



**Narcotics Anonymous World Services
Consolidated Statement of Functional Expenses
Exhibit C-1**

| | Year Ended 30 June 2014 | | | | |
|-----------------------------------|---|---|---------------------------|---------------------------|----------------------------|
| | Literature Production and Distribution | World Service Conference Support | Fellowship Development | Events | Total |
| Expenses: | | | | | |
| Salaries, wages and payroll taxes | \$986,722 | \$606,129 | \$958,530 | \$321,184 | \$2,872,565 |
| Employee health benefits | 158,685 | 97,477 | 154,150 | 43,071 | 453,383 |
| Retirement contribution | 26,714 | 16,410 | 25,951 | 7,251 | 76,326 |
| Contract labor | 24,969 | 15,338 | 24,256 | 6,777 | 71,340 |
| Convention expense | - | - | - | 2,903,544 | 2,903,544 |
| Occupancy | 244,933 | 150,459 | 237,935 | 66,482 | 699,809 |
| Travel | 1,266 | 4,904 | 1,776 | 1,125 | 9,071 |
| Conferences | - | 560,281 | - | - | 560,281 |
| Worldwide workshops | - | - | 132,149 | - | 132,149 |
| Telephone | 30,589 | 18,790 | 29,715 | 8,303 | 87,397 |
| Postage | 8,291 | 6,130 | 8,055 | 13,912 | 36,388 |
| Office expense | 30,872 | 19,853 | 29,990 | 8,380 | 89,095 |
| Professional fees | 118,502 | 27,022 | 42,732 | 11,940 | 200,196 |
| Equipment leases | 180,350 | 110,787 | 175,198 | 48,952 | 515,287 |
| Computer expense | 97,957 | 60,174 | 95,159 | 26,588 | 279,878 |
| Insurance | 23,220 | 14,264 | 22,556 | 6,302 | 66,342 |
| Developmental literature | - | - | 38,895 | - | 38,895 |
| Free publications | - | 55,538 | 77,353 | - | 132,891 |
| Free literature | - | - | 208,465 | - | 208,465 |
| Currency conversion | - | - | 4,896 | - | 4,896 |
| Public relations | - | - | 95,614 | - | 95,614 |
| Workgroups | 370 | 7,141 | 378 | 100 | 7,989 |
| World Board | - | 267,329 | - | - | 267,329 |
| Fellowship assistance | - | - | 60,265 | - | 60,265 |
| Website expense | 19,168 | 11,775 | 18,620 | 5,203 | 54,766 |
| Other operating expenses | 5,764 | 3,540 | 5,598 | 1,565 | 16,467 |
| | <u>1,958,372</u> | <u>2,053,341</u> | <u>2,448,236</u> | <u>3,480,679</u> | <u>9,940,628</u> |
| Depreciation and amortization | 78,051 | 47,945 | 75,821 | 21,185 | 223,002 |
| Total expenses | <u><u>\$2,036,423</u></u> | <u><u>\$2,101,286</u></u> | <u><u>\$2,524,057</u></u> | <u><u>\$3,501,864</u></u> | <u><u>\$10,163,630</u></u> |

See accompanying notes to consolidated financial statements.



Narcotics Anonymous World Services
Consolidated Statements of Functional Expenses
Exhibit C-1

