Arialbeek Publishing House, LLC

2024 Annual Financial Report

Audited-Format Financial Statements & Management Discussion
For the Fiscal Year Ended December 31, 2024

Entity Type	Limited Liability Company (Delaware) — S-Corporation Election
EIN	XX-XXXXXXX (on file)
Principal Office	Grand Rapids, Michigan, USA
Contact	info@arialbeek.com • wa.me/16165169370
Fiscal Year	January 1, 2024 – December 31, 2024
Accounting Method	Accrual basis, in accordance with U.S. GAAP
IRS Filing Reference	Form 1120-S, Schedule K-1, Schedule L, Schedule M-1/M-2
Report Issued	March 15, 2025

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1. Message from the President

Dr. Adier Mach Deng — Founder & President

Dear Members, Readers, and Partners,

2024 marked a defining year for Arialbeek Publishing House. What began as an intimate imprint devoted to preserving the literary and cultural heritage of South Sudan has matured into a globally distributed catalog of nine titles, an active editorial jury for the South Sudan's Best Writer's Award, and a growing community of young scholars across three continents.

Financially, the House closed the year with total revenue of **$412,850**, a 34.2% increase over 2023, driven principally by strong reception of *The Dinka Ghost Marriage* and the expansion of educational-institution sales through our Young Scholars program. Net operating income reached **$78,420**, reflecting disciplined expense management even as we invested meaningfully in editorial infrastructure, cover artistry, and international distribution.

Beyond the ledger, 2024 was a year in which we honored writers. The inaugural South Sudan's Best Writer's Award recognized Achut Deng and Rebecca Deng for their contributions to memoir and diaspora narrative, and the Editorial Ward Jury Panel — convened in 2023 — completed its first full selection cycle. These are not line items; they are the mission made visible.

To our members, thank you for the trust that underwrites every manuscript we shepherd into print. To our readers, thank you for reading widely and generously. The financial statements that follow are prepared in accordance with U.S. GAAP and are consistent with the reporting requirements of IRS Form 1120-S. They tell an honest story of a small publisher doing serious work.

With gratitude,

Dr. Adier Mach Deng
Founder & President, Arialbeek Publishing House, LLC

2. Executive Overview

Financial Highlights — Year Ended December 31, 2024

Metric	FY 2024	FY 2023	% Change
Total Revenue	$412,850	$307,640	+34.2%
Gross Profit	$268,352	$196,880	+36.3%
Gross Margin	65.0%	64.0%	+1.0 pt
Operating Expenses	$189,932	$151,470	+25.4%
Net Operating Income	$78,420	$45,410	+72.7%
Net Income (Pre-tax)	$74,180	$41,220	+80.0%
Units Sold (all titles)	18,742	13,905	+34.8%
Titles in Active Catalog	9	7	+2

Strategic Context

Arialbeek Publishing House, LLC operates as a Delaware limited liability company with an active S-Corporation tax election (Form 2553 on file). The Company publishes literary, historical, and educational works focused on South Sudanese heritage, distributed through print-on-demand, direct-to-consumer, institutional (school and library), and international wholesale channels.

Revenue diversification improved materially in 2024: direct-to-consumer sales grew to 41% of revenue (from 34%), institutional sales reached 22%, and international wholesale contributed 18%. The remaining 19% derived from Amazon KDP, Ingram Spark, and ancillary merchandise.

Operational Milestones

- Launched two new titles (*The Dinka Ghost Marriage*; *Cattle Camp Chronicles*).
- Completed first full cycle of the Editorial Ward Jury Panel.
- Expanded Young Scholars program to 14 partner schools across 6 countries.
- Migrated fulfillment to a hybrid POD + warehoused model, reducing average unit fulfillment cost by 11%.
- Retained Resend, Supabase, and Lovable Cloud as core technology vendors.

3. Publishing Operations — Title-by-Title Detail

Revenue, unit sales, and direct cost of goods sold (COGS) by title for FY 2024. All figures in USD.

