

**Financial**

**Page**

Consolidated Statement of Financial Position	1
Consolidated Statement of Activity	2
Consolidated Statement of Functional Expenses	3
Consolidated Statement of Cash Flows	4
Report of the Independent Auditor	5
2009 Budget Highlights	8
G.S.O. 2009 Operating Budget	9
The A.A. Grapevine, Inc. 2009 Budget	10
2008 Contributions	11

The General Service Board of Alcoholics Anonymous, Inc.  
Alcoholics Anonymous World Services, Inc. • Alcoholics Anonymous Grapevine, Inc.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

December 31, 2008 (with comparative totals for 2007)

	General Service Board of A.A.				A.A. World Services, Inc.	A.A. Grapevine, Inc.	Consolidated 2008	Consolidated 2007
	General Fund	Reserve Fund	Capital Projects Fund	Postretirement Medical Fund				
<b>ASSETS</b>								
Cash	\$ 709,343	\$ 371,120		\$ 116,350	\$ 647,628	\$ 241,376	\$ 2,085,817	\$ 3,372,558
Accounts and interest receivable		128,932			267,127	126,343	522,402	516,570
Intercompany balances	(1,009,641)	(1,293,600)			684,405	1,618,836	-	-
Inventories								
Books, pamphlets, etc.					2,085,606	253,232	2,338,838	1,872,964
Paper, pre-publication costs, etc.					326,965	7,150	334,115	335,968
Investments - at fair value (Note 2)		13,064,295		470,791			13,535,086	12,039,757
Property and Equipment								
(net of accumulated depreciation - 2008 - \$4,146,273; 2007 - \$3,845,752) (Note 2)			\$ 407,476		292,756	9,244	709,476	889,579
Deferred charges and deposits	40,415				58,265	63,480	162,160	136,092
Prepaid conventions - 2010/2015/2020	316,896						316,896	213,655
<b>Total Assets</b>	<b>57,013</b>	<b>12,270,747</b>	<b>407,476</b>	<b>587,141</b>	<b>4,362,752</b>	<b>2,319,661</b>	<b>20,004,790</b>	<b>19,377,143</b>
<b>LIABILITIES</b>								
Accounts payable					\$ 781,672	\$ 179,471	\$ 961,143	\$ 583,501
Accrued royalties					12,095		12,095	12,337
Deferred income								
- Orders and subscriptions					96,128	1,848,872	1,945,000	1,784,700
Accrued postretirement health benefits				\$ 3,965,968			3,965,968	4,122,317
Accrued pension benefits		\$ 8,101,999					8,101,999	4,548,581
<b>Total Liabilities</b>	<b>\$ -</b>	<b>8,101,999</b>	<b>\$ -</b>	<b>3,965,968</b>	<b>889,895</b>	<b>2,028,343</b>	<b>14,986,205</b>	<b>11,051,436</b>
Net Assets (Exhibit B)	57,013	4,168,748	407,476	(3,378,827)	3,472,857	291,318	5,018,585	8,325,707
<b>Total Liabilities and Net Assets</b>	<b>57,013</b>	<b>12,270,747</b>	<b>407,476</b>	<b>587,141</b>	<b>4,362,752</b>	<b>2,319,661</b>	<b>20,004,790</b>	<b>19,377,143</b>

The accompanying notes are an integral part of these financial statements.

The General Service Board of Alcoholics Anonymous, Inc.  
Alcoholics Anonymous World Services, Inc. • Alcoholics Anonymous Grapevine, Inc.

**CONSOLIDATED STATEMENT OF ACTIVITY**

Year Ended December 31, 2008 (with comparative totals for 2007)

	General Service Board of A.A.				A.A. Grapevine, Inc.			Consolidated 2008	Consolidated 2007
	General Fund	Reserve Fund	Capital Projects Fund	Postretirement Medical Fund	A.A. World Services, Inc.	English	Spanish Magazine		
<b>INCOME AND COST OF LITERATURE</b>									
Gross Sales					\$ 12,777,333	\$ 2,952,238	\$ 124,635	\$ 15,854,206	\$ 15,708,507
Less: Discounts					347,381	116,919	-	464,300	447,524
<b>Net Sales</b>					<u>12,429,952</u>	<u>2,835,319</u>	<u>124,635</u>	<u>15,389,906</u>	<u>15,260,983</u>
Cost of Literature Distributed									
Printing					(3,567,820)	(423,633)	(42,356)	(4,033,809)	(4,132,544)
Royalties on books					(51,097)	-	-	(51,097)	(67,898)
Direct shipping and warehousing					(1,862,685)	(671,269)	(37,389)	(2,571,343)	(2,278,701)
<b>Gross Profit from Literature</b>					<u>6,948,350</u>	<u>1,740,417</u>	<u>44,890</u>	<u>8,733,657</u>	<u>8,781,840</u>
<b>CONTRIBUTIONS</b>	\$ 6,462,760							6,462,760	6,526,002
<b>INVESTMENT INCOME (Note 2)</b>	2,206	\$ 660,897		\$ (164,233)	3,552	66,200	-	568,622	853,330
<b>Total Income</b>	<u>6,464,966</u>	<u>660,897</u>		<u>(164,233)</u>	<u>6,951,902</u>	<u>1,806,617</u>	<u>44,890</u>	<u>15,765,039</u>	<u>16,161,172</u>
<b>FUNCTIONAL EXPENSES (Exhibit C)</b>									
Program	5,643,407			-	2,455,184	1,196,177	121,154	9,415,922	8,842,552
Supporting services	3,803,853	(528,099)	\$ 167,632	(407,349)	1,789,789	748,896	-	5,574,722	5,363,394
<b>Total Expenses</b>	<u>9,447,260</u>	<u>(528,099)</u>	<u>167,632</u>	<u>(407,349)</u>	<u>4,244,973</u>	<u>1,945,073</u>	<u>121,154</u>	<u>14,990,644</u>	<u>14,205,946</u>
<b>EXCESS OF INCOME (EXPENSE) FOR YEAR</b>	<u>(2,982,294)</u>	<u>1,188,996</u>	<u>(167,632)</u>	<u>243,116</u>	<u>2,706,929</u>	<u>(138,456)</u>	<u>(76,264)</u>	<u>774,395</u>	<u>1,955,226</u>
Recognition of pension liability under SFAS 158	-	(4,081,517)	-	-	-	-	-	(4,081,517)	(3,157,428)
<b>INTERCOMPANY AND INTERFUND TRANSFERS</b>									
GSB La Viña support	(76,264)	-	-	-	-	-	76,264	-	-
Other Transfer	3,058,558	700,000	-	-	(3,758,558)	-	-	-	-
<b>CHANGE IN NET ASSETS FOR YEAR</b>	-	(2,192,521)	(167,632)	243,116	(1,051,629)	(138,456)	-	(3,307,122)	(1,202,202)
<b>NET ASSETS</b>									
Beginning of year	57,013	6,361,269	575,108	(3,621,943)	4,524,486	429,774	-	8,325,707	9,527,909
<b>NET ASSETS</b>									
End of year (Exhibit A)	<u>57,013</u>	<u>4,168,748</u>	<u>407,476</u>	<u>(3,378,827)</u>	<u>3,472,857</u>	<u>291,318</u>	<u>-</u>	<u>5,018,585</u>	<u>8,325,707</u>

The accompanying notes are an integral part of these financial statements.