| | Year Ended June 30, 2013 | | | | |
|-----------------------------------|---|---|---------------------------|-------------------|---------------------|
| | Literature Production and Distribution | World Service Conference Support | Fellowship Development | Events | Total |
| Expenses: | | | | | |
| Salaries, wages and payroll taxes | \$ 934,187 | \$ 573,858 | \$ 907,496 | \$ 295,860 | \$ 2,711,401 |
| Employee health benefits | 149,544 | 91,863 | 145,271 | 40,591 | 427,269 |
| Retirement contribution | 24,846 | 15,262 | 24,136 | 6,744 | 70,988 |
| Contract labor | 16,989 | 10,436 | 16,504 | 4,611 | 48,540 |
| Convention expense | - | - | - | 91,638 | 91,638 |
| Occupancy | 230,517 | 141,603 | 223,931 | 62,569 | 658,620 |
| Travel | 469 | 563 | 455 | 289 | 1,776 |
| Conferences | - | 30,307 | - | - | 30,307 |
| Worldwide workshops | - | - | 145,085 | - | 145,085 |
| Telephone | 35,134 | 21,583 | 34,131 | 9,536 | 100,384 |
| Postage | 17,218 | 10,866 | 16,726 | 6,009 | 50,819 |
| Office expense | 27,609 | 16,960 | 26,820 | 7,494 | 78,883 |
| Professional fees | 110,608 | 25,985 | 41,092 | 11,482 | 189,167 |
| Equipment leases | 176,528 | 108,439 | 171,485 | 47,915 | 504,367 |
| Computer expense | 78,303 | 48,101 | 76,066 | 21,254 | 223,724 |
| Insurance | 24,112 | 14,810 | 23,422 | 6,545 | 68,889 |
| Developmental literature | - | - | 62,992 | - | 62,992 |
| Free publications | - | 19,590 | 78,057 | - | 97,647 |
| Free literature | 38 | 23 | 248,369 | 10 | 248,440 |
| Currency conversion | - | - | 157,949 | - | 157,949 |
| Public relations | - | - | 61,600 | - | 61,600 |
| Workgroups | 17,380 | 13,641 | 892 | - | 31,913 |
| World Board | - | 271,836 | - | - | 271,836 |
| Fellowship assistance | - | - | 135,844 | - | 135,844 |
| Website expense | 23,082 | 14,178 | 22,422 | 6,265 | 65,947 |
| Other operating expenses | 11,844 | 7,276 | 65,937 | 3,213 | 88,270 |
| | <u>1,878,408</u> | <u>1,437,180</u> | <u>2,686,682</u> | <u>622,025</u> | <u>6,624,295</u> |
| Depreciation and amortization | 65,905 | 40,485 | 64,022 | 17,889 | 188,301 |
| Total expenses | <u>\$ 1,944,313</u> | <u>\$ 1,477,665</u> | <u>\$ 2,750,704</u> | <u>\$ 639,914</u> | <u>\$ 6,812,596</u> |

See accompanying notes to consolidated financial statements.



Narcotics Anonymous World Services
Consolidated Statements of Functional Expenses
Exhibit C-1

