,122	121,573
Cash at End of Period	\$ 78,177	\$ 110,411	\$ 71,814	\$ 94,724	\$ 43,587	\$ 82,589	\$ 119,548	\$ 281,214	\$ 259,424	\$ 152,686	\$ 138,122	\$ 179,827	\$ 179,827

AA Grapevine Budget Page 1	FY2026	2026 Budget	2025 Actual (Unaudited)	Difference between 2026 Budget and 2025 Actual	2024 Final
Grapevine Circulation					
GV Print Magazine		40,875	41,258	(383)	45,048
GV Complete		5,621	5,564	57	5,421
GV Online		4,615	4,219	396	3,149
GV App (Avg Paid Subs)		8,825	7,532	1,293	5,571
Total Circulation		59,936	58,574	1,363	59,189
Revenue Per Magazine Subscription		2.61	2.60	0.01	2.43
Revenue Per GV Complete		3.98	3.96	0.02	3.84
Revenue Per GV Online		2.33	2.25	0.08	2.28
Revenue Per GV App		2.57	2.56	0.01	2.57
Revenue					
Subscription Revenue					
GV Magazine income		\$1,280,175	1,289,634	(9,460)	1,222,924
GV Complete		268,471	264,730	3,741	250,016
GV Online		128,863	113,707	15,156	86,049
GV App		271,652	230,934	40,718	171,731
Back issues/Prison/Hospital issues		146,000	163,582	(17,582)	138,995
Prior Year Revenue Adjustment		-	-	-	87,772
Total Subscription Revenue		\$2,095,160	\$2,062,587	\$32,573	1,957,486
Direct Costs:					
Magazine Production		340,000	370,606	(30,606)	563,734
Audio Production		26,520	26,520	-	28,558
Warehousing		54,000	68,015	(14,015)	61,058
Postage		378,000	389,348	(11,348)	439,052
GV App		40,748	34,640	6,108	25,674
Total Direct Costs		839,268	889,130	(49,862)	1,118,076
Gross Margin on Subscriptions		\$1,255,892	1,173,457	82,435	839,410
Other Published Items Revenue					
Books and Booklets		1,046,700	992,472	54,228	1,030,476
Audio Products		37,200	36,845	355	16,368
Special Items		38,400	38,973	(573)	32,941
Int'l Convention Revenue		-	94,213	(94,213)	-
Total Other Published Items Revenue		\$1,122,300	1,162,503	(40,203)	1,079,785
Direct Costs:					
Cost of Goods -Books and Booklets		282,609	260,770	21,839	228,798
Cost of Goods-Audio Products		1,200	4,717	(3,517)	8,209
Cost of Goods Other Special items		9,600	3,230	6,370	16,387
Cost of Goods- Int'l Convention items		-	43,052	(43,052)	-
Mailing- postage, Ingram, other		80,000	72,943	7,057	24,035
Total Direct Costs		373,409	384,711	(11,302)	277,428
Gross Margin-Other Published Items		\$748,891	777,792	(28,901)	802,357
Total Gross Margin		\$2,004,783	1,951,249	53,534	1,641,767