**The General Service Board of Alcoholics Anonymous, Inc.  
Alcoholics Anonymous World Services, Inc. • Alcoholics Anonymous Grapevine, Inc.**

**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**

Year Ended December 31, 2008 (with comparative totals for 2007)

OPERATING EXPENSES	Group Services	Fellowship Services	General Service Conference	World Service Meeting	Regional Forums	Publishing	Grapevine	La Viña	Supporting Services	2008 Total	2007 Total
Salaries	\$ 712,261	\$ 900,778	\$ 177,670	\$ 3,209	\$ 161,729	\$ 1,217,977	\$ 473,451	\$ 77,544	\$2,385,095	\$ 6,109,714	\$ 5,916,370
Payroll taxes	58,473	69,460	12,088		12,482	88,005	45,217	6,629	182,627	474,981	434,202
Health and group insurance	108,904	129,365	22,514		23,248	163,906	89,192	7,008	501,602	1,045,739	989,716
Retirement expense - funding	195,544	232,282	40,426		41,742	294,302	57,791		540,702	1,402,789	1,357,355
Other program printing	303,329	57,208	65,789	12,000	52,222	-			1,203	491,751	456,016
Mailing labor	116,897	14,092	1,697			-				132,686	128,074
Postage and express	207,610	117,110	49,710		35,360	47,944	4,319	250	38,722	501,025	435,518
Writers fees	18,762	93,838	10,500	7,341	860	50,623			650	182,574	203,990
Foreign literature assistance		95,887								95,887	124,454
Selling expenses						230,226	133,258	8,877	24,213	396,574	292,018
Professional fees		1,812								252,994	286,088
Contracted services	61,693	168,068	18,447	24,376	28,256	84,348	193,739	11,118	533,610	1,123,655	1,049,615
Occupancy	96,448	124,882	9,686		10,586	173,263	77,229		348,339	840,433	835,773
Telephone	15,015	17,211	5,840	504	1,778	14,084	17,201		45,255	116,888	122,134
Equipment maintenance	602	2,532	75		75	11,909			108,481	123,674	123,377
Furniture and equipment depreciation	22,719	23,581	2,797		4,413	35,408		235	61,547	150,700	137,789
Stationery and office supplies	91,916	11,685	10,135	2,835	461	1,192	52,390		70,403	241,017	221,898
Office service and expense	10,049	18,016	28,623	15,899	12,109	19,641	52,390	4,373	306,571	467,671	297,928
Travel, meals and accommodations	4,292	41,779	593,997	295,911	55,509	22,356		4,485	582,805	1,601,134	1,216,560
Bad debts								275	26,185	26,460	29,861
Delegate fees			(216,795)	(136,797)						(353,592)	(194,714)
<b>Total Operating Expenses</b>	<u>2,024,514</u>	<u>2,119,586</u>	<u>833,199</u>	<u>225,278</u>	<u>440,830</u>	<u>2,455,184</u>	<u>1,196,177</u>	<u>121,154</u>	<u>6,008,832</u>	<u>15,424,754</u>	<u>14,464,022</u>
Severance benefits									333,706	333,706	-
Postretirement health benefits									(407,349)	(407,349)	(176,796)
Retirement expense adjustment									(528,099)	(528,099)	(270,788)
Capital projects depreciation									167,632	167,632	189,508
<b>Total Expenses</b>	<u>2,024,514</u>	<u>2,119,586</u>	<u>833,199</u>	<u>225,278</u>	<u>440,830</u>	<u>2,455,184</u>	<u>1,196,177</u>	<u>121,154</u>	<u>5,574,722</u>	<u>14,990,644</u>	<u>14,205,946</u>
Allocation of supporting services to activities	<u>1,089,147</u>	<u>1,140,294</u>	<u>448,244</u>	<u>121,195</u>	<u>237,157</u>	<u>1,789,789</u>	<u>748,896</u>	<u>-</u>	<u>(5,574,722)</u>	<u>-</u>	<u>-</u>
<b>Total Allocated Expenses</b>	<u>3,113,661</u>	<u>3,259,880</u>	<u>1,281,443</u>	<u>346,473</u>	<u>\$677,987</u>	<u>\$ 4,244,973</u>	<u>\$1,945,073</u>	<u>121,154</u>	<u>-</u>	<u>14,990,644</u>	<u>14,205,946</u>
Services	<u>\$3,113,661</u>	<u>\$3,259,880</u>	<u>\$1,281,443</u>	<u>\$346,473</u>	<u>\$677,987</u>					<u>\$ 8,679,444</u>	<u>\$ 8,270,004</u>
Publishing	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$4,244,973</u>				<u>4,244,973</u>	<u>4,035,900</u>
Grapevine	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$1,945,073</u>	<u>\$121,154</u>		<u>2,066,227</u>	<u>1,900,042</u>
										<u>14,990,644</u>	<u>14,205,946</u>
COMPARATIVE TOTALS - 2007	<u>\$3,120,585</u>	<u>\$3,398,192</u>	<u>\$1,110,730</u>	<u>\$ -</u>	<u>\$640,497</u>	<u>\$4,035,900</u>	<u>\$1,765,221</u>	<u>\$ 134,821</u>		<u>\$14,205,946</u>	<u>\$13,345,336</u>

The accompanying notes are an integral part of these financial statements.

**The General Service Board of Alcoholics Anonymous, Inc.  
Alcoholics Anonymous World Services, Inc.  
Alcoholics Anonymous Grapevine, Inc.  
Consolidated Statement of Cash Flows  
Year Ended December 31, 2008  
(with comparative totals for 2007)**

**CASH FLOWS PROVIDED (USED)**

	<u>2008</u>	<u>2007</u>
<b>FROM OPERATING ACTIVITIES:</b>		
Change in net assets for year (Exhibit B)	\$ (3,307,122)	\$ (1,202,202)
Realized and change in unrealized gains on investments	(87,438)	(336,874)
Amortization of bond premiums	21,776	4,470
Depreciation	318,322	327,297
Changes in assets and liabilities:		
Accounts receivable	(5,832)	(44,771)
Inventories	(464,021)	281,659
Deferred charges and other assets	(129,309)	(9,260)
Accounts and accruals payable	377,400	(327,196)
Deferred income	160,300	10,853
Postretirement health benefits obligation	(156,349)	94,107
Accrued pension benefits	<u>3,553,418</u>	<u>2,856,179</u>
<b><u>Net Cash Flows Provided By Operating Activities</u></b>	<u>281,145</u>	<u>1,654,262</u>
<b>FROM INVESTING ACTIVITIES:</b>		
Purchases of property and equipment	(138,219)	(291,923)
Proceeds from sales of investments	5,140,389	3,481,342
Purchases of investments	<u>(6,570,056)</u>	<u>(5,735,231)</u>
<b><u>Net Cash Flows Provided (used) By Investing Activities</u></b>	<u>(1,567,886)</u>	<u>(2,545,812)</u>
Net Increase (Decrease) in Cash	(1,286,741)	(891,550)
Cash, beginning of year	<u>3,372,558</u>	<u>4,264,108</u>
Cash, end of year	<u><u>2,085,817</u></u>	<u><u>3,372,558</u></u>

The accompanying notes are an integral part of these financial statements.

