

**NARCOTICS ANONYMOUS WORLD SERVICES, INC.**  
**PROPOSED BUDGET FOR FISCAL YEARS 2008 - 2010**

**PROPOSED**

	Annualized Income & Expense from July 2006 - Oct 2007	Proposed Base July 2008 - June 2009	Proposed Base July 2009 - June 2010	Consolidated Base for Fiscal Years 2008-2010
<b>INCOME</b>				
<b>RECOVERY LITERATURE INCOME</b>				
BASIC TEXT: Hardcover English	\$ 2,094,983	\$ 2,115,932	\$ 2,487,092	\$ 4,603,024
BASIC TEXT: Translated	\$ 180,539	\$ 182,344	\$ 184,167	\$ 366,511
BASIC TEXT: Softcover	\$ 777,197	\$ 784,969	\$ 792,819	\$ 1,577,788
JUST FOR TODAY	\$ 935,808	\$ 945,166	\$ 954,618	\$ 1,899,784
IT WORKS: HOW & WHY	\$ 754,282	\$ 761,825	\$ 769,443	\$ 1,531,267
SPONSORSHIP BOOK	\$ 67,812	\$ 67,812	\$ 67,812	\$ 135,624
STEP WORKING GUIDES	\$ 737,258	\$ 744,630	\$ 752,076	\$ 1,496,706
LITERATURE INCOME IRAN	\$ 611,891	\$ 618,010	\$ 624,190	\$ 1,242,200
OTHER RECOVERY LITERATURE	\$ 1,607,221	\$ 1,623,293	\$ 1,639,526	\$ 3,262,819
<b>Subtotal</b>	<b>\$ 7,766,990</b>	<b>\$ 7,843,981</b>	<b>\$ 8,271,743</b>	<b>\$ 16,115,724</b>
<b>OTHER INVENTORY INCOME</b>				
MEDALLIONS	\$ 610,933	\$ 617,042	\$ 623,212	\$ 1,240,255
KEY TAGS & CHIPS	\$ 994,118	\$ 1,004,059	\$ 1,014,100	\$ 2,018,159
NON-FIPT INFORMATION BOOKLETS	\$ 46,329	\$ 46,792	\$ 47,260	\$ 94,053
HANDBOOKS	\$ 79,053	\$ 79,844	\$ 80,642	\$ 160,485
SPECIALTY ITEMS	\$ 53,144	\$ 53,676	\$ 54,212	\$ 107,888
AUDIOMATERIALS	\$ 2,531	\$ 2,557	\$ 2,582	\$ 5,139
GROUP/AREA MATERIALS	\$ 145,349	\$ 146,803	\$ 148,271	\$ 295,074
MIRACLES HAPPEN	\$ 43,702	\$ 44,139	\$ 44,580	\$ 88,719
<b>Subtotal</b>	<b>\$ 1,975,160</b>	<b>\$ 1,994,911</b>	<b>\$ 2,014,860</b>	<b>\$ 4,009,771</b>
SHIPPING	\$ 391,589	\$ 404,119	\$ 414,828	\$ 818,948
DISCOUNTS	\$ (1,355,604)	\$ (1,369,160)	\$ (1,417,602)	\$ (2,786,762)
DEVELOPMENTAL SUBSIDIES & ALLOWANCES	\$ (268,452)	\$ (271,137)	\$ (273,848)	\$ (544,984)
<b>Gross Literature Income</b>	<b>\$ 8,509,682</b>	<b>\$ 8,602,715</b>	<b>\$ 9,009,982</b>	<b>\$ 17,612,697</b>
<b>RECOVERY LITERATURE COST OF GOODS</b>				
BASIC TEXT: HARD COVER - English	\$ 317,936	\$ 333,832	\$ 420,516	\$ 754,349
BASIC TEXT: Translated	\$ 37,247	\$ 39,110	\$ 40,478	\$ 79,588
