

**Narcotics Anonymous World Services, Inc.**

**Consolidated Statement of Cash Flows**

Six Months Ended June 30, 1999

Cash flows from operating activities	
Net increase	\$ 388,400
Adjustment to reconcile net increase to net cash provided by operating activities:	
Depreciation and amortization	87,615
(Increase) decrease in assets:	
Accounts receivable	78,934
Inventory	47,096
Prepaid expenses	12,811
Deposits	(775)
Increase (decrease) in liabilities:	
Accounts payable	(296,974)
Accrued salaries and withholdings payable	<u>75,458</u>
Net cash provided by operating activities	<u>392,565</u>
Cash flows from investing activities	
Purchase of property and equipment	(98,938)
Payments to secure copyrights and trademarks	<u>(12,516)</u>
Net cash (used for) investing activities	<u>(111,454)</u>
Cash flows from financing activities	
Payment of note payable	<u>(42,500)</u>
Net increase in cash	238,611
Cash	
Beginning of year	<u>756,648</u>
End of year	<u>\$ 995,259</u>

See accompanying notes to financial statements.