

CEA-HOW, Inc. – World Service Office

World Service Business Conference 2023

Treasurer's Report

The following is an overview of the financial results for CEA-HOW, Inc. for the fiscal year ending December 31, 2022, as well as the first quarter ending March 31, 2023

Fiscal Year 2022 Results:

For 2022, CEA-HOW, Inc. had gross income of \$199,894 up 27% or \$42,556 over the prior year. For 2022, net income was \$15,130, down 76% or \$48,203 vs 2021. The primary contributors to the decrease in net income were a \$39,155 or 33% drop in Contributions, a \$23,809 or 29% increase in Operations expenditures, and a \$14,910 increase in Conference expenditures, offset by a \$25,717 increase in Convention income vs 2021. Given the aberrations in CEA-HOW operations during 2020 and 2021, owing to the pandemic, we are also presenting a comparison of 2022 results to those of 2019 to allow a more normalized comparison. For 2022, CEA-HOW's gross income of \$199,894 was 12% or \$21,932 higher than 2019. For 2022, net income was \$15,130, down 53% or \$17,197 versus 2019. The primary contributor to the decrease in net income was a \$26,397 or 33% increase in Operations expenditures, offset by a \$9,138 or 13% increase in Contributions vs 2019.

Overall	2022	2021	2020	2019	2022 vs 2021		2022 vs 2019	
					\$	%	\$	%
Total Income	\$199,894.47	\$157,338.78	\$130,579.61	\$177,962.69	\$42,555.69	27.0%	\$21,931.78	12.3%
Total Expense	184,763.99	94,005.43	93,507.91	145,634.98	90,758.56	96.5%	39,129.01	26.9%
Net Income	\$15,130.48	\$63,333.35	\$37,071.70	\$32,327.71	(\$48,202.87)	(76.1%)	(\$17,197.23)	(53.2%)

Gross Income by Class	2022	2021	2020	2019	2022 vs 2021		2022 vs 2019	
					\$	%	\$	%
Contributions	\$79,336.72	\$118,488.19	\$92,503.23	\$69,669.19	(\$39,151.47)	(33.0%)	\$9,667.53	13.9%
Conference	3,375.00	4,000.00	4,000.00	4,125.00	(625.00)	(15.6%)	(750.00)	(18.2%)
Convention	87,992.92	9,833.41	7,466.41	74,218.85	78,159.51	794.8%	13,774.07	18.6%
Literature	29,143.92	25,003.94	26,582.05	29,896.48	4,139.98	16.6%	(752.56)	(2.5%)
Operations	45.91	13.24	27.92	53.17	32.67	246.8%	(7.26)	(13.7%)
Total Gross Income	\$199,894.47	\$157,338.78	\$130,579.61	\$177,962.69	\$42,555.69	27.0%	\$21,931.78	12.3%

Net Income by Class	2022	2021	2020	2019	2022 vs 2021		2022 vs 2019	
					\$	%	\$	%
Contributions	\$78,105.87	\$117,260.76	\$91,565.45	\$68,968.23	(\$39,154.89)	(33.4%)	\$9,137.64	13.2%
Conference	(11,540.00)	3,370.07	3,500.00	(9,424.71)	(14,910.07)	(442.4%)	(2,115.29)	22.4%
Convention	34,234.78	8,518.08	6,481.85	32,081.56	25,716.70	301.9%	2,153.22	6.7%
Literature	19,800.32	15,846.30	17,786.80	19,775.94	3,954.02	25.0%	24.38	0.1%
Operations	(105,470.49)	(81,661.86)	(82,262.40)	(79,073.31)	(23,808.63)	29.2%	(26,397.18)	33.4%
Net Income	\$15,130.48	\$63,333.35	\$37,071.70	\$32,327.71	(\$48,202.87)	(76.1%)	(\$17,197.23)	(53.2%)

2022 Contributions: CEA-HOW, Inc. ended 2022 with total Contributions of \$79,337, down \$39,151 or 33% from 2021. However, this year-over-year comparison has limited utility for two principal reasons, both related to the pandemic: (1) there were several one-time, lump-sum Area contributions due to the release of accumulated expense reserves as a result of the conference cancellation, and (2) contributions and gratitude were generally up abnormally during 2021 owing to various COVID-related reasons. Once again, we direct you to a more normalized comparison of 2022 versus 2019. 2022 Contributions were up 14% or \$9,668 versus 2019, generally across the board, but most notably in Online Recurring and Area Contributions. See the Contributions by Intergroup report for more detail regarding specific group contributions.