BASIC TEXT: Softcover	\$ 63,228	\$ 66,389	\$ 68,713	\$ 135,102
JUST FOR TODAY	\$ 98,273	\$ 103,187	\$ 106,798	\$ 209,985
IT WORKS: HOW & WHY	\$ 115,401	\$ 121,171	\$ 125,412	\$ 246,583
SPONSORSHIP BOOK	\$ 12,296	\$ 12,910	\$ 13,362	\$ 26,272
STEP WORKING GUIDES	\$ 116,107	\$ 121,912	\$ 126,179	\$ 248,091
LITERATURE PRODUCTION (IRAN)	\$ 474,017	\$ 497,717	\$ 515,137	\$ 1,012,855
OTHER RECOVERY LITERATURE	\$ 286,257	\$ 300,570	\$ 311,090	\$ 611,660
<b>Subtotal</b>	<b>\$ 1,520,761</b>	<b>\$ 1,596,799</b>	<b>\$ 1,727,687</b>	<b>\$ 3,324,486</b>
<b>OTHER INVENTORY COST OF GOODS</b>				
MEDALLIONS	\$ 148,689	\$ 156,123	\$ 161,588	\$ 317,711
KEY TAGS & CHIPS	\$ 266,635	\$ 279,966	\$ 289,765	\$ 569,732
NON-FIPT INFORMATION BOOKLETS	\$ 25,342	\$ 26,609	\$ 27,540	\$ 54,149
HANDBOOKS	\$ 28,223	\$ 29,634	\$ 30,671	\$ 60,304
SPECIALTY ITEMS	\$ 18,339	\$ 19,256	\$ 19,930	\$ 39,186
AUDIOMATERIALS	\$ (120)	\$ (126)	\$ (130)	\$ (256)
GROUP/AREA MATERIALS	\$ 58,450	\$ 61,372	\$ 63,520	\$ 124,893
MIRACLES HAPPEN	\$ 4,772	\$ 5,010	\$ 5,185	\$ 10,196
<b>Subtotal</b>	<b>\$ 550,328</b>	<b>\$ 577,845</b>	<b>\$ 598,069</b>	<b>\$ 1,175,914</b>
<b>Total Cost of Good Sold</b>	<b>\$ 2,071,089</b>	<b>\$ 2,174,643</b>	<b>\$ 2,325,756</b>	<b>\$ 4,500,399</b>
<b>Net Literature Income</b>	<b>\$ 6,438,593</b>	<b>\$ 6,428,072</b>	<b>\$ 6,684,226</b>	<b>\$ 13,112,298</b>
<b>FELLOWSHIP DONATIONS</b>				
<b>BREAKDOWN BY DONOR TYPE</b>				
Members	\$ 17,858	\$ 18,305	\$ 18,762	\$ 37,067
Groups	\$ 57,104	\$ 58,532	\$ 59,995	\$ 118,527
Areas	\$ 146,662	\$ 150,328	\$ 154,087	\$ 304,415
Regions	\$ 689,072	\$ 706,299	\$ 723,957	\$ 1,430,256
Events/Conventions	\$ 54,586	\$ 55,950	\$ 57,349	\$ 113,300
Unity Day	\$ 13,846	\$ 14,192	\$ 14,547	\$ 28,739
Zonal & Other Forums	\$ 8,311	\$ 8,519	\$ 8,731	\$ 17,250
<b>Total Donations</b>	<b>\$ 987,439</b>	<b>\$ 1,012,125</b>	<b>\$ 1,037,428</b>	<b>\$ 2,049,553</b>
<b>MISCELLANEOUS INCOME</b>				
LICENSED VENDOR PAYMENTS	\$ 28,425	\$ 23,000	\$ 24,000	\$ 47,000
INTEREST	\$ 74,158	\$ 25,000	\$ 25,000	\$ 50,000
MISCELLANEOUS	\$ 26,026	\$ -	\$ -	\$ -
<b>Total Miscellaneous Income</b>	<b>\$ 128,609</b>	<b>\$ 48,000</b>	<b>\$ 49,000</b>	<b>\$ 97,000</b>