AA Grapevine Budget Page 2	FY2026	2026 Budget	2025 Actual (Unaudited)	Difference between 2026 Budget and 2025 Actual	2024 Final
Grapevine Expenses					
Editorial					
Salaries		188,200	182,907	5,293	259,398
Payroll taxes and benefits		42,000	41,920	80	80,334
Freelance/Temp Help		153,600	184,942	(31,342)	173,761
Professional fees		-	24,451	(24,451)	70,940
Website Maint./Development		78,000	83,135	(5,135)	86,677
Total Editorial		\$461,800	517,355	(55,555)	671,110
Circulation And Business					
Salaries		674,500	717,591	(43,091)	717,959
Payroll taxes and benefits		237,000	224,566	12,434	239,850
AAWS HR Allocation		22,560	12,122	10,438	-
Freelance/Temp Help		-	3,000	(3,000)	14,326
Fulfillment - Subscription orders		275,000	261,466	13,534	250,861
Fulfillment vendor credit		-	(46,002)	46,002	-
Professional fees		147,500	108,300	39,200	154,809
Website Maint./Development		-	9,649	(9,649)	8,017
App Development		48,000	48,000	0	47,075
Credit card processing fees		85,200	90,805	(5,605)	78,429
Recruitment Fee		-	-	-	30,000
Total Circulation and Business		\$1,489,760	1,429,499	60,261	1,541,326
General & Admin Expenses					
Office expenses		50,400	68,475	(18,075)	65,618
Meetings and conferences		35,000	22,923	12,077	36,292
Occupancy & Insurance		31,740	58,130	(26,390)	73,332
IC2025 Incidental Expenses		-	16,684	(16,684)	-
Total General & Admin Expenses		\$117,140	166,212	(49,072)	175,242
Total Operating Expenses		\$2,068,700	\$2,113,066	(44,366)	\$2,387,678
Grapevine Operating Income (Loss)		(\$63,917)	(\$161,817)	\$97,900	(\$745,911)
Non-Operating Income/Expenses					
Depreciation Expense		144,000	131,500	12,500	121,317
Interest Reserve Fund		9,000	9,000	9,000	15,493
Total Non-Operating Income (Expense)		(135,000)	(122,500)	(3,500)	(105,824)
Grapevine Net Income (Loss)		(\$198,917)	(\$284,317)	\$94,400	(\$851,735)

La Viña FY2026 Budget	2026 Budget	2025 Actual (Unaudited)	Difference between 2026 Budget and 2025 Actual	2024 Final	LV 5 Year Plan - 2026
La Viña Circulation					
LV Print Magazine	7,313	7,298	15	7,006	7,908
LV Complete	178	162	16	131	250
LV Online	99	92	7	80	150
LV App (Avg Annual Paid Subs)	394	399	(5)	275	763
Total Circulation	7,983	7,951	32	7,492	9,071
Revenue Per Print Magazine Subscription	2.70	2.79	(0.09)	2.28	3.00
Revenue Per LV Complete	4.13	4.07	0.06	3.64	4.67
Revenue Per Online Subscription	2.20	2.14	0.06	1.80	2.50
Revenue Per LV App	2.60	2.58	0.02	1.26	2.50
Revenue					
Subscription Revenue					
Subscription income	118,463	121,990	(3,528)	96,039	142,344
LV Complete	4,407	3,946	461	2,853	7,005
LV Online	1,302	1,180	122	863	2,250
LV App	6,149	6,193	(44)	2,077	11,445
Back issues	17,400	16,294	1,106	14,062	20,000
Prior Year Revenue Adjustment	-	-	-	(6,177)	0
Total Subscription Revenue	\$147,721	\$149,603	(\$1,882)	109,717	183,044
Direct Cost					
Magazine Production	57,850	60,721	(2,871)	62,292	
Audio Production	10,470	10,470	0	12,680	
Postage	22,800	25,881	(3,081)	22,866	
LV App	922	717	205	310	
Total Direct Costs	92,042	97,788	(5,746)	98,148	94,523
Gross Margin on Subscriptions	\$55,679	\$51,814	\$3,865	\$11,569	\$88,521
Content Related Revenue					
Books and Booklets	202,900	162,619	40,281	128,927	0
Audio Products	-	-	-	45	0
Other Speciality Items	21,100	13,434	7,666	8,614	0
10% of IC Journal Income	-	2,500	(2,500)	-	0
Total Content Related Revenue	\$224,000	178,553	45,447	137,586	260,303
Total Direct Costs	59,000	52,611	6,389	40,230	76,016
Gross Margin Other Published Items	165,000	125,942	39,058	97,356	184,287
Total Gross Margin	\$220,679	177,756	42,923	108,925	272,808