Contributions Income	2022	2021	2020	2019	2022 vs 2021		2022 vs 2019	
					\$	%	\$	%
In Memory of/Honor of	\$156.30	\$--	\$25.00	\$28.00	\$156.30	100.0%	\$128.30	458.2%
Intergroup	35,713.64	51,191.06	38,100.19	35,260.47	(15,477.42)	(30.2%)	453.17	1.3%
Area	6,500.00	20,250.00	18,725.00	3,026.51	(13,750.00)	(67.9%)	3,473.49	114.8%
Online Recurring	18,531.11	19,344.52	16,698.68	13,015.50	(813.41)	(4.2%)	5,515.61	42.4%
Gratitude & 7th Trad Contr	18,435.67	27,702.61	18,954.36	18,338.71	(9,266.94)	(33.5%)	96.96	0.5%
Total Contributions Income	\$79,336.72	\$118,488.19	\$92,503.23	\$69,669.19	(\$39,151.47)	(33.0%)	\$9,667.53	13.9%
Total Direct Giving (online + gratitu	\$36,966.78	\$47,047.13	\$35,653.04	\$31,354.21	(10,080.35)	(21.4%)	5,612.57	17.9%

Balance Sheet: CEA-HOW, Inc. had \$242,517 in Assets as of December 31, 2022, a \$10,844 decrease in assets year over year. The primary drivers of the decrease were a \$9,000 drop in convention prepaids, offset by 2022 net income of \$15,130.

Results for the quarter ending March 31, 2023: For the first quarter of 2023, CEA-HOW, Inc. earned total gross income of \$31,387, down nearly 13% compared to the first quarter of 2022. Total expenses were \$34,481, up nearly 30% vs. the comparable period in 2022. These movements resulted in a first quarter 2023 net loss of \$3,094 vs. net income of \$9,286 in the first quarter of 2022. The primary contributors to these results are: (1) Contributions for the quarter are down \$8,939, nearly 30% vs. the first quarter of 2022; (2) Operations expenditures are up \$6,086, or approximately 25%, due to pre-approved payroll increases; and (3) Literature sales are up \$2,884, or 90% on a net basis vs. 2022 due to new literature introductions.

Overall	Jan-Mar 23	Jan-Mar 22	\$ Change	% Change
Total Income	\$ 31,387	\$ 35,897	\$ (4,510)	-12.6%
Total Expense (1)	\$ 34,481	\$ 26,611	\$ 7,870	29.6%
Net Income	\$ (3,094)	\$ 9,286	\$ (12,380)	-133.3%

Gross Income by Class	Jan-Mar 23	Jan-Mar 22	\$ Change	% Change
Contributions	\$ 22,032	\$ 30,971	\$ (8,939)	-28.9%
Conference	\$ -	\$ -	\$ -	0.0%
Convention	\$ -	\$ -	\$ -	0.0%
Literature	\$ 9,284	\$ 4,923	\$ 4,362	88.6%
Operations	\$ 71	\$ 3	\$ 68	2033.5%
Total Gross Income	\$ 31,387	\$ 35,897	\$ (4,510)	-12.6%

Net Income by Class	Jan-Mar 23	Jan-Mar 22	\$ Change	% Change
Contributions	\$ 21,685	\$ 30,590	\$ (8,905)	-29.1%
Conference	\$ -	\$ -	\$ -	0.0%
Convention	\$ (341)	\$ -	\$ (341)	0.0%
Literature	\$ 6,090	\$ 3,205	\$ 2,884	90.0%
Operations	\$ (30,528)	\$ (24,509)	\$ (6,019)	24.6%
Net Income	\$ (3,094)	\$ 9,286	\$ (12,380)	-133.3%

