JUNE 2026 TREASURER'S REPORT

Dear Board and Fellow ACA Members,

Please find the June 2026 financial statements for your review. These statements are unaudited and reflect the most accurate information available from our accountants at this time. The full packet is available on the ACA service website (acawso.org), the BLUE website, under "Board Treasurer's Report."

Balance Sheet – What Changed and Why

Total assets ended June 2026 at $1,253,745, an increase of $38,962 from May. The increase was driven primarily by higher cash balances, increased receivables, inventory purchases, and prepaid expenses, partially offset by normal depreciation and lease amortization.

Key Drivers

- Cash and prudent reserve balances increased by $27,100, reflecting improved operating cash flow during the month.
- Accounts receivable increased by $4,700, primarily due to the timing of customer collections at month-end.
- Inventory increased by $5,400, reflecting purchases and replenishment of literature inventory to support future sales.
- Prepaid expenses increased by $8,900, reflecting payments for expenses that will be recognized in future periods.
- Other receivables increased by $6,800, primarily due to timing-related receivable activity.
- Fixed assets and lease-related assets decreased through normal monthly depreciation and lease amortization.

Total liabilities increased by $28,423 during the month.

Notable Changes

- Accounts payable decreased by $6,600 as vendor obligations were paid.
- Credit card balances increased by $9,200 due to the timing of monthly purchases and payments.
- Accrued liabilities increased by $28,300, reflecting month-end payroll and operating expense accruals.
- Payroll liabilities increased by $7,400 due to the timing of payroll payments and related obligations.
- Lease liabilities decreased through scheduled monthly principal payments.
- Total net assets increased by $10,539, reflecting June's operating surplus.

Overall, ACA WSO continues to maintain adequate liquidity and sufficient working capital to support ongoing operations.

Profit & Loss Overview

June reflected a significant improvement in operating performance compared with May, driven by strong member, 7th Tradition contributions, increased Shopify and international sales, and continued expense management.

Highlights:

- Total monthly income was $205,158.
- Literature sales increased to $146,680.
- Contributions totaled $58,478, providing substantial financial support.
- Cost of goods sold totaled $83,490.
- Gross profit totaled $121,668.
- Operating expenses remained well controlled.
- June closed with a net income of $10,539.

Performance Against Budget

While total revenue remained slightly below budget, June performance improved significantly due to stronger contributions and international sales.

Highlights include:

- Total income was approximately $11,265 below budget, primarily due to lower Shopify and Amazon sales.
- Shopify revenue was approximately $12,800 below budget.
- Amazon revenue was approximately $15,900 below budget.
- International sales exceeded budget by approximately $7,000.
- Member contributions exceeded budget by approximately $12,300.
- Gross profit finished essentially on budget, only about $639 below expectations.
- Cost of goods sold remained favorable to budget because of lower product costs associated with sales volume.
- Payroll, contractor, technology, utilities, office, and program initiative expenses remained favorable to budget.
- Professional fees remained slightly above budget but were substantially improved compared with prior months.

Overall, June represented one of the strongest operating months of the year and demonstrated meaningful progress toward improving financial performance.

Year-to-Date Perspective

Through June 2026, ACA WSO has recorded a year-to-date net loss of ($97,641), an improvement of approximately $10,500 from May because of June's positive operating results.

Year-to-date highlights include:

- Literature sales remain below budget across several major sales channels.
- Total sales are approximately $206,000 below budget year-to-date.
- Contributions continue to outperform budget by approximately $16,000, providing important financial stability.
- Cost of goods sold remains below budget due to reduced sales volume.
- Payroll and most operating expenses remain well controlled.
- Professional fees continue to represent the largest unfavorable budget variance.
- June's positive operating results demonstrate encouraging momentum toward reducing the year-to-date deficit.
- Cash flow and working capital remain sufficient to support current operations.

Positive factors continue to include:

- Strong member contributions relative to budget.
- Significant improvement in June operating performance.
- Careful management of payroll and operating expenses.
- Healthy inventory levels to support future sales.
- Strong liquidity and prudent reserve balances.

ACA WSO remains financially stable overall. While literature sales continue to trail budget, June's improved results demonstrate that increased member support and disciplined expense management are helping strengthen the organization's financial position.

How Members Can Help

7th Tradition contributions and literature purchases remain essential to sustaining ACA WSO's services and carrying the ACA message worldwide. Continued member support helps maintain financial stability and expand outreach to those still seeking recovery.

Seventh Tradition contributions have continued to support and sustain the budget while literature sales, across all platforms, have not met overall, year-long financial expectations. I believe this illustrates, not only deep and consistent Fellowship support, but also, the commitment of the Fellowship to support WSO and Tradition 5, even in these inflationary and challenging times. THANK YOU FOR YOUR SUPPORT!

Next Steps

The Finance Committee will continue monitoring:

- Sales trends across all distribution channels.

- Professional service and contractor expenses.
- Inventory levels and working capital.
- Cash flow and prudent reserve balances.
- Progress toward returning operations to budget.
- The impact of recently approved pricing adjustments and shipping cost recovery initiatives on long-term financial performance.

Updates will continue to be shared as part of ACA WSO's commitment to financial transparency.

This report may have missed its original due date due to repeated, severe storms impacting power and internet connectivity.

In Service

Al E.
Treasurer, ACA WSO

Report Links

The following supporting documents are available for review on the ACA service website under **"Board Treasurer's Report."**

- June 2026 Financial Statements (Balance Sheet and Profit & Loss)
- June 2026 Contributions Report