Year Ended June 30, 2012

| | Literature Production and Distribution | World Service Conference Support | Fellowship Development | Events | Total |
|-----------------------------------|---|--|---------------------------|---------------------|---------------------|
| Expenses: | | | | | |
| Salaries, wages and payroll taxes | \$ 970,220 | \$ 627,790 | \$ 970,220 | \$ 336,888 | \$ 2,905,118 |
| Employee health benefits | 131,903 | 85,349 | 131,903 | 38,794 | 337,949 |
| Retirement contribution | 22,775 | 14,736 | 22,775 | 6,698 | 66,984 |
| Contract labor | 2,047 | 1,326 | 2,047 | 602 | 6,022 |
| Convention expense | - | - | - | 2,061,836 | 2,061,836 |
| Occupancy | 221,474 | 143,306 | 221,474 | 65,139 | 651,393 |
| Travel | 1,091 | 2,958 | 1,207 | 321 | 5,577 |
| Conferences | - | 478,344 | - | - | 478,344 |
| Worldwide workshops | - | - | 85,920 | - | 85,920 |
| Telephone | 32,741 | 21,185 | 32,741 | 9,630 | 96,297 |
| Postage | 5,778 | 4,570 | 6,518 | 5,991 | 22,857 |
| Office expense | 31,661 | 20,486 | 31,661 | 9,312 | 93,120 |
| Professional fees | 85,075 | 15,463 | 23,898 | 7,029 | 131,465 |
| Equipment leases | 145,072 | 93,870 | 145,072 | 42,669 | 426,683 |
| Computer expense | 68,020 | 47,091 | 68,020 | 20,006 | 203,137 |
| Insurance | 20,650 | 13,361 | 20,650 | 6,074 | 60,735 |
| Interest expense | 1,092 | 706 | 1,092 | 321 | 3,211 |
| Developmental literature | - | - | 58,083 | - | 58,083 |
| Free publications | - | 22,155 | 70,003 | - | 92,158 |
| Free literature | - | - | 185,594 | - | 185,594 |
| Currency conversion | - | - | 70,266 | - | 70,266 |
| Public relations | - | - | 60,226 | - | 60,226 |
| Workgroups | 5,239 | 5,773 | 69 | - | 11,081 |
| World board | - | 242,961 | - | - | 242,961 |
| Fellowship assistance | - | - | 128,256 | - | 128,256 |
| Website expense | 26,886 | 17,397 | 26,886 | 7,908 | 79,077 |
| Other operating expenses | 10,848 | 7,019 | 45,787 | 3,191 | 66,845 |
| | <u>1,782,572</u> | <u>1,865,846</u> | <u>2,410,368</u> | <u>2,622,409</u> | <u>8,681,195</u> |
| Depreciation and amortization | 51,114 | 33,073 | 51,114 | 15,033 | 150,334 |
| Loss on disposal | 1,540 | 996 | 1,540 | 453 | 4,529 |
| Total expenses | <u>\$ 1,835,226</u> | <u>\$ 1,899,915</u> | <u>\$ 2,463,022</u> | <u>\$ 2,637,895</u> | <u>\$ 8,836,058</u> |

See accompanying notes to consolidated financial statements.



**Narcotics Anonymous World Services
Consolidated Statements of Functional Expenses
Exhibit C-1**

| | Year Ended June 30, 2011 | | | | |
|-----------------------------------|---|---|----------------------------|--------------------------|----------------------------|
| | Literature Production and Distribution | World Service Conference Support | Fellowship Development | Events | Total |
| Expenses: | | | | | |
| Salaries, wages and payroll taxes | \$ 1,018,222 | \$ 625,479 | \$ 989,129 | \$ 276,375 | \$ 2,909,205 |
| Employee health benefits | 134,915 | 82,876 | 131,060 | 36,619 | 385,470 |
| Retirement contribution | 21,185 | 13,014 | 20,580 | 5,750 | 60,529 |
| Contract labor | 727 | 446 | 706 | 197 | 2,076 |
| Convention expense | - | - | - | 13,524 | 13,524 |
| Occupancy | 206,889 | 106,298 | 168,099 | 46,968 | 528,254 |
| Travel | 45 | 303 | 43 | 12 | 403 |
| Conferences | - | 7,826 | - | - | 7,826 |
| Worldwide workshops | - | - | 51,496 | - | 51,496 |
| Telephone | 30,051 | 18,460 | 29,193 | 8,156 | 85,860 |
| Postage | 7,516 | 5,335 | 7,300 | 3,540 | 23,691 |
| Office expense | 23,738 | 14,583 | 23,060 | 6,444 | 67,825 |
| Professional fees | 75,305 | 16,221 | 25,651 | 7,167 | 124,344 |
| Equipment leases | 149,129 | 91,608 | 144,869 | 40,478 | 426,084 |
| Computer expense | 46,770 | 30,846 | 45,434 | 12,694 | 135,744 |
| Insurance | 23,453 | 14,407 | 22,783 | 6,366 | 67,009 |
| Developmental literature | - | - | 77,812 | - | 77,812 |
| Free publications | - | 15,013 | 91,368 | - | 106,381 |
| Free literature | - | - | 240,140 | - | 240,140 |
| Currency conversion | (14,729) | (9,048) | 25,243 | (3,998) | (2,532) |
| Public relations | - | - | 72,862 | - | 72,862 |
| Workgroups | 18,397 | 217,221 | 601 | - | 236,219 |
| World Board | - | 170,834 | - | - | 170,834 |
| Fellowship assistance | - | - | 28,988 | - | 28,988 |
| Website expense | 30,398 | 18,673 | 29,530 | 8,251 | 86,852 |
| Other operating expenses | 11,757 | 7,224 | 53,289 | 3,190 | 75,460 |
| | <u>1,783,768</u> | <u>1,447,619</u> | <u>2,279,236</u> | <u>471,733</u> | <u>5,982,356</u> |
| Depreciation and amortization | 22,283 | 13,668 | 21,646 | 6,048 | 63,665 |
| Total expenses | <u><u>\$ 1,806,051</u></u> | <u><u>\$ 1,461,307</u></u> | <u><u>\$ 2,300,882</u></u> | <u><u>\$ 477,781</u></u> | <u><u>\$ 6,046,021</u></u> |