Contributions Income for the Quarter Ended March 31, 2023: CEA-HOW, Inc. ended the period with total contributions down \$8,939 or approximately 29%. Please see the attached Contributions report for further detail. Intergroup and Area contributions may be down due to a reduction in stimulus funds, rising household inflation, and general recessionary fears. We intend to further examine this trend and brainstorm strategies for improvement, including membership growth, expanding collection methodologies, and strengthening our 7th tradition messaging.

Contribution Income	Jan-Mar 23	Jan-Mar 22	\$ Change	% Change
Intergroup and Area	\$ 9,164	\$ 20,173	\$ (11,010)	-54.6%
Online Recurring	\$ 5,626	\$ 4,815	\$ 811	16.8%
Gratitude & 7th Trad Contr	\$ 7,242	\$ 5,983	\$ 1,260	21.1%
Total Contributions Income	\$ 22,032	\$ 30,971	\$ (8,939)	-28.9%

Respectfully submitted,

Kevin Cook

Treasurer

CEA-HOW World Service Office
Profit & Loss by Class Same Period over Year Actual
January through December 2022

	TOTAL		
	Jan - Dec 22	Jan - Dec 21	\$ Change
Income			
400 - Contributions Income			
400.1 - Intergroup	35,713.64	51,191.06	-15,477.42
400.2 - Area	6,500.00	20,250.00	-13,750.00
400.3 - General 7th Trad. - Individual	10,724.18	8,822.38	1,901.80
400.4 - Online Recurring	18,531.11	19,344.52	-813.41
400.5 - Gratitude Month	7,711.49	18,880.23	-11,168.74
400.6 - In Honor/Memory Of	156.30	0.00	156.30
Total 400 - Contributions Income	79,336.72	118,488.19	-39,151.47
402 - Literature			
402.1 - English Literature	22,846.24	19,572.68	3,273.56
402.2 - Spanish Literature	2,534.55	2,005.00	529.55
Total 402 - Literature	25,380.79	21,577.68	3,803.11
406 - Shipping Income	3,763.13	3,426.26	336.87
415 - Convention Income			
415.1 - Food and Beverage	21,504.66	0.00	21,504.66
415.2 - Convention Committee	10,102.26	0.00	10,102.26
415.3 - Convention Registrations	56,118.00	5,864.72	50,253.28
Total 415 - Convention Income	87,724.92	5,864.72	81,860.20
416 - Conference Income			
416.1 - Delegate Registration	3,375.00	4,000.00	-625.00
Total 416 - Conference Income	3,375.00	4,000.00	-625.00
430 - Misc. Fund Raisers	268.00	3,968.69	-3,700.69
450 - Interest Income	45.91	13.24	32.67
Total Income	199,894.47	157,338.78	42,555.69
Cost of Goods Sold			
500 - Purchase of Literature	5,245.94	4,636.95	608.99
501 - Electronic Literature	0.00	166.25	-166.25
Total COGS	5,245.94	4,803.20	442.74
Gross Profit	194,648.53	152,535.58	42,112.95
Expense			
705 - WSO Board Travel/Hotel			
705.1 - Convention Registration / Meals	3,000.00	0.00	3,000.00
705.2 - Airfare - Auto Mileage	1,450.70	0.00	1,450.70
705.3 - Hotel	3,488.52	0.00	3,488.52
705.5 - Board Administrative Expense	803.95	500.00	303.95
Total 705 - WSO Board Travel/Hotel	8,743.17	500.00	8,243.17
706 - Web Hosting Expenses			
706.1 - Podcast	180.00	180.00	0.00
706 - Web Hosting Expenses - Other	19.99	15.99	4.00
Total 706 - Web Hosting Expenses	199.99	195.99	4.00
708 - Convention Expense			
708.1 - Production Cost	10,679.04	623.36	10,055.68
708.2 - Food and Beverage	40,189.62	0.00	40,189.62
708.3 - Convention Committee	2,512.94	0.00	2,512.94
Total 708 - Convention Expense	53,381.60	623.36	52,758.24
709 - Conference Expense	6,954.79	375.00	6,579.79
730 - Misc. Fund Raisers Exp.	25.00	266.52	-241.52
802 - Shipping Expense			
802.1 - Intergroup	2,471.44	2,654.61	-183.17
Total 802 - Shipping Expense	2,471.44	2,654.61	-183.17
902 - Rent	12,708.00	12,096.00	612.00
903 - Janitorial Services	600.00	600.00	0.00
904 - Bank Service Charges	283.96	214.18	69.78
905 - Merchant Fees (PayPal)	2,606.10	2,510.28	95.82
906 - Employee Expenses			
906.1 - Payroll Expenses	60,185.00	52,126.96	8,058.04
906.2 - P/R tax Expense	5,102.09	4,570.47	531.62
906.6 - Outside labor exp.	2,715.00	0.00	2,715.00
906.8 - Worker's Compensation Insuran	693.61	534.15	159.46
906 - Employee Expenses - Other	0.00	693.30	-693.30
Total 906 - Employee Expenses	68,695.70	57,924.88	10,770.82
908 - Office Supplies & Expenses	3,434.98	4,185.49	-750.51
910 - Insurance	2,671.00	2,288.98	382.02
915 - Telephone	1,655.64	1,600.64	55.00
917 - Tax and Filling Fees	0.00	65.00	-65.00
930 - Professional and Legal Fees			
932 - Accounting Fees	12,214.88	500.00	11,714.88
934 - Webmaster Developer	1,925.40	1,833.91	91.49
Total 930 - Professional and Legal Fees	14,140.28	2,333.91	11,806.37
940 - Postage	83.00	47.89	35.11
945 - Depreciation Expense	863.40	719.50	143.90
Total Expense	179,518.05	89,202.23	90,315.82
Net Income	15,130.48	63,333.35	-48,202.87