Title	Units	Avg Price	Revenue	COGS	Gross Profit
The Dinka Ghost Marriage	4,820	$24.95	$120,259	$38,483	$81,776
Cattle Camp Chronicles	2,410	$22.00	$53,020	$18,557	$34,463
Sons of the Nile	2,105	$21.50	$45,258	$16,293	$28,965
Twic East: A People's History	1,940	$26.00	$50,440	$17,654	$32,786
Bright Stars of South Sudan	1,760	$19.95	$35,112	$12,289	$22,823
The Stork and the River	1,505	$18.50	$27,843	$9,745	$18,098
Voices from Bor	1,320	$20.00	$26,400	$9,240	$17,160
A Diaspora Reader	1,480	$23.00	$34,040	$11,914	$22,126
Young Scholars Workbook (Ed. 2024)	1,402	$14.50	$20,329	$7,115	$13,214
Totals	**18,742**	**—**	**$412,701**	**$141,290**	**$271,411**

Reconciliation: Title-level revenue of $412,701 differs from total revenue of $412,850 by $149, representing rounded royalty adjustments and de minimis merchandise sales. COGS above reflects unit-level printing, freight-in, and per-unit royalty; overhead-allocated production costs are reported separately in Section 5.

Channel Mix (Revenue)

Channel	Revenue	% of Total
Direct-to-Consumer (arialbeek.com)	$169,268	41.0%
Institutional / Schools / Libraries	$90,827	22.0%
International Wholesale	$74,313	18.0%
Amazon KDP	$45,414	11.0%
Ingram Spark & Other Retail	$28,900	7.0%
Merchandise & Ancillary	$4,128	1.0%
Total	**$412,850**	**100.0%**

4. Statement of Income (Profit & Loss)

For the Year Ended December 31, 2024

Line Item	FY 2024	FY 2023
REVENUE		
Book Sales — Print	$355,411	$268,940
Book Sales — eBook	$41,285	$26,900
Merchandise & Accessories	$4,128	$3,200
Speaking, Licensing & Royalties Received	$12,026	$8,600
Total Revenue	**$412,850**	**$307,640**
COST OF GOODS SOLD		
Printing & Manufacturing	$98,924	$74,830
Freight-In & Fulfillment	$28,412	$21,410
Author Royalties Paid	$17,162	$14,520
Total COGS	**$144,498**	**$110,760**
GROSS PROFIT	**$268,352**	**$196,880**
OPERATING EXPENSES		
Editorial & Production (see §5)	$62,140	$48,900
Marketing & Promotion	$41,220	$32,150
Salaries, Wages & Contractors	$48,900	$38,600
Occupancy & Overhead (see §6)	$21,485	$18,940
Technology & Software	$8,940	$6,220
Professional Fees (legal, accounting)	$5,800	$4,100
Depreciation & Amortization	$1,447	$1,560
Total Operating Expenses	**$189,932**	**$150,470**
NET OPERATING INCOME	**$78,420**	**$46,410**
Interest Income	$620	$310
Interest Expense	($4,860)	($5,500)
NET INCOME BEFORE TAX	**$74,180**	**$41,220**
Pass-through to Members (S-Corp)	$74,180	$41,220
NET INCOME	**$74,180**	**$41,220**

5. Detailed Expense Report

Editorial & Production

Sub-Category	Amount
Developmental & Copy Editing (contractors)	$21,400
Proofreading	$6,850
Cover Design & Illustration	$14,200
Interior Layout & Typesetting	$8,900
ISBN, Cataloging & Registration	$1,240
Manuscript Review — Jury Panel Honoraria	$6,000
Sample Prints, Proofs & Reviewer Copies	$3,550
Total	**$62,140**

Marketing & Promotion

Sub-Category	Amount
Digital Advertising (Meta, Google, TikTok)	$18,400
Book Tour Travel & Events	$9,300
Public Relations & Media Outreach	$4,800
Content Production (video, photo)	$4,120
Trade Shows & Book Fairs	$3,200
Promotional Merchandise	$1,400
Total	**$41,220**

Salaries, Wages & Contractors

Role	Type	Amount
Founder / President (reasonable compensation, S-Corp)	W-2 Salary	$28,000
Managing Editor	Part-time W-2	$11,400
Program Coordinator — Young Scholars	1099 Contractor	$5,200
Social Media & Community Manager	1099 Contractor	$3,100
Payroll Taxes (Employer share)	—	$1,200
Total		**$48,900**

IRS Note: Contractor payments of $600 or more are documented on Form 1099-NEC; W-2 wages are reported on Form W-3/W-2 filings. Reasonable compensation for the S-Corporation shareholder-officer complies with IRS guidance under Rev. Rul. 74-44.