# Report of the Independent Auditor

## AUDITORS' OPINION

April 14, 2009

The Board of Trustees  
The General Service Board of  
Alcoholics Anonymous, Inc.  
475 Riverside Drive  
New York, New York 10015  
Members of the Board:

We have audited the accompanying consolidated statement of financial position of THE GENERAL SERVICE BOARD OF ALCOHOLICS ANONYMOUS, INC., ALCOHOLICS ANONYMOUS WORLD SERVICES, INC., and ALCOHOLICS ANONYMOUS GRAPEVINE, INC. as of December 31, 2008 and the related consolidated statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the Organizations' management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion. The prior year summarized comparative information has been derived from the Organization's December 31, 2007 consolidated financial statements, and in our report dated April 7, 2008, we expressed an unqualified opinion on those financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the three Corporations named above as of December 31, 2008 and the changes in their net assets and their cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Respectfully submitted,  
Owen J. Flanagan and Company  
Certified Public Accountants  
New York, N.Y.

### THE GENERAL SERVICE BOARD OF ALCOHOLICS ANONYMOUS, INC. ALCOHOLICS ANONYMOUS WORLD SERVICES, INC. ALCOHOLICS ANONYMOUS GRAPEVINE, INC. NOTES TO CONSOLIDATED FINANCIAL STATEMENTS DECEMBER 31, 2008

**Note 1 Organization:** The General Service Board of Alcoholics Anonymous, Inc., ("G.S.B.") and its affiliates A.A. World Services, Inc. ("A.A.W.S.") and A.A. Grapevine, Inc. ("A.A.G.V.") are not-for-profit corporations organized for the purpose of assisting in the formation of A.A. Groups and coordinating the A.A. program of rehabilitating alcoholics throughout the world, and publishing books, magazines, pamphlets and other material directly related to that purpose. The trustees of G.S.B. are members ex officio of A.A.W.S. and A.A.G.V., and as such, elect their boards of directors. As members, they also have the sole right to amend the A.A.W.S. and A.A.G.V. by-laws, and approve their budgets.

The activities of the General Service Board of A.A. itself are conducted in five separate funds, as follows:

The RESERVE FUND - This fund was established in 1954 for the purpose of accumulating a prudent operating reserve, which during 1977, was re-defined by a special General Service Board Committee as the prior year's combined operating expenses of A.A. World Services, Inc., A.A. Grapevine, Inc. and the General Fund of the A.A. General Service Board. The committee also rec-

ommended that all investment activities of the operating entities be consolidated into the Reserve Fund. That advisory action was approved by the Board of Trustees and since that time, all funds of the operating entities, in excess of those required for working capital, have been transferred to the Reserve Fund. Included in such transfers from A.A. Grapevine, Inc. have been amounts held for unfulfilled subscriptions reflected as a liability of the Reserve Fund. Any withdrawals from the Reserve Fund must be specifically authorized by the Board of Trustees upon recommendation of the Finance and Budgetary Committee.

The CAPITAL PROJECTS FUND - This fund accounts for the cost of leasehold improvements and computer hardware and software incurred under major capital projects, and records annual depreciation on such assets.

The CONVENTION FUND - A separate fund established to record the direct income and expenses of international A.A. conventions held every five years. These events are separate from the regular operations of the General Service Office, but the General Fund receives any excess of income, or pays any excess of expense, resulting from the activity.

From a historical perspective, the net direct result of all conventions held to date is approximately an excess of income of \$716,000, and presently resides with all other income not required for working capital in the Reserve Fund.

The POSTRETIREMENT MEDICAL FUND - A fund established in 2006 with the goal of accumulating assets equal to 50% of the liability for postretirement health benefits by the end of ten years.

The Postretirement health benefits plan is described in more detail in Note 5.

The GENERAL FUND - This fund is comprised of those assets not included in any of the other funds and may be used for any purpose for which the Corporation was formed. These purposes presently include activities related to communication and information services to A.A. groups and members, public information, cooperation with the professional community and various regional, national and international meetings, conferences and conventions.

All net assets of the Corporations are free of donor restrictions.

**Note 2 Accounting Policies:** The Corporations use the accrual method of accounting, where income is recorded in the period earned and expenses are recorded in the period incurred and to which they pertain. The Organizations do not receive or solicit pledges, so contributions are recorded as income when the cash is received.

Contributions received from A.A. groups and members are for the general activities of the General Service Office, and are recorded as unrestricted. Donations received from foreign A.A. entities for the international literature fund are also treated as unrestricted, as A.A.'s ongoing foreign literature assistance program satisfies the donor's condition on a current basis.

Intercompany balances and transfers are eliminated in the consolidated totals in the accompanying financial statements.

Operating expenses of the General Service Office are shared between the General Service Board of A.A. and A.A. World Services. Expenses related to service activities are charged to the General Service Board, while expenses in connection with publishing activities are allocated to A.A. World Services. Administrative and overhead costs are apportioned between the program activities they support.

Occupancy costs related to A.A. Grapevine's share of office space at the General Service Office have been allocated based on its proportionate square footage; substantially all other expenses related to magazine activities are paid and recorded directly by A.A. Grapevine under its separate accounting system.

**Cash:** For purposes of the consolidated statement of cash flows, cash is defined as cash on hand, checking and money market accounts and short term cash investments.

Cash in excess of federally insured limits are potentially exposed to concentrations of credit risk. However, the Organization only maintains accounts with quality financial institutions with high credit standings, so as a consequence, such risks are limited.

**Inventories:** Inventories held are recorded at lower of cost or market under the first-in, first-out, "FIFO" method of accounting. Proper allowance has been made for slow-moving or damaged merchandise.

Literature distributed without charge is not accounted for separately, but is included in the cost of printing as a reduction of inventory.

**Property and Equipment:** The costs of major capital projects involving leasehold improvements and computer system acquisitions are capitalized and depreciated on a straight line basis over the term of the applicable lease, or the useful life of the equipment, in the Capital Projects Fund.

Normal recurring expenditures for furniture and equipment are capitalized and depreciated over estimated useful lives of three to eight years by the operating entities.

The following table sets forth, by classification of assets, the depreciation lives, the provision for depreciation for the year ended December 31, 2008 and the accumulated depreciation at that date:

	<u>Life</u>	<u>Cost</u>	<u>Current Year</u>	<u>Accumulated Depreciation</u>
Leasehold improvements	Terms of			
475 Riverside Drive	Leases	\$2,586,495	\$ 88,093	\$2,185,974
Furniture	8 Years	738,155	8,397	703,956
Computers - hardware	3 to 5 Years	744,891	92,031	681,875
Software	5 Years	786,208	129,811	574,468
		<u>4,855,749</u>	<u>318,332</u>	<u>4,146,273</u>

**Investments:** Investments are recorded at fair value. Gains and losses on sales or redemptions are recorded by comparison of proceeds to amortized cost on a specific identification basis.

The Corporations adopted FAS 157, Fair Value Measurements, effective January 1, 2008. FAS 157 establishes a framework for measuring fair value, and expands disclosures about fair value measurements. Investments are now classified into one of three categories.

Level 1 - Quoted prices are available in active markets for identical investments as of the reporting date.

Level 2 - Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and the fair value is determined through the use of models or other valuation methodologies.

Level 3 - Pricing inputs are unobservable for the investment and include situations where there is little, if any, market activity for the investment.

All of the securities held by the Corporations at December 31, 2008 and 2007 have been valued at Level 1 using quoted prices available in active markets.

As described above, all funds of the operating entities not required for working capital are consolidated in the Reserve Fund of the General Service Board. In accordance with established policy, the Fund invests in short or medium term U.S. Treasury Notes or Bills normally held to maturity.