See accompanying notes to consolidated financial statements.



**Narcotics Anonymous World Services
Consolidated Statements of Functional Expenses
Exhibit C-1**

Year Ended June 30, 2010

| | Literature Production and Distribution | World Service Conference Support | Fellowship Development | Events | Total |
|-----------------------------------|---|--|---------------------------|---------------------|---------------------|
| Expenses: | | | | | |
| Salaries, wages and payroll taxes | \$ 1,026,254 | \$ 664,047 | \$ 1,026,254 | \$ 301,839 | \$ 3,018,394 |
| Employee health benefits | 126,911 | 82,119 | 126,911 | 37,327 | 373,268 |
| Retirement contribution | 23,780 | 15,387 | 23,780 | 6,994 | 69,941 |
| Contract labor | 2,495 | 1,615 | 2,495 | 734 | 7,339 |
| Convention expense | | | | 1,164,640 | 1,164,640 |
| Occupancy | 177,133 | 103,973 | 160,685 | 47,260 | 489,051 |
| Travel | | 2,295 | | | 2,295 |
| Conferences | | 425,662 | | | 425,662 |
| Worldwide workshops | | | 142,412 | | 142,412 |
| Telephone | 30,809 | 19,936 | 30,809 | 11,812 | 93,366 |
| Postage | 6,786 | 5,158 | 6,786 | 5,602 | 24,332 |
| Office expense | 34,783 | 22,994 | 34,783 | 10,230 | 102,790 |
| Professional fees | 72,821 | 17,576 | 27,163 | 9,569 | 127,129 |
| Equipment leases | 94,052 | 60,857 | 94,052 | 27,662 | 276,623 |
| Computer expense | 47,766 | 33,364 | 47,766 | 34,373 | 163,269 |
| Insurance | 18,560 | 12,009 | 18,560 | 5,459 | 54,588 |
| Interest expense | 25,839 | 16,719 | 25,839 | 7,600 | 75,997 |
| Developmental literature | | | 106,762 | | 106,762 |
| Free publications | | 43,828 | 171,212 | | 215,040 |
| Free literature | | 458 | 250,968 | | 251,426 |
| Currency conversion | | | 47,231 | (11,336) | 35,895 |
| Public Relations | | | 69,265 | | 69,265 |
| Workgroups | 5,127 | 164,517 | 7,451 | | 177,095 |
| World Board | | 270,427 | | | 270,427 |
| Fellowship assistance | | | 137,486 | | 137,486 |
| Website expense | 19,154 | 12,394 | 19,154 | 5,634 | 56,336 |
| Other operating expenses | 10,786 | 6,979 | 38,981 | 4,428 | 61,174 |
| | <u>1,723,056</u> | <u>1,982,314</u> | <u>2,616,805</u> | <u>1,669,827</u> | <u>7,992,002</u> |
| Depreciation and amortization | 93,006 | 60,180 | 93,006 | 27,356 | 273,548 |
| Gain on disposal | (42,760) | (27,668) | (42,760) | (12,578) | (125,766) |
| Total expenses | <u>\$ 1,773,302</u> | <u>\$ 2,014,826</u> | <u>\$ 2,667,051</u> | <u>\$ 1,684,605</u> | <u>\$ 8,139,784</u> |

See accompanying notes to consolidated financial statements.