<b>OPERATING INCOME (Not including event specific)</b>	<b>\$ 7,554,640</b>	<b>\$ 7,488,196</b>	<b>\$ 7,770,654</b>	<b>\$ 15,258,850</b>

**NARCOTICS ANONYMOUS WORLD SERVICES, INC.**  
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**PROPOSED**

	Annualized Income & Expense from July 2006 - Oct 2007	Proposed Base July 2008 - June 2009	Proposed Base July 2009 - June 2010	Consolidated Base for Fiscal Years 2008-2010
<b>EXPENSE BY ACTIVITY AREA</b>				
<b>LITERATURE PRODUCTION &amp; DISTRIBUTION</b>				
<b>FIXED OPERATIONAL EXPENSES</b>				
MARKETING	86,977	\$ 91,326	\$ 94,522	\$ 185,848
IN HOUSE PRODUCTION	23,043	\$ 24,195	\$ 25,042	\$ 49,237
TRANSLATIONS	39,944	\$ 41,941	\$ 43,409	\$ 85,349
LITERATURE DISTRIBUTION (IRAN)	58,526	\$ 61,453	\$ 63,603	\$ 125,056
SHIPPING	438,343	\$ 460,260	\$ 476,369	\$ 936,629
BUSINESS PLAN GROUP	15,947	\$ 28,000	\$ 28,000	\$ 56,000
LITERATURE/CONVENTION WORKSHOP	-	ALLOCATION MOVED TO WORKSHOPS IN FELLOWSHIP DEVELOPMENT		
LEGAL	30,447	\$ 48,000	\$ 37,500	\$ 85,500
TRAVEL	2,211	\$ 2,322	\$ 2,414	\$ 4,737
ACCOUNTING	\$ 11,792	\$ 14,925	\$ 15,671	\$ 30,595
PERSONNEL	\$ 1,113,462	\$ 1,026,874	\$ 1,057,680	\$ 2,084,554
OVERHEAD	\$ 525,821	\$ 451,312	\$ 473,877	\$ 925,189
TECHNOLOGY	\$ 59,064	\$ 75,537	\$ 80,069	\$ 155,605
<b>Subtotal Literature Production</b>	\$ <b>2,405,576</b>	\$ <b>2,326,142</b>	\$ <b>2,398,157</b>	\$ <b>4,724,300</b>
<b>VARIABLE OPERATIONAL EXPENSES</b>				
	\$ -	\$ -	\$ -	\$ -
<b>Total Variable Project Expenses for Literature Production</b>	\$ -	\$ -	\$ -	\$ -
<b>Total Literature Production</b>	\$ <b>2,405,576</b>	\$ <b>2,326,142</b>	\$ <b>2,398,157</b>	\$ <b>4,724,300</b>

<b>WORLD SERVICE CONFERENCE SUPPORT</b>				
<b>FIXED OPERATIONAL EXPENSES</b>				
PUBLICATIONS	\$ 44,779	\$ 47,018	\$ 48,898	\$ 95,916
WORLD SERVICE CONFERENCE	\$ 25,427	\$ 26,699	\$ 393,028	\$ 419,726
WORLD BOARD	\$ 217,820	\$ 261,384	\$ 271,839	\$ 533,223
HUMAN RESOURCE PANEL	\$ 26,628	\$ 27,959	\$ 29,078	\$ 57,037
WSC CO-FACILITATOR	\$ 450	\$ 473	\$ 4,515	\$ 4,988
CONFERENCE RELATED TRAVEL	\$ -	\$ -	\$ -	\$ -
LEGAL	\$ -	\$ -	\$ -	\$ -
ACCOUNTING	\$ 8,234	\$ 9,168	\$ 9,626	\$ 18,794
PERSONNEL	\$ 789,362	\$ 630,794	\$ 649,718	\$ 1,280,512
OVERHEAD	\$ 373,348	\$ 277,234	\$ 291,096	\$ 568,331