The Postretirement Medical Fund holds investments designed to assist in reaching the stated goal of accumulating assets equal to 50% of the accrued postretirement health benefits by December 31, 2015. The fund invests in bond and equity mutual funds.

At December 31, 2008, investments were comprised as follows:

	<u>Cost</u>	<u>Fair Value</u>
Reserve Fund		
Certificate of deposits	\$1,500,000	\$1,500,000
U.S. Treasury	10,944,219	11,564,295
Totals	<u>12,444,219</u>	<u>13,064,295</u>
Postretirement Medical Fund		
Bond funds	214,353	194,265

Equity funds	451,585	276,526
	<u>665,938</u>	<u>470,791</u>
Totals	<u>13,110,157</u>	<u>13,535,086</u>

Investment income for 2008 and 2007 is comprised of the following:

	<u>2008</u>	<u>2007</u>
Interest and dividends	\$ 494,412	\$ 527,623
Realized gains	44,040	25,082
Change in unrealized appreciation	43,399	311,792
Investment expenses	(13,229)	(11,167)
	<u>568,622</u>	<u>853,330</u>

**Functional Expenses:** The consolidated statement of Functional Expenses (Exhibit C) provides detail as to program costs by major activity and supporting services. In addition to the program costs reflected on that Exhibit, amounts shown on the consolidated statement of activities (Exhibit B) as cost of literature distributed also relate to the publishing and magazine programs.

Two of the major program activities described on Exhibit C are for "Group Services" and "Fellowship Services". Group Services includes those activities most closely associated with serving A.A. groups, including the group services staff assignment, the Box 459 newsletter, directories, group records and files, the contributions department and services to French and Spanish speaking groups in North America. Fellowship Services include activities outside of the group, such as public information, co-operation with the professional community, treatment and correctional facilities, archives and loners and overseas services.

Supporting services include costs of the General Service Office which can not be attributed to any specific program activity. These include administrative management, data processing and information systems, editorial and clerical support, trustee and director activities, copy center, accounting, human resources and miscellaneous administrative functions.

The allocation of supporting services to program activities on Exhibit C is done on a pro rata basis to program expenses by entity, and is provided for informational purposes only.

Fundraising costs are immaterial.

**Operating Expenses:** For purposes of the Statement of Functional Expenses, operating expenses are defined as recurring items requiring the current outlay of cash.

**Management Estimates:** The management of the Corporations uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America. These estimates and assumptions affect the reported amounts of assets, liabilities, revenues and expenses. Actual results could vary from the estimates that management uses.

As described in Note 5 of this report, management made certain significant estimates in the calculation of liabilities for postretirement health benefits. These estimates include employee retention, health care cost trends and the actuarial lives of present and projected retirees eligible for benefits. It is reasonably possible that a change in these estimates will occur in the near term. The effect of changes in these estimates can not be determined.

**Note 3 Retirement Plan:** The Organizations adopted a defined benefit pension plan effective January 1, 1965 to provide retirement benefits to eligible U.S. employees who have completed one year of service.

The plan provides an annual benefit equal to 2% of final average compensation multiplied by years of service (not to exceed 35 years), less 0.65% of average social security earnings multiplied by years of service (not to exceed 30 years). The social security offset can not reduce the gross benefit by more than 50%.

Pension expense has been recorded in accordance with SFAS 87 and 132 in which costs are accrued ratably over an employee's years of service based upon factors which are not necessarily the same as those used to calculate the annual funding

requirements. In addition, SFAS 87 required, on a deferred recognition basis, an employer to report an asset or liability on the Organization's balance sheet depending upon a comparison of the Plan's assets to its benefit obligations.

The contributions made to fund pension benefits are recorded by the operating companies as an expense. The difference between the amounts actually paid and the net periodic pension cost under SFAS 87 is recorded by the Reserve Fund as an adjustment to retirement expense as a non-cash item that does not affect current operations.

The following tables set forth the Plan's funded status, assumptions, benefit cost and payments and employer contributions for 2008:

Fair value of plan assets (at December 31)	\$ 10,818,905
Benefit obligation (at December 31)	<u>18,920,904</u>
Funded status	<u>(8,101,999)</u>
Accrued pension cost recognized in consolidated statement of financial position	<u>\$ 8,101,999</u>
Weighted-average assumptions (at December 31)	
Discount rate	6.0%
Expected return on plan assets (based on historical returns)	9.0%
Rate of compensation increase	4.5%
Accumulated benefit obligation	\$15,968,554
Benefit cost	\$ 581,901
Employers' contributions	\$ 1,110,000
Benefits paid	\$ 852,268
Classification of benefit costs:	
Operating expense (cash funding)	\$ 1,110,000
Non-operating expense (non-cash adjustment to pension cost)	<u>(528,099)</u>
	<u>581,901</u>

The expected benefits to be paid for the next ten years are as follows:

2009	\$ 996,000
2010	1,090,000
2011	1,024,000
2012	1,108,000
2013	1,159,000
2014 - 2018	6,788,000

The employers' contributions for 2009 are currently budget to be \$1,430,000.

Plan assets at December 31, 2008 were composed as follows:

Domestic Equity Mutual Funds	41.0%
International Equity Mutual Funds	8.4%
Bond Mutual Funds	46.1%
Cash and equivalents	4.5%
	<u>100.0%</u>

The mutual funds in the plan are primarily index funds designed to achieve diversification between fixed income and equity investments among asset classes including S&P 500, small capitalization companies and international stocks.

The Financial Accounting Standards Board issued Statement #158 in September 2006. This statement revised financial reporting by requiring an employer to recognize the overfunded or underfunded status of a defined benefit plan as an asset or liability in its statement of financial position. The statement became effective for 2007. As a result, an additional pension liability of \$3,157,428 was recognized on the consolidated statement of activity for 2007.

**Note 4 Lease Commitments:** At December 31, 2008, A.A. World Services, Inc. as fiscal agent for the General Service Office, was subject to the following non-cancellable leases (exclusive of future operating increases) in New York City:

\$471,128 yearly office rental lease at 475 Riverside Drive effective January 1, 1999 through December 31, 2008 and extended on August 10, 2006 through December 31, 2018.

\$97,915 yearly office rental lease at 475 Riverside Drive effective January 1, 1999 through December 31, 2008 and extended on August 10, 2006 through December 31, 2018.

The minimum lease commitment at December 31, 2008 is \$5,690,000 as follows:

2009	\$ 569,000
2010	569,000
2011	569,000
2012	569,000
2013	569,000
2014 to 2018	<u>2,845,000</u>
	<u>5,690,000</u>

**Note 5 Postretirement Health Benefits:** The Corporations provide health care benefits for retired employees, substantially all of whom become eligible if they attain retirement age while working at the General Service Office. Benefits are provided through health insurance contracts maintained by the Corporations, 25% of the cost of which is borne by the retirees.

For employees hired after January 1, 2004 there is a three-tier structure in the level of group medical insurance premiums paid for on behalf of employees who retire directly from GSO. For employees with 5-9 years of service the corporations will pay 25%, 10-15 years 50% and more than 15 years 75%.

The assumed health care cost trend rate used to measure the expected cost of benefits covered by the plan is 6.0%. A discount rate of 6.0% has been used to measure the accrued postretirement health benefit obligation shown on Exhibit B.

Prior to 2006 the Plan was unfunded. However, as described in Note 1, a Postretirement Medical Fund was created by the Board with the purpose of accumulating assets equal to 50% of the postretirement health benefits liability after ten years.