Narcotics Anonymous World Services
Consolidated Statements of Functional Expenses
Exhibit C-1

Year Ended June 30, 2009

| | Literature Production and Distribution | World Service Conference Support | Fellowship Development | Events | Total |
|-----------------------------------|--|--|---------------------------|-------------------|---------------------|
| Expenses: | | | | | |
| Salaries, wages and payroll taxes | \$ 1,004,975 | \$ 650,278 | \$ 1,004,974 | \$ 295,580 | \$ 2,955,807 |
| Employee health benefits | 128,147 | 82,919 | 128,147 | 37,690 | 376,903 |
| Retirement contribution | 24,991 | 16,171 | 24,991 | 7,350 | 73,503 |
| Contract labor | 1,938 | 1,254 | 1,938 | 24,097 | 29,227 |
| Convention expense | - | - | - | 89,079 | 89,079 |
| Occupancy | 186,848 | 101,771 | 157,281 | 46,260 | 492,160 |
| Travel | 1,457 | 942 | 1,457 | 429 | 4,285 |
| Conferences | - | 43,700 | - | - | 43,700 |
| Worldwide workshops | - | - | 151,907 | - | 151,907 |
| Telephone | 22,008 | 14,240 | 22,008 | 6,929 | 65,185 |
| Postage | 4,068 | 3,337 | 4,068 | 2,197 | 13,670 |
| Office expense | 53,351 | 34,521 | 53,350 | 15,690 | 156,912 |
| Depreciation and amortization | 179,151 | 115,921 | 179,151 | 52,692 | 526,915 |
| Professional fees | 76,967 | 20,302 | 31,375 | 9,228 | 137,872 |
| Equipment leases | 44,232 | 28,621 | 44,231 | 13,009 | 130,093 |
| Computer expense | 32,046 | 24,848 | 32,046 | 9,426 | 98,366 |
| Insurance | 32,832 | 21,244 | 32,832 | 9,655 | 96,563 |
| Interest expense | 55,102 | 35,654 | 55,102 | 16,207 | 162,065 |
| Developmental literature | - | - | 154,296 | - | 154,296 |
| Free publications | - | 51,265 | 154,678 | - | 205,943 |
| Free literature | 746 | 616 | 318,928 | 219 | 320,509 |
| Currency conversion losses | - | - | 42,856 | - | 42,856 |
| Public Relations | - | - | 145,538 | - | 145,538 |
| Workgroups | 22,709 | 2,365 | 256,057 | - | 281,131 |
| World Board | - | 232,651 | - | - | 232,651 |
| Fellowship assistance | - | - | 138,182 | - | 138,182 |
| Website expense | 12,569 | 8,133 | 12,569 | 3,712 | 36,983 |
| Other operating expenses | 18,050 | 11,679 | 31,302 | 5,309 | 66,340 |
| Total expenses | \$ 1,902,187 | \$ 1,502,432 | \$ 3,179,264 | \$ 644,758 | \$ 7,228,641 |

See accompanying notes to consolidated financial statements.