TECHNOLOGY	\$ 40,985	\$ 46,401	\$ 49,185	\$ 95,586
<b>Subtotal World Service Conference Support</b>	\$ <b>1,527,033</b>	\$ <b>1,327,130</b>	\$ <b>1,746,984</b>	\$ <b>3,074,113</b>
<b>VARIABLE OPERATIONAL EXPENSES</b>				
Concensus Based Decision Making		\$ 10,000		\$ 10,000
Leadership Orientation Material		\$ 10,000	\$ 10,000	\$ 20,000
Fellowship Issue Discussions		\$ 8,000	\$ 7,000	\$ 15,000
Worldwide Workshops	\$ 94,301	MOVED ALLOCATION TO FELLOWSHIP SUPPORT		
<b>Variable Project Expenses for World Service Conference</b>	\$ <b>94,301</b>	\$ <b>28,000</b>	\$ <b>17,000</b>	\$ <b>45,000</b>
<b>Total World Service Conference Support</b>	\$ <b>1,621,334</b>	\$ <b>1,355,130</b>	\$ <b>1,763,984</b>	\$ <b>3,119,113</b>

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**PROPOSED**

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<b>FELLOWSHIP DEVELOPMENT</b>				
<b>FIXED OPERATIONAL EXPENSES</b>				
PUBLICATIONS	\$ 104,788	\$ 110,027	\$ 114,428	\$ 224,455
FELLOWSHIP SUPPORT	\$ 348,689	\$ 246,678	\$ 256,545	\$ 503,223
PROFESSIONAL EVENTS	\$ 131,235	\$ 137,797	\$ 143,309	\$ 281,105
DEVELOPMENTAL LITERATURE	\$ 254,144	\$ 266,851	\$ 277,526	\$ 544,377
ARCHIVES & INFORMATION MANAGEMENT	\$ -	\$ 21,000	\$ 20,000	\$ 41,000
LEGAL	\$ -	\$ -	\$ -	\$ -
ACCOUNTING	\$ 10,444	\$ 14,498	\$ 15,223	\$ 29,721
PERSONNEL	\$ 986,210	\$ 997,535	\$ 1,027,461	\$ 2,024,995
OVERHEAD	\$ 377,378	\$ 438,417	\$ 460,338	\$ 898,755
TECHNOLOGY	\$ 52,314	\$ 73,378	\$ 77,781	\$ 151,159
<b>Subtotal</b>	<b>\$ 2,265,202</b>	<b>\$ 2,306,182</b>	<b>\$ 2,392,610</b>	<b>\$ 4,698,792</b>
<b>VARIABLE OPERATIONAL EXPENSES</b>				
Public Relations Development	\$ 20,099	\$ 58,000	\$ 25,000	\$ 83,000.00
Service Material	\$ 2,118		\$ 32,500	\$ 32,500.00
Service Handbooks	\$ 1,731			\$ -
Self-Support Pamphlets		\$ 27,000	\$ 11,000	\$ 38,000.00
Service System	\$ -	\$ 75,000	\$ 75,000	\$ 150,000.00
Book length piece Living Clean		\$ 90,000	\$ 90,000	\$ 180,000.00
Targeted Literature	\$ 17,637	\$ 32,500	\$ 32,500	\$ 65,000.00
Workshops		\$ 256,000	\$ 256,000	\$ 512,000.00
<b>Variable Project Expenses for Fellowship Development</b>	<b>\$ 41,585</b>	<b>\$ 538,500</b>	<b>\$ 522,000</b>	<b>\$ 1,060,500</b>