CEA-HOW World Service Office
Balance Sheet Year over Year
As of December 31, 2022

	Dec 31, 22	Dec 31, 21	\$ Change
ASSETS			
Current Assets			
Total Checking/Savings	231,011.42	232,143.27	-1,131.85
Total Accounts Receivable	980.00	660.38	319.62
Total Other Current Assets	5,935.81	8,086.95	-2,151.14
Total Current Assets	237,927.23	240,890.60	-2,963.37
Other Assets			
115 · Prepaid Conference & Convention	0.00	9,000.00	-9,000.00
120 · Prepaid Rent & Security Deposit	1,600.00	1,600.00	0.00
Total Other Assets	4,589.86	12,470.79	-7,880.93
TOTAL ASSETS	242,517.09	253,361.39	-10,844.30
LIABILITIES & EQUITY			
Liabilities			
Total Current Liabilities	19,502.69	45,477.47	-25,974.78
Total Liabilities	19,502.69	45,477.47	-25,974.78
Equity			
302 · Retained Earnings	207,883.92	144,550.57	63,333.35
Net Income	15,130.48	63,333.35	-48,202.87
Total Equity	223,014.40	207,883.92	15,130.48
TOTAL LIABILITIES & EQUITY	242,517.09	253,361.39	-10,844.30

CEA-HOW World Service Office
Contributions by Intergroup Year over Year
January through December 2022

