

PRESIDENT'S LETTER

by Jeff Abrahamson

Foundation strong, continues to fulfill mission of helping NWA flight attendants

WELCOME to this edition of "The Beacon Light." This newsletter is being distributed to give an update on how The Beacon Foundation is doing. Northwest Airlines has printed this newsletter for the Foundation; no flight attendant donations were used to produce this publication.

There are several items that will be addressed in this issue; including the operational and financial status of The Beacon Foundation, a fundraiser update, in addition to comments from committee members as well as letters from grant recipients of The Beacon Foundation. There is a lot of information in this newsletter; please take the time to read about your Beacon Foundation!

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We are pleased to report that The Beacon Foundation has passed the three-year probationary period required by the Internal Revenue Service (IRS). This means that through several audits, and by our record keeping and daily operation, The Beacon Foundation has used your donated money sensibly and therefore is recognized as non-profit corporation by the IRS. Cash contributions are fully deductible to the extent permitted by law.

The Beacon Foundation relies on money generated through the automatic payroll

deduction program and raised through fundraisers. If you have an idea for fundraising, please feel free to contact a Beacon Foundation representative to discuss your idea. All fundraising activities need to be approved by The Beacon Foundation's board of directors.

I would like to acknowledge the Seattle base for their outstanding fundraising events! As you will read in this newsletter, they have held garage sales, coffee sales, golf tournaments and many other events with all of the proceeds going directly to The Beacon Foundation. They have proven that even the seemingly simplest idea can become a significant fundraiser and that has a lasting impact. Thank you Seattle!

While it has been successful, The Beacon Foundation still needs your help. Committee openings are available at the Boston, New York and San Francisco bases. Contact a Beacon Foundation representative for more information on how you can become involved and make a difference in the lives of your co-workers.

Look for The Beacon Foundation at www.nwabeaconfoundation.org. There, you will find information about donations, fundraisers, board and committee members. There also will be information on how to make a donation to The Beacon Foundation in honor of someone (sympathy or other special occasions).

Finally, I take great pride in being a member of The Beacon Foundation. The board and committee members spend a great amount of time and effort in a worthy cause that makes a positive impact on the lives of our co-workers in need. I thank each of them for volunteering and I thank each flight attendant, and other NWA employees, who have donated, and continue to donate, to The Beacon Foundation. As you will read in the article entitled "Grantee Testimonials," your donations are helping so many in times of need. •

GRANTEE TESTIMONIALS

by Recipients of Beacon Foundation Grants

EACH month, your financial contribution to The Beacon Foundation helps flight attendants who are in need of financial assistance. Many of these people may not have been able to make ends meet without your contribution. Read these thank you letters from grant recipients and learn how your donation has touched their lives.

"I had a minor surgery scheduled three years ago which would only require a few weeks off. I figured that I would miss one trip, maybe two. Well nothing is ever as we plan for so carefully. I came back to work, and after one trip, I discovered the surgery helped nothing. As a result, I ended up being off for the better part of nine months.

"My greatest fear was losing my home. Grants from The Beacon Foundation helped me make my house payments."

After about three months, I was having a lot of trouble keeping up with my bills. The house payment was the hardest and those mortgage companies have no sympathy. I was in danger of losing my house when someone suggested The Beacon Foundation.

I learned some time ago that it's o.k. to ask for help, but I was still feeling rather inadequate when it came time to ask. I can't tell you how nice everyone was. They assured me that that was the exact reason for the Foundation and, of course, they got me caught up on my mortgage. I would have lost my home if it wasn't for them.

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TREASURER'S FINANCIAL UPDATE

by Tim Dougherty

Nearly 11% of NWA flight attendants donate to The Beacon Foundation

IN the four years that The Beacon Foundation has been operating, it has grown at a rate of nearly 20% each year. More NWA employees are contributing to the Foundation either through one-time donations, or regularly through the Automatic Payroll Deduction Program.

The Automatic Payroll Deduction Program allows NWA employees to elect an amount from their paycheck each pay period to be donated directly to the Foundation. The funds received monthly through the payroll deduction program determine how much money the Foundation may grant to Beacon Foundation applicants each month.

Each year, more NWA flight attendants hear the call to help their co-workers in need and participate in the Automatic Payroll Deduction Program. In "Table C" below, each base is listed with the percentage

of people at that base who contribute to The Beacon Foundation through the Automatic Payroll Deduction Program.

Currently, 11% of NWA flight attendants donate through payroll deduction! In only four years of operation, having 11% of the regular donors contributing over \$100,000 a year is incredible. It is a strong base of donors that allows the Foundation room to grow and become financially stronger!

In "Table A" below, you will see that the Foundation received \$108,793 in revenue in 2003 ("Contributions" - "NWA, Inc. employees"), while it issued \$109,702 in

grants ("Expenses" - "Grants paid"). Basic math shows that the Foundation granted more than it received in 2003. However, the Foundation is still financially strong with \$77,851 saved in a money market account ("Table B" - "Money market account"). The money in this account provides the Foundation with a financial cushion so as to allow the occasional occurrences when expenses are over our income. No applicant who has been approved for a grant has not received his/her grant due to lack of funds to distribute.

Our administrative and fundraising expenses remain low. In 2003, these expenses totaled approximately 8% of the total revenue received in 2003.

As the Foundation continues to grow financially, it continues to meet its mission of helping NWA flight attendants in need.

Table A

CONTRIBUTIONS	2003	2002
NWA, Inc. employees	\$108,793	\$89,209
Other	\$26,332	\$19,291
Refunds and reimbursements	\$947	-
Dividend income	\$1,635	\$2,127
Total revenue	\$137,707	\$110,627
EXPENSES		
Grants Paid	\$109,702	\$84,443
Fundraising	\$5,330	\$8,200
Administrative		
Audit fees	\$2,150	\$2,100
Depreciation	\$1,629	\$835
Legal fees	\$1,236	-
Meetings	-	\$305
Office supplies	\$175	\$358
Postage	\$107	\$92
Reimbursed expenses	\$929	-
Repairs and maintenance	-	\$53
Telephone	\$1,314	\$955
Total expenses	\$122,572	\$97,341
INCREASE IN NET ASSETS	\$15,135	\$13,286

Table B

ASSETS	2003	2002
CASH		
Checking accounts	\$29,540	\$20,753
Savings account	\$5	\$5
Money market account	\$77,851	\$76,424
Total cash	\$107,396	\$97,182
PROPERTY AND EQUIPMENT		
Office furniture and equipment	\$6,107	\$4,226
Less accumulated depreciation	(\$2,692)	(\$1,063)
Net property and equipment	\$3,415	\$3,163
Total assets	\$110,811	\$100,345
LIABILITIES AND NET ASSETS		
LIABILITIES		
Due to officer	\$1,581	-
Grants payable	\$3,700	\$9,950
Total liabilities	\$5,281	\$9,950
UNRESTRICTED NET ASSETS	\$105,530	\$90,395
Total liabilities and net assets	\$110,811	\$100,345

Table D

Base	Percentage that donates	Base	Percentage that donates
Boston	31%	Minneapolis/St. Paul	8%
Detroit	8%	New York	10%
Honolulu	20%	San Francisco	5%
Los Angeles	6%	Seattle	31%
Memphis	8%		