The following table sets forth the information regarding the Plan for 2008:

Benefit obligation (at December 31)	\$3,965,968
Benefits paid	<u>\$ 177,102</u>
Benefit cost	<u>\$ 20,753</u>
Benefit cost reported by:	
Operating entities as funded	\$ 428,102
Postretirement Medical Fund	<u>(407,349)</u>
	<u>20,753</u>

The expected postretirement benefits to be paid for the next ten years are as follows:

2009	\$ 187,728
2010	198,992
2011	210,932
2012	223,588
2013	237,003
2014 - 2018	1,416,166

**Note 6 Tax Status:** The Corporations are exempt from Federal income taxes under section 501(c)(3) of the Internal Revenue Code, and are classified as public charities. They are also exempt from New York State franchise and sales taxes.



# The Budget Highlights

## 2009 G.S.O. Budget

These budget highlights describe the "OPERATIONS" of the General Service Office— which comprises A.A. World Services (the Publishing operation) the General Fund (Service activities)—and the Grapevine Operations. They exclude any activities reported separately in the Reserve Fund, Convention Fund, Post Retirement Fund or the Capital Projects Fund.

**Income:** The 2009 budget projects gross sales of \$13,900,000. Unit sales are expected to be approximately flat when compared with 2008. The increase in revenue will be derived from an increase in selected selling prices effective July 1, 2009. While reviewing and recommending the 2009 budget, the A.A.W.S. Board considered that revenue and expense assumptions ultimately affect the long term fiscal health of the General Service Board and its Reserve Fund.

Manufacturing costs are budgeted approximately 6% higher than actual 2008 costs and even with the 2008 budget. While we are anticipating higher paper and manufacturing component costs, our publishing department has done a very good job shopping and negotiating. Royalties are budgeted at \$50,000 this year. There are only 2 remaining recipients.

Shipping and warehousing costs are budgeted approximately 6% higher than the 2008 results as well. The effect of oil prices on the 2009 results will be interesting to see.

After subtracting manufacturing costs, royalties and shipping expense, gross profit is budgeted at \$7,729,900 or 57%. Gross profit has been budgeted about \$780,000 greater than 2008, a direct result of the increase in prices. The 57% gross profit percentage anticipated for 2009 compares with 55.9% for 2008. It should be recognized that as we continue to strive to have literature available throughout our Service Structure in the Spanish and French languages as well as English, lower print runs in non English languages usually result in higher production costs. We strive to have the same selling prices regardless of the manufacturing cost. The result is that lower gross profit margins for low volume items affect the overall gross profit percentages.

The table below reflects the Gross Profit Percentages from 2006 through the estimated for 2009.

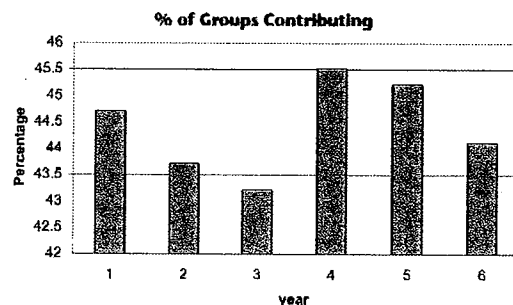
2006	2007	2008	2009 Budget
58.8%	56.8%	55.9%	57.0%

Even though Contribution revenue has shown positive movement for the last several years, total Contributions received for 2008 were less than the 2008 budget and 2007 receipts as well. Your GSO was hit hard during the last quarter of 2008, as was the country at large. Prudence dictates that actions have been necessary to control costs and reinforce the revenue stream so as to provide sufficient funds to continue providing services. Trusted Servants continue to explore methods to reduce the costs of operations as well as assess the services supplied.

**Contributions:** Contributions received for the year 2008 were \$63,000 (1%) less than 2007. For 2009, contributions have been budgeted at \$6,500,000, an increase of approximately 1%.

During 2008, contributions from groups and individuals of \$6,325,180 were \$203,000 (3%) less than budget and \$56,000 (1%) less than 2007. Contributions received from World Service Meeting countries toward the World Service Meeting International literature fund amounted to \$137,600, approximately \$7,000 less than 2007. In total, contributions received for 2008 were just over \$6,462,700.

The % of Groups Contributing chart reflects the approximate percentage of the AA groups that choose to list with the General Service Office that have participated in the 7<sup>th</sup> Tradition by contributing to the General Service Office.



**Total Operating Revenue** for the 2009 is anticipated at \$14,233,900, an increase of approximately \$800,000 due to the increase in selling prices.

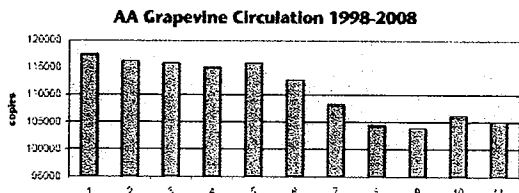
**Total Operating Expenses** for 2009 have been budgeted at \$13,332,700, approximately \$360,000 or 2.6% less than 2008 expenses but even with the 2008 budget.

The 2009 G.S.O. budget anticipates an excess of revenue over expense for 2009 of \$900,000 and is intended to assist in maintaining the Reserve Fund at approximately a nine-month level. This compares with an actual loss of \$275,000 for 2008 and the 2008 adjusted net income of \$180,800.

## 2009 Grapevine Budget

The 2009 Grapevine Budget calls for an average circulation of 100,000, 7,000 copies less than the 2008 budget and approximately 5,000 copies less than the 2008 paid circulation of 104,993. Circulation for the last several years is depicted in the chart below.

**Income:** Magazine income of \$2,003,734 is expected, \$72,000 less than 2008. Other Publishing Income from books, cassette tapes, and miscellaneous items is budgeted at \$941,409, \$182,150 higher than 2008.



**Total Gross Profit:** Combining the magazine and other publishing items, a gross profit of \$1,705,728 is budgeted for 2009. This compares with \$1,740,417 achieved for 2008 and the 2008 budget of \$1,825,968.

**Total Operating Expenses:** Total Operating Expenses for 2009 are budgeted at \$1,939,286, \$5,800 less than the 2008 expenses of \$1,945,073.

**Net Income (loss):** For 2009 the Grapevine anticipates a loss of \$167,358. This compares with a 2008 budgeted profit of \$3,200 and an actual loss from operations of \$138,456.

## 2009 La Viña Budget

Following the 1995 General Service Conference Advisory Action #7, the publication of the Grapevine magazine in Spanish was approved by the Grapevine Board of Directors and the trustees' Finance Committee of the General Service Board. Recognizing this publication as a new venture, both boards were to review the financial impact on the Fellowship and the progress of circulation and continue to monitor the viability of this venture. In 2001 the General Service Board recommended and the 2001 Conference approved that the La Viña magazine continue to be published by the Grapevine but Funded by the General Service Boards, General Fund instead of continuing to draw funds from the Reserve Fund.

For 2009, La Viña expects a gross profit on the magazine of \$20,916, compared with \$22,611 achieved in 2008. Circulation for 2009 is estimated at 10,000, approximately 400 fewer than the 10,400 average for the year 2008 and 1,000 fewer than the 2008 budget. Other Publishing income is estimated at \$38,558 which after deducting cost of product of \$9,529 expects to contribute \$29,029 to revenue. Total costs and expenses are estimated at \$145,720 for 2009, approximately \$24,566 higher than 2008. The 2009 budget projects a net loss of \$95,775, \$19,500 higher than the 2008 loss of \$76,260. To date losses of approximately \$1,210,000 have been incurred.