6. Overhead & Operating Cost Analysis

Occupancy & Facility Overhead

Category	Monthly Avg	Annual
Office / Studio Rent (Grand Rapids, MI)	$950	$11,400
Utilities (electric, gas, water)	$185	$2,220
Internet & Phone	$140	$1,680
Renters & Business Insurance	$95	$1,140
Warehousing / Inventory Storage	$210	$2,520
Repairs & Maintenance	$52	$625
Office Supplies & Consumables	$150	$1,800
Total Occupancy & Overhead	**$1,782**	**$21,485**

Technology & Software

Vendor / Service	Purpose	Annual
Lovable Cloud + Supabase	Web platform, database, storage	$3,120
Resend	Transactional & newsletter email	$780
Adobe Creative Cloud	Design & layout	$720
Google Workspace	Email, docs, storage	$540
QuickBooks Online (Plus)	Accounting	$1,020
Zoom, Slack, misc. SaaS	Collaboration	$860
Domain, SSL, DNS	arialbeek.com	$220
Mapbox, Tawk.to, AI Gateway	Site services	$1,680
Total Technology		**$8,940**

Professional Fees

Service	Provider Type	Annual
Tax Preparation (Form 1120-S, K-1s)	CPA	$2,400
Bookkeeping Review (quarterly)	CPA / EA	$1,800
Legal — Contracts & IP	Attorney	$1,200
Registered Agent & State Filings	Corporate services	$400
Total Professional Fees		**$5,800**

7. Statement of Financial Position (Balance Sheet)

As of December 31, 2024 • Mirrors IRS Form 1120-S, Schedule L

	Dec 31, 2024	Dec 31, 2023
ASSETS		
Current Assets		
Cash & Cash Equivalents	$92,410	$54,860
Accounts Receivable (net)	$18,640	$12,220
Inventory — Finished Books	$34,285	$28,940
Prepaid Expenses	$3,120	$2,500
Total Current Assets	**$148,455**	**$98,520**
Non-Current Assets		
Equipment (net of depreciation)	$6,240	$7,490
Capitalized Cover Art & Master Files	$8,900	$6,200
Total Non-Current Assets	**$15,140**	**$13,690**
TOTAL ASSETS	**$163,595**	**$112,210**
LIABILITIES		
Current Liabilities		
Accounts Payable	$11,240	$9,800
Author Royalties Payable	$6,420	$4,900
Accrued Wages & Taxes	$3,110	$2,340
Sales Tax Payable	$2,180	$1,650
Current Portion of Long-Term Debt	$6,000	$6,000
Total Current Liabilities	**$28,950**	**$24,690**
Long-Term Debt (SBA microloan)	$34,000	$40,000
TOTAL LIABILITIES	**$62,950**	**$64,690**
MEMBERS' EQUITY		
Capital Contributions	$25,000	$25,000
Retained Earnings	$75,645	$22,520
Total Members' Equity	**$100,645**	**$47,520**
TOTAL LIABILITIES & EQUITY	**$163,595**	**$112,210**

8. Statement of Cash Flows

For the Year Ended December 31, 2024 • Indirect method

	FY 2024
OPERATING ACTIVITIES	
Net Income	$74,180
Depreciation & Amortization	$1,447
(Increase) in Accounts Receivable	($6,420)
(Increase) in Inventory	($5,345)
(Increase) in Prepaid Expenses	($620)
Increase in Accounts Payable	$1,440
Increase in Royalties Payable	$1,520
Increase in Accrued Wages & Taxes	$770
Increase in Sales Tax Payable	$530
Net Cash from Operating Activities	**$67,502**
INVESTING ACTIVITIES	
Purchase of Equipment	($1,150)
Capitalized Cover Art & Master Files	($2,700)
Net Cash used in Investing Activities	**($3,850)**
FINANCING ACTIVITIES	
Repayment of Long-Term Debt	($6,000)
Distributions to Members	($20,102)
Net Cash used in Financing Activities	**($26,102)**
NET INCREASE IN CASH	**$37,550**
Cash — Beginning of Year	$54,860
Cash — End of Year	**$92,410**

9. Statement of Changes in Members' Equity

	Capital	Retained Earnings	Total
Balance, January 1, 2024	$25,000	$22,520	$47,520
Net Income	—	$74,180	$74,180
Distributions to Members	—	($20,102)	($20,102)
Members' Draws — Owner Health Reimb.	—	($953)	($953)
Balance, December 31, 2024	**$25,000**	**$75,645**	**$100,645**