**Narcotics Anonymous World Services
Consolidated Statement of Functional Expenses**

Year Ended 30 June 2008

| | <u>Literature Production & Distribution</u> | <u>World Service Conference Support</u> | <u>Fellowship Development</u> | <u>Events</u> | <u>Total</u> |
|-----------------------------------|---|---|-----------------------------------|---------------------|----------------------|
| Expenses: | | | | | |
| Salaries, wages and payroll taxes | \$ 1,093,143 | \$ 595,335 | \$ 878,828 | \$ 368,540 | \$ 2,935,846 |
| Employee health benefits | 109,538 | 65,723 | 97,019 | 40,685 | 312,965 |
| Retirement contribution | 22,075 | 13,245 | 19,552 | 8,200 | 63,072 |
| Contract labor | 10,331 | 5,306 | 7,832 | 3,284 | 26,753 |
| Convention expense | - | - | - | 3,058,948 | 3,058,948 |
| Occupancy | 175,399 | 105,239 | 155,353 | 65,148 | 501,139 |
| Travel | 14,072 | 172,000 | 237,467 | 3,133 | 426,672 |
| Conferences | - | 538,939 | - | - | 538,939 |
| Worldwide workshops | 10,069 | 74,500 | 209,482 | - | 294,051 |
| Telephone | 23,257 | 14,146 | 20,599 | 24,312 | 82,314 |
| Postage | 25,529 | 15,875 | 22,611 | 38,765 | 102,780 |
| Office expense | 51,615 | 32,724 | 45,717 | 19,171 | 149,227 |
| Depreciation and amortization | 124,303 | 74,581 | 110,096 | 46,169 | 355,149 |
| Professional fees | 78,755 | 17,753 | 26,207 | 27,490 | 150,205 |
| Equipment leases | 43,467 | 26,080 | 38,499 | 16,145 | 124,191 |
| Computer expense | 63,820 | 38,292 | 56,527 | 23,705 | 182,344 |
| Insurance | 16,498 | 9,898 | 14,612 | 6,128 | 47,136 |
| Interest expense | 63,381 | 38,028 | 56,137 | 23,542 | 181,088 |
| Developmental literature | - | - | 141,347 | - | 141,347 |
| Free publications | - | 83,571 | 98,428 | - | 181,999 |
| Free literature | 227 | 136 | 141,659 | 84 | 142,106 |
| Public information | - | - | 30,221 | - | 30,221 |
| Other operating expenses | 94,408 | 67,049 | 118,824 | 38,395 | 318,676 |
| Total expenses | \$ 2,019,887 | \$ 1,988,420 | \$ 2,527,017 | \$ 3,811,844 | \$ 10,347,168 |



Consolidated Statements of Functional Expenses

Year Ended 30 June 2007

| | Year Ended June 30, 2007 | | | | |
|-----------------------------------|---|---|---------------------------|-------------------|---------------------|
| | Literature Production and Distribution | World Service Conference Support | Fellowship Development | Events | Total |
| Expenses: | | | | | |
| Salaries, wages and payroll taxes | \$ 1,016,468 | \$ 712,612 | \$ 849,653 | \$ 219,265 | \$ 2,797,998 |
| Employee health benefits | 113,888 | 84,603 | 100,872 | 26,031 | 325,394 |
| Retirement contribution | 23,658 | 17,574 | 20,954 | 5,407 | 67,593 |
| Contract labor | 4,962 | 3,686 | 4,395 | 1,134 | 14,177 |
| Convention expense | - | - | - | 63,291 | 63,291 |
| Occupancy | 149,599 | 111,131 | 132,502 | 34,194 | 427,426 |
| Travel | 20,476 | 258,408 | 530,648 | 398 | 809,930 |
| Conferences | - | 37,598 | - | - | 37,598 |
| Worldwide workshops | - | 108,595 | - | - | 108,595 |
| Telephone | 25,043 | 19,215 | 22,181 | 11,531 | 77,970 |
| Postage | 10,503 | 8,575 | 18,548 | 5,411 | 43,037 |
| Office expense | 50,563 | 37,561 | 44,785 | 11,557 | 144,466 |
| Depreciation and amortization | 143,394 | 106,520 | 127,005 | 32,776 | 409,695 |
| Professional fees | 35,652 | 23,158 | 27,611 | 7,125 | 93,546 |
| Equipment leases | 16,389 | 12,175 | 14,516 | 3,746 | 46,826 |
| Computer expense | 33,288 | 24,729 | 29,485 | 7,609 | 95,111 |
| Insurance | 16,498 | 12,255 | 14,612 | 3,771 | 47,136 |
| Interest expense | 65,526 | 48,676 | 58,037 | 14,977 | 187,216 |
| Developmental literature | - | - | 140,889 | - | 140,889 |
| Free publications | - | 30,788 | 104,339 | - | 135,127 |
| Other operating expenses | <u>68,824</u> | <u>67,317</u> | <u>287,705</u> | <u>22,801</u> | <u>446,647</u> |
| Total expenses | <u>\$ 1,794,731</u> | <u>\$1,725,176</u> | <u>\$ 2,528,737</u> | <u>\$ 471,024</u> | <u>\$ 6,519,668</u> |