## The General Service Office 2009 OPERATING BUDGET

INCOME	<u>2008 Budget</u>	<u>2008 Actual</u>	<u>2009 Budget</u>
<b>GROSS SALES</b>	\$12,700,000	\$12,777,333	\$13,900,000
Discounts allowed	350,000	347,381	342,000
<u>Net Sales</u>	12,350,000	12,429,952	13,558,000
Cost of Literature Distributed			
Manufacturing	3,800,000	3,567,820	3,800,000
Royalties	52,000	51,097	50,000
<u>Gross Margin</u>	8,498,000	8,811,035	9,708,000
<b>DIRECT SHIPPING AND WAREHOUSING</b>	1,675,500	1,862,685	1,978,100
<u>Gross Profit from Literature</u>	6,822,500	6,948,350	7,729,900
Contributions Received	6,675,000	6,462,760	6,500,000
Interest Income	10,000	5,758	4,000
<u>Total Revenue</u>	13,507,500	13,416,868	14,233,900
<b>OPERATING EXPENSES</b>			
Salaries	\$5,414,250	\$5,539,874	\$5,253,000
Payroll taxes	374,000	393,760	394,000
Insurance	952,800	899,253	948,800
Retirement expense	1,313,500	1,316,789	1,607,000
Other program printing	475,200	491,750	443,203
Mailing, labor, etc.	130,700	132,686	132,500
Postage & express	440,000	496,454	444,500
Writers' fees	208,300	182,574	101,500
Other literature assist	150,000	95,887	145,500
Selling expenses	173,050	254,439	238,000
Professional fees	208,500	161,798	163,500
Contracted services	881,000	918,799	842,000
Occupancy	755,509	725,509	744,200
Telephone	94,300	91,370	87,567
Equipment maintenance	94,200	94,006	96,142
Furniture & equipment	164,740	139,183	135,700
Stationery & office expense	171,300	188,626	184,200
Office service & expense	270,555	383,439	303,125
Travel, meals, & accommodations	1,044,800	1,178,131	1,058,301
Bad debts	10,000	7,906	10,000
<u>TOTAL OPERATING EXPENSES</u>	\$13,326,704	\$13,692,233	\$13,332,738
<b>INCOME (LOSS) FOR PERIOD</b>	180,796	(275,365)	901,162

## The Alcoholics Anonymous Grapevine, Inc. 2009 BUDGET

	ENGLISH			SPANISH		
	2008 Budget	2008 Actual	2009 Budget	2008 Budget	2008 Actual	2009 Budget
<b>PAID CIRCULATION —</b>						
<b>AVERAGE # OF COPIES</b>	<u>107,000</u>	<u>104,993</u>	<u>100,000</u>	<u>11,000</u>	<u>10,404</u>	<u>10,000</u>
<b>INCOME FROM MAGAZINE</b>						
Subscription income	\$1,927,418	\$1,905,401	\$1,833,600	\$84,286	\$87,038	\$84,000
Single copies and back issues	84,617	96,934	96,934	17,865	7,589	11,513
Digital Archives Project subs	47,426	51,495	51,600			
Audio Grapevine	30,000	22,230	21,600			
<u>Total magazine income</u>	<u>2,089,461</u>	<u>2,076,060</u>	<u>2,003,734</u>	<u>102,151</u>	<u>94,627</u>	<u>95,513</u>
<u>Total direct costs</u>	<u>790,081</u>	<u>826,840</u>	<u>931,975</u>	<u>67,293</u>	<u>72,016</u>	<u>74,597</u>
<b>Gross Profit on Magazine</b>	<u>1,299,380</u>	<u>1,249,220</u>	<u>1,071,759</u>	<u>34,858</u>	<u>22,611</u>	<u>20,916</u>
<b>OTHER PUBLISHING INCOME</b>	812,719	759,259	941,409	40,800	30,008	38,558
<u>Total direct costs</u>	<u>286,131</u>	<u>268,062</u>	<u>307,440</u>	<u>10,500</u>	<u>7,729</u>	<u>9,529</u>
<b>Gross Profit on Special Items</b>	<u>526,588</u>	<u>491,197</u>	<u>633,969</u>	<u>30,300</u>	<u>22,279</u>	<u>29,029</u>
<b>Total Gross Profit</b>	<u>1,825,968</u>	<u>1,740,417</u>	<u>1,705,728</u>	<u>65,158</u>	<u>44,890</u>	<u>49,945</u>
<b>COSTS AND EXPENSES</b>						
<b>EDITORIAL COSTS</b>						
Salaries, including temporary help	318,641	305,054	331,969	58,300	56,252	57,000
Payroll taxes and benefits	126,053	135,634	162,538	19,481	10,712	26,085
Occupancy costs	80,408	70,301	73,774	343	4,373	4,373
Office supplies and expenses	25,248	32,532	21,718			
Magazine Redesign	25,000	24,000				
Product development & Web	45,909	32,697	77,309			
<u>Total Editorial</u>	<u>621,259</u>	<u>600,218</u>	<u>667,308</u>	<u>78,124</u>	<u>71,337</u>	<u>87,458</u>
<b>CIRCULATION AND BUSINESS</b>						
Salaries, including temporary help	483,552	488,948	450,084	23,400	21,292	24,148
Payroll taxes and benefits	172,544	164,437	191,104	2,332	2,925	2,964
Kable fulfillment	143,424	137,042	139,783	10,496	11,118	11,340
Occupancy costs	75,234	70,141	73,648			
Office supplies and expenses	55,331	72,248	62,248			
Selling expense-regular	128,000	118,665	136,900	10,775	8,877	15,175
- GvR program	24,700	14,593	23,400	511	250	265
Postage	6,780	4,319	4,578			
<u>Total Circulation and Business</u>	<u>1,089,565</u>	<u>1,070,393</u>	<u>1,081,745</u>	<u>47,514</u>	<u>44,462</u>	<u>53,892</u>
<b>GENERAL AND ADMINISTRATIVE</b>						
Computer Consulting	32,096	29,668	39,910			
Severance payments		32,000				
Insurance	6,926	7,331	7,331			
Professional fees	45,456	90,835	54,000	2,000	360	360
Meetings and conferences	64,552	64,927	41,646	3,500	4,485	3,500
Furniture and equipment	8,783	11,282	11,282	1,009	235	235
Canadian exchange and other	1,000	11,444	8,828			
Bank service charges	9,000	8,694	8,955			
Bad debts	16,904	18,281	18,281	382	275	275
<u>Total General and Administrative</u>	<u>184,717</u>	<u>274,462</u>	<u>190,233</u>	<u>6,891</u>	<u>5,355</u>	<u>4,370</u>
<b>TOTAL COSTS AND EXPENSES</b>	<u>1,895,541</u>	<u>1,945,073</u>	<u>1,939,286</u>	<u>132,529</u>	<u>121,154</u>	<u>145,720</u>
Interest earned	72,779	66,200	66,200			
<b>NET INCOME (Loss) FOR PERIOD</b>	<u>3,206</u>	<u>-138,456</u>	<u>-167,358</u>	<u>-67,371</u>	<u>-76,264</u>	<u>-95,775</u>

