

Jennie M., Treasurer

The following update is based on the unaudited financial statements for the period that ended December 31, 2017:

The General Fund recorded a loss of \$67,213 for this period, compared to a gain of \$78,821 this period last year. That represents a net negative of \$146,034 over this period last year. Revenue from literature sales was \$53,583 ahead that of 2016 and beat budgeted expectations by \$68,460. The General Fund investment income totaled about \$49,000. We have transferred \$189,600 from the Reserve Fund to the General Fund, as budgeted.

Income:

Literature sales were \$3,523,843 for this period, compared to \$3,337,651 at this time last year. Gross profit on literature sales was \$2,768,460 (81% of sales), compared to \$2,714,877 for 2016. Contributions are at \$1,972,931 for 2017, compared to \$2,098,098 last year—a decrease of 6% and falling short of budgeted projections by \$127,000 for the year. *Forum* subscriptions exceeded budgeted projections by an impressive \$14,000 in 2017, an increase of 5% over last year.

Expenses:

Actual operating expenses were \$5,276,835 for the year, compared to \$5,142,217 last year and slightly over budget. There were no surprises in any of the expense categories. Intense scrutiny of the expenditures throughout the year ensured that we would end the year close to budget.

Reserve Fund:

The fair value of investments in the Reserve Fund totaled \$5,855,854 at December 31, 2017, an increase in value of almost \$734,000 for this year reflecting the overall increased value found in the equities market.

Outlook:

Although we fell short of our budgeted amount for contributions, literature sales were unexpectedly strong and allowed us to end with a relatively small deficit. We are encouraged that members understand the need and will continue to support the efforts of the World Service Office.