10. Reconciliation to IRS Form 1120-S (Schedule M-1)

Reconciliation of Income (Loss) per Books with Income (Loss) per Return

	Amount
Net income per books	$74,180
Add: Federal income tax (S-Corp — none at entity level)	$0
Add: Expenses recorded on books not deducted on return	$620
• 50% of meals ($1,240 × 50%)	
Subtotal	**$74,800**
Less: Income recorded on books not on return	$0
Less: Deductions on return not charged against book income	$0
Income (loss) per return (Form 1120-S, Line 21)	**$74,800**

11. Notes to the Financial Statements

Note 1 — Organization & Nature of Business

Arialbeek Publishing House, LLC (the 'Company') is a Delaware limited liability company that has elected S-Corporation tax status effective January 1, 2022. The Company publishes literary, educational, and cultural works with a focus on the heritage of South Sudan, distributed through direct-to-consumer, institutional, and international wholesale channels.

Note 2 — Summary of Significant Accounting Policies

The financial statements have been prepared on the accrual basis of accounting in conformity with U.S. GAAP. Revenue is recognized upon transfer of control (typically shipment for print, download for eBooks). Inventory is stated at the lower of cost (FIFO) or net realizable value. Property and equipment are depreciated on a straight-line basis over 3–7 years. Capitalized cover art and master files are amortized over 5 years.

Note 3 — Cash & Cash Equivalents

Cash consists of demand deposits held at FDIC-insured institutions. At December 31, 2024, no balance exceeded FDIC coverage limits.

Note 4 — Accounts Receivable

Receivables consist principally of amounts due from institutional customers and wholesale distributors, net of an allowance for doubtful accounts of $940 (2023: $620). No single customer represents more than 10% of receivables.

Note 5 — Inventory

Inventory of $34,285 comprises finished books held at the Company's Grand Rapids facility ($21,140) and at Ingram Spark warehouse locations ($13,145). No reserve for obsolescence was required at year-end.

Note 6 — Long-Term Debt

The Company holds a $60,000 SBA microloan originated in 2022, bearing interest at 8.5% per annum, amortizing over 10 years. Principal outstanding at December 31, 2024 is $40,000, of which $6,000 is classified as current. Interest expense for the year was $4,860.

Note 7 — Income Taxes

As an S-Corporation, the Company is generally not subject to federal income tax at the entity level; taxable income passes through to members on Schedule K-1. The Company files IRS Form 1120-S and applicable state returns. There are no uncertain tax positions requiring disclosure under ASC 740.

Note 8 — Related-Party Transactions

The founder and sole voting member, Dr. Adier Mach Deng, received W-2 compensation of $28,000 (deemed reasonable per Rev. Rul. 74-44), member distributions of $20,102, and reimbursement of $953 for accountable-plan business expenses.

Note 9 — Commitments & Contingencies

The Company leases office space under a month-to-month arrangement. There are no material pending legal proceedings. Author royalty commitments are recorded as earned and paid quarterly.

Note 10 — Subsequent Events

Management has evaluated subsequent events through March 15, 2025, the date these statements were issued, and identified no matters requiring adjustment or disclosure other than the routine launch of the 2025 Young Scholars Workbook in February 2025.

12. Management Certification & Disclosures

The undersigned, as President and principal financial officer of Arialbeek Publishing House, LLC, certifies that the financial statements presented herein for the fiscal year ended December 31, 2024 have been prepared in accordance with U.S. Generally Accepted Accounting Principles, are consistent with the Company's books and records, and fairly present, in all material respects, the financial position, results of operations, and cash flows of the Company. These statements are intended to accompany and reconcile to the Company's IRS Form 1120-S filing for tax year 2024.

Dr. Adier Mach Deng	**Date**
Founder & President	

Disclosures

• These statements are unaudited and prepared by management. An independent CPA has performed a compilation-level engagement; no assurance is expressed.
• Illustrative figures — not to be relied upon as the Company's actual filed return without verification against source books and records.
• All amounts in U.S. dollars, rounded to the nearest dollar; totals may reflect rounding differences.
• IRS references (Form 1120-S, Schedules K-1/L/M-1/M-2, Form 1099-NEC, Rev. Rul. 74-44) provided for orientation; consult a qualified tax professional.