Consolidated Statements of Functional Expenses

Year Ended 30 June 2006

| | June 30, 2006 | | | | |
|--------------------------------------|---|---|---------------------------|--------------------|--------------------|
| | Literature Production and Distribution | World Service Conference Support | Fellowship Development | Events | Total |
| Expenses: | | | | | |
| Salaries, wages and payroll taxes | \$1,001,574 | \$ 711,093 | \$ 847,842 | \$ 218,797 | \$2,779,306 |
| Employee health benefits | 109,212 | 81,130 | 96,732 | 24,963 | 312,037 |
| Retirement contribution | 20,802 | 15,453 | 18,425 | 4,755 | 59,435 |
| Contract labor | 3,288 | 5,573 | 2,913 | 752 | 12,526 |
| Convention expense | - | - | - | 1,693,008 | 1,693,008 |
| Occupancy | 139,168 | 103,382 | 123,264 | 31,810 | 397,624 |
| Travel | 15,301 | 149,947 | 201,037 | 1,786 | 368,071 |
| Conferences | - | 417,216 | - | - | 417,216 |
| Worldwide workshops | - | 123,233 | - | - | 123,233 |
| Telephone | 22,139 | 17,179 | 19,608 | 9,649 | 68,575 |
| Postage | 11,554 | 9,152 | 14,938 | 6,668 | 42,312 |
| Office expense | 46,677 | 35,044 | 41,342 | 10,669 | 133,732 |
| Depreciation and amortization | 161,320 | 119,838 | 142,884 | 36,873 | 460,915 |
| Professional fees | 56,822 | 37,262 | 44,428 | 14,663 | 153,175 |
| Equipment leases | 6,722 | 4,994 | 5,954 | 3,498 | 21,168 |
| Computer expense | 42,518 | 31,585 | 37,659 | 9,743 | 121,505 |
| Insurance | 23,920 | 17,769 | 21,186 | 5,467 | 68,342 |
| Interest expense | 55,000 | 40,857 | 48,714 | 12,572 | 157,143 |
| Developmental literature | - | - | 144,252 | - | 144,252 |
| Free Publications | - | 25,957 | 146,556 | - | 172,513 |
| Other operating expenses | <u>74,431</u> | <u>61,017</u> | <u>268,005</u> | <u>29,022</u> | <u>432,475</u> |
| Total expenses | <u>\$1,790,448</u> | <u>\$2,007,681</u> | <u>\$ 2,225,739</u> | <u>\$2,114,695</u> | <u>\$8,138,563</u> |