<b>Total Fellowship Development</b>	<b>\$ 2,306,786</b>	<b>\$ 2,844,682</b>	<b>\$ 2,914,610</b>	<b>\$ 5,759,292</b>
<b>EVENTS</b>				
<b>FIXED OPERATIONAL EXPENSES</b>				
FUTURE CONVENTION PLANNING	\$ 40,201	\$ 19,500	\$ 20,280	\$ 39,780
LEGAL	\$ -	\$ 9,000	\$ 1,500	\$ 10,500
ACCOUNTING	\$ 15,596	\$ 4,051	\$ 4,254	\$ 8,304
PERSONNEL	\$ 295,586	\$ 278,723	\$ 287,085	\$ 565,808
OVERHEAD	\$ 177,479	\$ 122,499	\$ 128,624	\$ 251,123
TECHNOLOGY	\$ 16,391	\$ 20,503	\$ 21,733	\$ 42,236
<b>Total Events</b>	<b>\$ 545,253</b>	<b>\$ 454,276</b>	<b>\$ 463,475</b>	<b>\$ 917,751</b>
<b>NAWS EXPENSE WITHOUT EVENT SPECIFIC</b>	<b>\$ 6,878,949</b>	<b>\$ 6,980,229</b>	<b>\$ 7,540,225</b>	<b>\$ 14,520,456</b>
<b>Excess Revenue/Expense [without event specific]</b>	<b>\$ 675,691</b>	<b>\$ 507,967</b>	<b>\$ 230,429</b>	<b>\$ 738,395</b>
<b>EVENT SPECIFIC</b>				
<b>WCNA-33 INCOME</b>				
REGISTRATION		\$ -	€ 340,000	\$ 476,000
SPECIAL EVENTS		\$ -	€ 342,500	\$ 479,500
NEWCOMER DONATIONS		\$ -	€ 20,000	\$ 28,000
MERCHANDISE		\$ -	€ 382,500	\$ 535,500
OTHER SALES		\$ -		\$ -
REBATES		\$ -	€ 35,000	\$ 49,000
<b>TOTAL WCNA-33 INCOME</b>	<b>\$ -</b>	<b>\$ -</b>	<b>€ 1,120,000</b>	<b>\$ 1,568,000</b>
<b>WCNA-33 DIRECT EXPENSE</b>				
REGISTRATION		\$ -	€ 250,624	\$ 350,873
SPECIAL EVENTS		\$ -	€ 222,353	\$ 311,294
PROGRAM		\$ -	€ 130,871	\$ 183,219
MERCHANDISE		\$ -	€ 241,199	\$ 337,678
FACILITIES		\$ -	€ 266,624	\$ 373,274
SUPPORT COMMITTEE		\$ -	€ 14,781	\$ 20,694
ADMINISTRATION		\$ -	€ 106,729	\$ 149,421
<b>TOTAL WCNA-33 EXPENSE</b>	<b>\$ -</b>	<b>\$ -</b>	<b>€ 1,233,181</b>	<b>\$ 1,726,453</b>
<b>Total Event Specific Excess Revenue/ Expense</b>	<b>\$ -</b>	<b>\$ -</b>	<b>€ (113,181)</b>	<b>\$ (158,453)</b>
<b>Excess Revenue/Expense with event specific</b>	<b>\$ 675,691</b>	<b>\$ 507,967</b>	<b>\$ 71,976</b>	<b>\$ 579,942</b>

**2008-2010 NARCOTICS ANONYMOUS PROPOSED BUDGET  
CASH BASIS SUMMARY**

	06-07 ACTUAL	07-08 PROJECTED	06-08 CONSOLIDATED	08-09 PROPOSED	09-10 PROPOSED	08-10 CONSOLIDATED
<b>ADJUST FOR NON-CASH ITEMS</b>						
INCOME OVER EXPENSE INCLUDING CONTINGENT WSC ITEMS	634,925	1,190,134	1,825,059	507,967	-	507,967
