JULY 2025 TREASURER'S REPORT

Dear Board and Fellow ACA Members,

Please find the July 2025 Financial Statements for your review. Note that these statements are not audited. They represent the most accurate information available from our accountants at this time.

Treasurer's Report

The Financial Statements are available on the ACA service website at acawso.org. To view the full Treasurer's Report, click on the "Board Treasurer's Report" in the side menu.

Balance Sheet

CLICK HERE TO VIEW THE JULY 2025 BALANCE SHEET

In reviewing the Balance Sheet, we can see that ACA WSO ended the month with $1,443,683 in total assets. This reflects a decrease of $31,664 from the previous month's total of $1,475,348.

Total cash and cash equivalents decreased by $29,638, ending at $323,548.

Inventory assets decreased by $1,680, ending at $388,242. The decrease reflects fulfillment of literature orders and ongoing stock adjustments.

WSO's total liabilities and net assets were $1,443,683 at the end of the period.

The Equity Section includes Restricted Net Assets (GL# 32100), which is the account where the International Literature Fund (ILF) is recorded. As of July, the ILF balance is $42,077, an increase of $103 from June.

We were able to meet all financial obligations without drawing from reserves.

Profit & Loss Statement – Current and Previous Month

CLICK HERE TO VIEW THE JULY 2025 PROFIT & LOSS STATEMENT

Total income for July was $192,737, representing an increase of $11,750 compared to June's $180,987. This figure includes revenue streams from Shopify, Amazon, international orders, digital platforms, eBay, and 7th Tradition Contributions.

The combined total of Shopify, Amazon, international orders, digital platforms, and other revenue increased by $7,696 month-over-month. In addition, 7th Tradition Contributions (including restricted ILF donations) increased by $4,053, which further supported the overall growth.

The combined COGS for July was $89,480, an increase of $5,548 compared to June's $83,932.

As a result, gross profit (before operating expenses) was $103,256, up $6,201 from June's $97,055.

WSO expenses include payroll, contractors, professional fees, rent, technology, and other operating costs. Total expenses for July were $109,697, which is $1,225 lower than June's $110,923.

After deducting expenses, WSO posted a net loss of $6,441 in July, compared to a net loss of $13,868 in June.

Profit & Loss Statement – Current to Budget

CLICK HERE TO VIEW THE JULY 2025 PROFIT & LOSS STATEMENT VS BUDGET

This section compares ACA WSO's actual financial performance to the budgeted expectations for July 2025.

Total income for the month was $192,737, which was $43,022 below the budgeted amount of $235,759. The shortfall is primarily related to lower-than-expected sales across Shopify and Amazon and slower-than-anticipated sales of the new Connections book.

7th Tradition Contributions totaled $40,803, which exceeded the budget of $37,378 by $3,425. Included in this amount was $110 designated for the International Literature Fund (ILF).

Total Cost of Goods Sold (COGS) was $89,480, which was $16,538 lower than the budgeted COGS of $106,018. The decrease was primarily due to reduced sales volume, consistent with the underperformance in literature sales.

Operating expenses were $109,697, coming in $23,370 below the budgeted $133,067. The favorable variance was largely driven by lower contractor costs (-$18,497), travel (-$5,644), professional fees (-$3,418), and technology (-$1,171). These savings were partially offset by increases in events (+$4,339), payroll (+$3,130), and utilities (+$327).

ACA WSO ended the month with a net loss of $6,441, compared to a budgeted net loss of $3,327. This represents an unfavorable variance of $3,114, reflecting the continued shortfall in sales revenue despite expense savings.

Profit & Loss Statement – YTD to Budget

CLICK HERE TO VIEW THE YTD PROFIT & LOSS STATEMENT VS BUDGET

Comparing the YTD P&L to the YTD budget, WSO reported the following variances:

WSO reported total income of $1,388,788, which was $197,438 below the budgeted income of $1,586,226 (a 12% shortfall). The shortfall primarily reflects lower-than-expected revenue from literature sales across Shopify, Amazon, Audible, and Digital Books, partially offset by stronger Shopify Canada and international sales.

7th Tradition Contributions totaled $294,288, exceeding the budgeted amount of $269,459 by $24,829. While contributions provided a positive variance, they accounted for just over 21% of total revenue. We also received $4,959 in restricted contributions to the International Literature Fund (ILF) during this period.

Total Cost of Goods Sold (COGS) for the period was $651,927, which was $76,132 below the budgeted amount of $728,060 (10.5% savings). This decrease is consistent with the reduced sales volume and related fulfillment and production costs.

Total expenses for the period were $809,924, which was $59,627 below the budget of $869,551 (a 6.9% savings). The favorable variance was primarily driven by significantly lower contractor costs (-$73,285), reduced program initiatives (-$6,445), and lower travel expenses (-$4,946). These savings were partially offset by higher payroll (+$10,922), rent (+$5,114), and professional fees (+$4,502).

WSO reported a year-to-date net loss of $73,063, compared to a budgeted net loss of $11,385. This represents an unfavorable variance of $61,678, reflecting the continued shortfall in literature sales despite savings in COGS and operating expenses.

7th Tradition Contribution Report

CLICK HERE TO VIEW THE 7TH TRADITION CONTRIBUTIONS

WSO received $40,803 in 7th Tradition Contributions for the month from members, groups, intergroups, and regions. This exceeded the budgeted amount by approximately $3,425. For year-to-date, WSO received $294,288 in 7th Tradition Contributions from members, groups, intergroups, and regions. This exceeded the budgeted amount of $269,459 by $24,829.

Your support plays a crucial role in sustaining our service efforts. Thank you for helping WSO fulfill its mission of carrying the message worldwide.

We encourage all groups and members to continue supporting the fellowship's self-support efforts. Steady contributions, along with increased literature purchases worldwide, help WSO meet ongoing financial responsibilities.

To view the 7th Tradition Contributions for the month, click the link above or visit the 7th Tradition tab on the right-side menu of the acawso.org website.

Delays in the 60 Day Report Posting Interval

In the June report, I described delays related to staff work tasks on new computer systems. In this month's report, I want to bring the focus away from computer systems and special worker concerns and on to me as your new Treasurer.

One member has noted the delay, past the 60 day time period, for these reports. If you are reading this and share a similar concern, I urge you to continue reading.

When I applied for a WSO Trustee role, I disclosed my ongoing heart and lung conditions; that was in February 2024. This year, April, 2025 I was diagnosed with a serious eye condition. My eye treatment negatively impacts my vision for anywhere from 24-72 hours. I only move ahead with these reports when I can adequately see and cross check things. Thus, a delay now and a potential future delay. The good news is that the eye treatments are successful; there is improvement; and the time between treatments is getting longer, e.g., 2 months vs. 6 weeks. Thus, any future delays on my part should be decreasing.

In closing, “I want to assure you that I am working on the Treasurer’s role, in a serious and thoughtful way”... BUT, my medical issues may interfere and delay these reports, from time to time. I thoroughly understand the importance of these funds for 5th Tradition work and for each current and future member of the Fellowship.

In service,

Al E., Treasurer ACA
WSO