2008 Contributions From Groups, Individuals, Specials, Special Meetings — by Delegate Area (in U.S. Dollars)

AREA #	GENERAL SERVICE CONFERENCE AREA	#GPS. REPORTED	#GPS. CONTRIB.	% OF GPS. CONTRIB.	TOTAL GROUP CONTRIB.	MEMBERSHIP	CONTRIBUTION PER CAPITA	INDIVIDUAL MEMBERS	MEMORIAL	SPECIALS (1)	SPECIAL MEETINGS (2)	TOTAL AREA CONTRIBUTIONS	PER CAPITA
1.	Ala./N.W. Fla.	434	216	49.8%	51,015	9,299	\$5.48	2,199		1,086	93	\$54,392.00	\$5.85
2.	Alaska	187	87	46.5	16,401	3,181	5.16	1,720		1,199		\$19,319.08	\$6.07
3.	Arizona	983	450	45.7	114,250	22,960	4.98	5,646	1,825	3,287	44	\$124,852.61	\$5.44
4.	Arkansas	261	132	50.5	23,275	4,660	4.98	391		2,633		\$26,299.08	\$5.64
	<b>California</b>												
5.	Southern	1,208	391	32.3	121,017	42,115	2.86	9,007	2,000	2,637	315	\$134,976.54	\$3.20
6.	N. Coastal	1,843	1,074	58.2	286,246	57,089	5.01	13,728	3,100	1,880	399	\$305,353.69	\$5.35
7.	N. Interior	865	416	48.0	84,336	24,949	3.38	5,079	80	2,054	100	\$91,649.62	\$3.67
8.	San Diego/Imp.	899	384	42.6	78,820	28,032	3.02	3,185	4,000	3,005	502	\$89,312.66	\$3.43
9.	Mid-South.	1,809	778	43.0	182,496	57,709	3.16	10,673		7,433	646	\$201,248.46	\$3.49
10.	Colorado	738	390	52.8	107,830	17,709	6.08	7,110	2,020	13,539	273	\$130,772.36	\$7.38
11.	Connecticut	1,568	634	40.3	132,076	38,989	3.39	12,123	320	17,932	314	\$162,765.78	\$4.17
12.	Delaware	229	124	54.0	35,160	3,521	10.27	115	100	970		\$37,345.12	\$10.61
13.	D.C.	473	213	44.9	56,945	14,503	3.93	560		1,669		\$59,174.66	\$4.08
	<b>Florida</b>												
14.	North	860	408	47.3	92,912	18,442	5.03	11,469		18,155	30	\$122,665.79	\$6.65
15.	South/	1,800	873	48.5	203,923	39,110	5.21	16,194	2,200	30,801	217	\$253,335.66	\$6.48
16.	Georgia	712	433	60.8	100,345	17,018	5.90	8,010	1,000	2,638	139	\$112,131.85	\$6.59
17.	Hawaii	314	168	53.4	37,926	5,097	7.43	665		858	86	\$39,534.73	\$7.76
18.	Idaho	228	109	47.8	20,779	4,705	4.41	361		2,406	35	\$23,581.84	\$5.01
	<b>Illinois</b>												
19.	Chicago	1,212	302	24.9	86,048	29,300	2.93	2,386	5	9,784	50	\$98,273.59	\$3.35
20.	North	1,112	448	40.3	71,681	22,750	3.14	4,509	2,000	17,879	129	\$96,197.82	\$4.23
21.	South	449	155	34.4	26,716	8,387	3.18	176	3,025	573	42	\$30,531.78	\$3.64
	<b>Indiana</b>												
22.	North	626	247	39.5	33,342	9,286	3.59	702	1,025	1,385	15	\$36,470.17	\$3.93
23.	South	648	275	42.4	38,869	11,745	3.31	334		276	60	\$39,539.69	\$3.37
24.	Iowa	650	274	42.2	42,256	13,605	3.10	497		30	312	\$43,094.74	\$3.17
25.	Kansas	380	185	48.7	35,843	9,792	3.65	361	300	6,169		\$42,673.99	\$4.36
26.	Kentucky	675	294	43.5	76,134	11,008	6.92	4,334		3,988	25	\$84,481.39	\$7.67
27.	Louisiana	451	160	35.4	35,546	9,356	3.79	1,888				\$37,434.21	\$4.00
28.	Maine	508	155	30.4	17,338	8,353	2.07	3,403	10	4,717	120	\$25,598.05	\$3.06
29.	Maryland	1,009	412	40.7	83,330	16,108	5.16	2,958	115	2,095	3,182	\$91,679.76	\$5.69
	<b>Massachusetts</b>												
30.	East	1,388	528	37.9	129,318	46,858	2.75	5,946		971		\$136,235.91	\$2.91
31.	West	296	152	51.3	21,216	5,327	3.97	1,051				\$22,267.29	\$4.18
	<b>Michigan</b>												
32.	Central	628	262	41.6	42,331	13,461	3.14	1,973		1,370	25	\$45,699.83	\$3.39
33.	Southeast	888	294	33.0	58,339	20,363	2.86	2,054	6,075	279		\$66,746.57	\$3.28
34.	West	560	213	37.9	39,479	11,813	3.33	1,671	1,861	7,227	170	\$50,408.87	\$4.27
	<b>Minnesota</b>												
35.	North	555	232	41.8	25,546	8,746	2.91	1,437		475		\$27,458.30	\$3.14
36.	South	1,103	449	40.7	93,767	27,326	3.43	1,021	20	5,924	129	\$100,860.77	\$3.69
37.	Mississippi	229	95	41.5	23,366	4,648	5.03	175		1,930		\$25,470.80	\$5.48
	<b>Missouri</b>												
38.	East	537	218	40.5	45,543	8,919	5.11	4,447	43	1,823		\$51,856.11	\$5.81
39.	West	233	116	49.7	21,510	6,976	3.08	38	100	56	10	\$21,713.86	\$3.11
40.	Montana	285	128	44.8	29,320	4,995	5.87	1,497		533		\$31,350.17	\$6.28
41.	Nebraska	707	315	44.5	55,084	16,110	3.41	826		685	125	\$56,719.93	\$3.52
42.	Nevada	523	194	37.1	39,792	12,477	3.18	3,407		1,841	6	\$45,045.68	\$3.61
43.	New Hampshire	600	250	41.7	35,282	11,283	3.13	909	125	2,397		\$38,713.36	\$3.43
	<b>New Jersey</b>												
44.	North	1,265	583	46.1	124,144	31,080	3.98	12,714	5,450	2,904	102	\$145,314.14	\$4.68
45.	South	514	262	51.0	73,307	8,780	8.35	1,664	552	7,099	300	\$82,921.19	\$9.44
46.	New Mexico	381	178	46.6	36,924	6,689	5.51	2,273		6,082	230	\$45,509.93	\$6.80
	<b>New York</b>												
47.	Central	723	253	34.9	43,948	12,193	3.59	1,957	3,310	1,816	7	\$51,038.34	\$4.19
48.	H./M./B.	777	288	37.1	26,782	11,244	2.38	961		5,017		\$32,760.13	\$2.91
49.	Southeast	1,782	734	41.6	220,713	56,310	3.92	13,446	2,879	5,065	100	\$242,203.09	\$4.30
50.	West	352	90	25.5	14,560	5,827	2.48	162			29	\$14,750.74	\$2.53
51.	N. Carolina	994	492	49.4	113,616	16,524	6.87	4,998		2,493		\$121,106.60	\$7.33
52.	North Dakota	151	83	54.9	15,138	3,309	4.56	301	25	2,397		\$17,861.18	\$5.40
	<b>Ohio</b>												
53.	Cent. & S.E.	754	201	26.7	28,076	10,649	2.64	1,603		1,194		\$30,874.07	\$2.90
54.	Northeast	1,458	349	23.9	43,329	20,613	2.09	979	4,095	2,500	80	\$50,983.06	\$2.47
55.	N.W. Ohio/ S.E. Mich.	307	109	35.4	14,700	4,431	3.31	17		100		\$14,817.35	\$3.34
	<b>Okla.</b>												
56.	S.W. Ohio	552	249	45.0	44,841	10,337	4.33	342	100	571	55	\$45,909.04	\$4.44
57.	Oklahoma	391	204	52.1	38,239	7,928	4.81	496		2,315		\$41,050.13	\$5.18
58.	Oregon	1,013	406	40.1	84,781	19,723	4.29	2,910	1,020	3,711	141	\$92,563.11	\$4.69