AMORTIZATION	258,204	262,097	520,301	134,246	147,247	281,493
DEPRECIATION	113,597	122,652	236,249	269,477	282,046	551,523
<b>TOTAL ADJUSTMENTS FOR NON-CASH ITEMS</b>	<b>1,006,726</b>	<b>1,574,882</b>	<b>2,581,608</b>	<b>911,690</b>	<b>429,293</b>	<b>1,340,983</b>
<b>CAPITAL FUNDS UTILIZATION</b>						
COMPUTER EQUIPMENT	\$ (99,208)	(38,959)	(138,167)	\$ (66,000)	\$ (54,000)	\$ (120,000)
DATABASE SOFTWARE & SYSTEM ENHANCEMENTS	\$ (70,534)	(84,578)	(155,112)	\$ (125,000)	\$ (56,000)	\$ (181,000)
WEB SITE REDESIGN & WEB ENABLED TECHNOLOGY				\$ (56,000)	\$ (49,500)	\$ (105,500)
OFFICE EQUIPMENT	\$ (655,098)	-	(655,098)	\$ (69,000)	\$ (37,500)	\$ (106,500)
FURNITURE	\$ (12,962)	(1,219)	(14,182)	\$ (31,000)	\$ (18,500)	\$ (49,500)
LEASEHOLD IMPROVEMENTS	\$ (89,867)	(32,628)	(122,495)	\$ (31,000)	\$ (28,500)	\$ (59,500)
TRADEMARKS & COPYRIGHTS	\$ -	(38,928)	(38,928)	\$ (66,000)	\$ (50,000)	\$ (116,000)
<b>TOTAL</b>	<b>\$ (927,669)</b>	<b>\$ (196,313)</b>	<b>(1,123,982)</b>	<b>\$ (444,000)</b>	<b>\$ (294,000)</b>	<b>\$ (738,000)</b>
<b>ADDITIONAL CONTINGENT UTILIZATION OF CASH</b>						
ARCHIVE PRESERVATION, RESTORATION & DEVELOPMENT			-	\$ (28,500)	\$ (40,000)	\$ (68,500)
INFORMATION MANAGEMENT SYSTEM			-	\$ (31,500)	\$ (25,600)	\$ (57,100)
<b>Total Contingent Expense</b>		<b>\$ -</b>	<b>-</b>	<b>\$ (60,000)</b>	<b>\$ (65,600)</b>	<b>\$ (125,600)</b>
<b>RESERVE FUNDS</b>						
<b>OPERATING RESERVES</b>						
EXISTING RESERVES ALL SOURCES	\$ 1,980,458	\$ 70,500	\$ 1,980,458			NEW
CHATSWORTH: NEW ALLOCATION				21,750	154,000	175,750
EUROPE RESERVE ALLOCATION				22,500	18,500	41,000
CANADA RESERVE ALLOCATION				26,500	27,500	54,000
IRAN RESERVE ALLOCATION				-		-
<b>SUBTOTAL NEW OPERATING RESERVES FROM ALL SOURCES</b>				<b>70,750</b>	<b>200,000</b>	<b>270,750</b>
<b>TOTAL INCLUDING NEW RESERVE FUND ALLOCATIONS</b>				<b>\$ 141,250</b>	<b>\$ 341,250</b>	<b>\$ 482,500</b>
06-08 RESERVE FIGURE COMPARABLE TO APPROX. 108 DAYS EXPENSES						
<b>PERCENTAGE OF OPERATING RESERVE FUNDS ALLOCATED FOR LONG TERM RESERVES @40%</b>				<b>\$ 56,500</b>	<b>\$ 136,500</b>	<b>\$ 193,000</b>
<b>CASH BASIS NET</b>	<b>79,057</b>	<b>1,378,570</b>	<b>1,457,626</b>	<b>336,940</b>	<b>(130,307)</b>	<b>206,633</b>