Consolidated Statements of Functional Expenses

Years Ended 30 June 2005 and 2004

| | 30 June 2005 | | | | |
|-----------------------------------|---|---|----------------------------|--------------------------|---------------------------|
| | Literature Production and Distribution | World Service Conference Support | Fellowship Development | Events | Total |
| Expenses: | | | | | |
| Salaries, wages and payroll taxes | \$ 848,084 | \$ 630,004 | \$ 751,159 | \$ 193,847 | \$2,423,094 |
| Employee health benefits | 96,100 | 71,388 | 85,116 | 21,966 | 274,570 |
| Retirement contribution | 16,290 | 12,100 | 14,428 | 3,723 | 46,541 |
| Contract labor | 731 | 542 | 647 | 167 | 2,087 |
| Convention expense | - | - | - | 75,602 | 75,602 |
| Occupancy | 134,832 | 100,160 | 119,423 | 30,818 | 385,233 |
| Travel | 11,856 | 194,874 | 148,345 | 4,314 | 359,389 |
| Conferences | - | 35,471 | 34,257 | - | 69,728 |
| Worldwide workshops | - | 61,164 | - | - | 61,164 |
| Committees | - | - | - | - | - |
| Telephone | 21,708 | 16,926 | 19,226 | 9,538 | 67,398 |
| Postage | 6,923 | 6,038 | 6,132 | 3,425 | 22,518 |
| Office expense | 42,267 | 31,398 | 37,436 | 9,661 | 120,762 |
| Depreciation and amortization | 114,392 | 84,977 | 101,322 | 26,147 | 326,838 |
| Professional fees | 55,574 | 40,326 | 49,347 | 12,408 | 157,655 |
| Equipment leases | 21,998 | 16,342 | 19,484 | 5,028 | 62,852 |
| Computer expense | 44,900 | 33,440 | 39,768 | 10,313 | 128,421 |
| Other operating expenses | <u>146,823</u> | <u>155,312</u> | <u>784,137</u> | <u>37,230</u> | <u>1,123,502</u> |
| Total expenses | <u>\$1,562,478</u> | <u>\$1,490,462</u> | <u>\$ 2,210,227</u> | <u>\$ 444,187</u> | <u>\$5,707,354</u> |



Consolidated Statements of Functional Expenses

Years Ended 30 June 2005 and 2004

| | 30 June 2004 | | | | |
|-----------------------------------|---|---|----------------------------|---------------------------|---------------------------|
| | Literature Production and Distribution | World Service Conference Support | Fellowship Development | Events | Total |
| Expenses: | | | | | |
| Salaries, wages and payroll taxes | \$ 816,624 | \$ 648,496 | \$ 552,422 | \$ 384,294 | \$2,401,836 |
| Employee health benefits | 76,243 | 60,546 | 51,576 | 35,879 | 224,244 |
| Retirement contribution | 15,045 | 11,948 | 10,178 | 7,080 | 44,251 |
| Contract labor | 484 | 385 | 328 | 49,657 | 50,854 |
| Convention expense | - | - | - | 1,894,447 | 1,894,447 |
| Occupancy | 127,139 | 100,963 | 86,006 | 59,830 | 373,938 |
| Travel | 1,686 | 150,434 | 4,242 | 90,085 | 246,447 |
| Conferences | - | 319,849 | 15,829 | - | 335,678 |
| Worldwide workshops | - | 49,424 | - | - | 49,424 |
| Committees | - | 6,274 | 107,357 | - | 113,631 |
| Telephone | 21,262 | 17,706 | 14,383 | 18,260 | 71,611 |
| Postage | 13,409 | 11,818 | 9,071 | 6,310 | 40,608 |
| Office expense | 33,983 | 27,264 | 22,989 | 15,992 | 100,228 |
| Depreciation and amortization | 97,668 | 77,559 | 66,069 | 45,961 | 287,257 |
| Professional fees | 23,189 | 18,415 | 15,687 | 11,324 | 68,615 |
| Equipment leases | 24,641 | 19,568 | 16,669 | 11,596 | 72,474 |
| Computer expense | 67,724 | 53,781 | 45,813 | 31,870 | 199,188 |
| Other operating expenses | <u>84,838</u> | <u>107,450</u> | <u>427,001</u> | <u>78,112</u> | <u>697,401</u> |
| Total expenses | <u>\$1,403,935</u> | <u>\$1,681,880</u> | <u>\$ 1,445,620</u> | <u>\$2,740,697</u> | <u>\$7,272,132</u> |