<b>Pennsylvania</b>													
59.	East	1,480	750	50.7	175,361	37,180	4.71	9,969	2,584	9,952	205	\$198,070.66	\$5.33
60.	West	842	393	46.7	56,074	11,937	4.69	1,153	25	1,198		\$58,450.68	\$4.90
61.	Rhode Island	259	108	41.6	26,934	5,450	4.93	519		7,494		\$34,947.18	\$6.41
62.	South Carolina	336	195	57.9	56,807	8,427	6.73	265		8,346		\$65,418.35	\$7.76
63.	South Dakota	179	75	41.9	10,600	5,227	2.02	9		735		\$11,343.86	\$2.17
64.	Tennessee	553	254	45.8	54,346	12,971	4.19	5,362		2,381	505	\$62,594.29	\$4.83
<b>Texas</b>													
65.	Northeast	470	203	43.1	81,915	20,323	4.03	4,250		1,740	160	\$88,064.54	\$4.33
66.	Northwest	223	71	31.7	16,478	5,662	2.90	213		3,963		\$20,653.68	\$3.65
67.	Southeast	586	269	45.9	60,405	16,879	3.57	7,013	875	4,712		\$73,004.67	\$4.33
68.	Southwest	550	240	43.5	74,199	13,287	5.57	3,608		4,505		\$82,313.17	\$6.20
69.	Utah	288	169	58.6	34,588	6,025	5.74	832		861	60	\$36,341.72	\$6.03
70.	Vermont	267	102	38.1	17,088	4,633	3.69	10,804		575		\$28,466.23	\$6.14
71.	Virginia	1,268	664	52.3	137,130	23,539	5.82	5,237	20	2,357	140	\$144,884.12	\$6.16
72.	Western Washington	1,287	586	45.5	132,189	27,898	4.73	8,147	1,000	8,881	40	\$150,256.66	\$5.39
73.	West Virginia	319	132	41.4	14,313	3,471	4.12	234		1,409		\$15,956.22	\$4.60
<b>Wisconsin</b>													
74.	N. Wis./Upper Pen. Mich.	668	272	40.7	30,561	10,195	2.99	1,962	325	281		\$33,129.11	\$3.25
75.	South	984	417	42.4	50,447	18,389	2.74	260		265		\$50,971.87	\$2.77
76.	Wyoming	113	61	54.0	14,188	2,078	6.82	758		1,051		\$15,997.34	\$7.70
77.	Puerto Rico	118	71	60.2	7,792	1,235	6.31	35		571	125	\$8,523.61	\$6.90
78.	Alberta/N.W.T.	513	258	50.3	85,083	8,565	9.93	3,084		4,745	94	\$93,006.25	\$10.86
79.	B.C./Yukon	752	400	53.2	111,621	14,508	7.68	636		5,784	122	\$118,162.64	\$8.14
80.	Manitoba	151	45	29.8	13,519	3,909	3.46			344		\$13,863.20	\$3.55
81.	N.B./P.E.I.	190	94	49.4	14,623	3,443	4.25			365	487	\$15,474.11	\$4.49
82.	N.S./Nfld./Lab.	239	113	47.3	17,501	3,273	5.35	202		3,952		\$21,654.84	\$6.62
<b>Ontario</b>													
83.	East	552	221	39.9	59,453	14,172	4.19	1,281		8,467	679	\$69,880.15	\$4.93
84.	Northeast	157	60	38.1	12,860	1,898	6.78	105		1,906		\$14,870.97	\$7.84
85.	Northwest	71	17	23.9	4,869	1,080	4.50	69		767		\$5,705.74	\$5.28
86.	West	562	238	42.3	62,911	10,618	5.92	175	150	26,294	633	\$90,163.17	\$8.49
<b>Quebec (3)</b>													
87.	Southwest	530	450	84.8	16,952	13,418	1.25	2,899		13,223		\$33,073.48	\$2.46
88.	Southeast	190	152	80.0	930	3,063	0.29	639		11,052		\$12,620.90	\$4.12
89.	Northwest	307	277	90.1	1,168	6,089	0.18	892		42,003		\$44,063.25	\$7.24
90.	Northwest	354	337	95.1	2,468	6,476	0.37	1,253		57,470		\$61,180.91	\$9.45
91.	Saskatchewan	281	118	42.0	20,454	3,474	5.89	419		4,239		\$25,112.17	\$7.23
92.	Washington East	473	196	41.4	31,300	6,361	4.91	940		503		\$32,742.82	\$5.15
93.	Central Calif	924	397	43.0	96,998	25,510	3.79	5,236	50	3,781	390	\$106,455.82	\$4.17
	Total U.S./Canada	60,093	26,519	44.1	\$ 5,480,770.92	1,342,380	4.08	\$ 279,520.54	\$53,709.55	\$476,026.41	\$ 12,277.23	\$ 6,302,304.65	\$4.69
	Individual, In-memoriam, & special meetings				\$345,507.32								
	Specials				\$476,026.41								
	Total for U.S. & Canada				\$6,302,304.65								
<b>FOREIGN AND OTHER</b>													
	On Line Meetings											\$917.35	
	Correctional & Hospital facility groups											\$231.63	
	Foreign											\$154,433.03	
	Internationalists											\$10.00	
	International Doctors in A.A.											\$3,000.00	
	International Lawyers in A.A.											\$1,254.66	
	Loners											\$608.33	
	Grand Total				\$6,302,304.65							\$6,462,759.65	

**CONTRIBUTION COMPARISON - 2008-2007 (in U.S. dollars)**

	#GPS. REPORTED	#GPS. CONTRIB.	% OF GPS. CONTRIB.	TOTAL GROUP CONTRIB.	MEMBERSHIP	CONTRIBUTIONS PER CAPITA	TOTAL PER CAPITA INCLUDING SPECIALS ETC	2008	2007	
U.S. & Canada 2008	60,093	26,519	44.1%	\$5,480,770.92	1,342,380	\$4.08	\$4.69			
U.S. & Canada 2007	58,340	26,389	45.2%	\$5,370,330.43	1,314,552	\$4.09	\$4.82			
Increase (Decrease)	1,753	130	-1.1%	\$110,440.49	27,828	(\$0.01)	(\$0.13)	EST. COST OF SERVICES PER CAPITA	\$7.04	\$6.49

(1) A Special contribution is one that comes from any number of entities that is not an AA Group. For example, a Conference, a Committee, an Area, a District, an Intergroup, etc.

(2) A Special Meeting is a meeting that does not want to be a group but does want to contribute to the General Service Board.

(3) Reflects not only those groups that contributed directly to G.S.O., but also those groups that contributed through their Conference Areas (per info from areas)