La Viña Expenses					
Editorial					
Salaries	178,000	169,566	8,434	182,600	
Payroll taxes and benefits	68,400	61,914	6,486	59,958	
Freelance/Temp Help	40,000	40,691	(691)	16,331	
Professional fees	-	4,250	(4,250)	10,885	
Website Maint./Development	17,100	17,539	(439)	15,354	
Total Editorial	\$303,500	293,960	9,540	285,128	
Circulation And Business					
Salaries	155,200	149,100	6,100	175,252	
Payroll taxes and benefits	66,000	61,204	4,796	55,177	
AAWS HR Allocation	7,524	2,808	4,716	-	
Freelance/Temp Help	-	-	0	16,070	
Professional fees	14,200	14,991	(791)	42,160	
Fulfillment - Subscription orders	57,000	66,656	(9,656)	52,021	
Total Circulation And Business	\$299,924	294,759	5,165	340,680	
General & Administrative					
Meeting & Conferences	7,000	9,631	(2,631)	18,685	
Occupancy & Insurance	11,304	26,412	(15,108)	19,294	
Office expenses	3,600	4,276	(676)	2,376	
IC 2025 Expenses	-	1,250	(1,250)	-	
Total General & Administrative	\$21,904	41,569	(19,665)	40,355	
Total Operating Expenses	\$625,328	630,288	(4,960)	666,163	678,890
Operating Income (Shortfall)	(\$404,649)	(\$452,532)	\$47,883	(\$557,238)	(406,082)
Depreciation expense	29,400	24,600	4,800	14,701	15,000
Net Income (Loss)	(\$434,049)	(477,132)	43,083	(571,939)	(421,082)

AA Grapevine Inc.
Rolling Cash Flow Forecast
For the Twelve Months Ended December 31, 2026

	FORECAST												
Grapevine & La Vina Revenue	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	Total
Consolidated Net Income (Shortfall)	\$ (24,292)	\$ (29,744)	\$ (3,653)	\$ (58,121)	\$ (3,657)	\$ (23,003)	\$ 2,277	\$ (22,109)	\$ 3,889	\$ (44,242)	\$ 16,830	\$ (13,092)	(198,917)
Accounts Receivable	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
La Vina Reimbursement Billed	(33,214)	(40,449)	(32,947)	(52,861)	(32,351)	(39,727)	(30,768)	(37,289)	(26,587)	(48,858)	(25,072)	(33,926)	(434,049)
La Vina Reimbursement Received	37,000	33,214	40,449	32,947	52,861	32,351	39,727	30,768	37,289	26,587	48,858	25,072	437,123
Draw from Reserve Fund		200,000											200,000
Inventory	(50,230)	12,680	15,000	15,000	(65,000)	5,000	(10,000)	10,000	(70,000)	10,000	10,000	10,000	(107,550)
Prepaid expenses	(5,000)	(20,000)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(2,500)	(50,000)
Depreciation/Amortization	14,450	14,450	14,450	14,450	14,450	14,450	14,450	14,450	14,450	14,450	14,450	14,450	173,400
Accounts Payable	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	120,000
Intercompany Due AAWS Charged	46,531	33,597	48,620	46,695	46,188	48,000	48,000	46,000	48,000	50,000	50,000	50,000	561,631
Intercompany Due AAWS Paid	(47,473)	(47,473)	(51,451)	(51,451)	(51,451)	(43,440)	(43,440)	(43,440)	(43,440)	(52,082)	(52,073)	(43,807)	(571,021)
Deferred Income	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(15,000)	(180,000)
Investment - Mobile App	(7,500)	(7,500)	(7,500)	(7,500)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)	(62,000)
Gift Certificates	500	500	500	500	500	500	500	500	500	500	500	500	6,000
Total Adjustments to reconcile Net Income to Cash	(39,936)	184,019	29,621	280	(36,305)	15,632	16,968	19,488	(41,289)	(903)	45,162	20,789	213,534
Cash at Beginning of Period	179,000	114,773	269,048	295,016	237,175	197,533	190,162	209,407	206,786	169,386	124,241	186,536	179,000
Cash at End of Period	\$ 114,773	\$ 269,048	\$ 295,016	\$ 237,175	\$ 197,533	\$ 190,162	\$ 209,407	\$ 206,786	\$ 169,386	\$ 124,241	\$ 186,536	\$ 194,233	\$ 194,233