	Jan - Dec 22	Jan - Dec 21	\$ Change	% of Column
60000 - RETAIL LITERATURE FROM PAYPAL	1.81	0.00	1.81	0.0%
60050 - RETAIL E-LITERATURE FROM PAYPAL	0.00	3.17	-3.17	0.0%
70000 - GRATITUDE MONTH PAYPAL	1,551.00	6,543.72	-4,992.72	1.96%
70010 - GRATITUDE MONTH CHECK	445.00	9,390.51	-8,945.51	0.56%
70015 - PAYPAL INDIVIDUAL RECURRING DONA	19,258.23	19,399.52	-141.29	24.27%
70020 - PAYPAL GENERAL INDIVIDUA DONATION	8,320.94	6,285.71	2,035.23	10.49%
70030 - CHECK GENERAL INDIVIDUAL DONATION	2,137.72	5,939.22	-3,801.50	2.69%
70035 - IN HONOR MEMORY OF	156.30	0.00	156.30	0.2%
80001 - AREA 1	6,500.00	250.00	6,250.00	8.19%
80002 - AREA 2	0.00	10,000.00	-10,000.00	0.0%
80010 - AREA 10	0.00	10,000.00	-10,000.00	0.0%
90099 - SOUTHERN CALIFORNIA INTERGROUP	2,821.18	2,693.57	127.61	3.56%
90101 - CEA-HOW SAN DIEGO COUNTY IG	3,204.90	3,766.67	-561.77	4.04%
90102 - NW CEA HOW INTERGROUP	139.91	0.00	139.91	0.18%
90104 - CEA-HOW LAS VEGAS INTERGROUP	1,014.12	2,126.75	-1,112.63	1.28%
90106 - S. FLORIDA INTERGROUP CEA-HOW	0.00	0.00	0.00	0.0%
90110 - CEA HOW MEXICO INTERGROUP	0.00	150.00	-150.00	0.0%
90115 - CEA HOW OF GREATER NEW YORK IG	51.00	80.00	-29.00	0.06%
90117 - PUGET SOUND CEA-HOW INTERGROUP	0.00	0.00	0.00	0.0%
90119 - DALLAS FORT WORTH IG CEA HOW	250.00	378.16	-128.16	0.32%
90122 - MICHIANA INTERGROUP	47.75	83.30	-35.55	0.06%
90123 - CEA HOW SAN FERNANDO VALLEY IG	4,430.94	4,353.66	77.28	5.59%
90125 - NORTH TEXAS INTERGROUP	150.00	50.00	100.00	0.19%
90126 - CEA HOW OKLAHOMA INTERGROUP	345.80	157.50	188.30	0.44%
90130 - RIO RECOVERY OF NEW MEXICO IG	1,026.30	1,120.82	-94.52	1.29%
90134 - SAN BERNARDINO/RIVERSIDE COUNTIES	871.68	262.80	608.88	1.1%
90135 - PENNSYLVANIA INTERGROUP	322.00	100.00	222.00	0.41%
90136 - TIDEWATER VIRGINIA INTERGROUP	0.00	0.00	0.00	0.0%
90137 - NO. CA CENTRAL COASTAL INTERGROUP	250.71	513.57	-262.86	0.32%
90139 - CEA HOW LOS ANGELES INTERGROUP	10,313.58	16,033.79	-5,720.21	13.0%
90140 - CEA HOW PHONE BRIDGE INTERGROUP	11,096.62	14,126.11	-3,029.49	13.99%
90141 - GREAT LAKES CEA-HOW INTERGROUP	1,867.50	0.00	1,867.50	2.35%
90142 - CEA-HOW NORTHERN COLORADO IG	519.17	785.88	-266.71	0.65%
90144 - SPANISH PHONE BRIDGE INTERGROUP	698.50	1,005.65	-307.15	0.88%
90145 - UTAH CEA-HOW INTERGROUP	600.00	1,598.00	-998.00	0.76%
90146 - BUGAMBILIAS GUANAJUATO	435.92	410.00	25.92	0.55%
90148 - ARIZONA CEA-HOW INTERGROUP	381.24	136.63	244.61	0.48%
90149 - SIERRA NEVADA INTERGORUP	126.90	62.40	64.50	0.16%
90150 - IG ELECTRONICO EN ESPANOL	0.00	108.00	-108.00	0.0%
90151 - ELECTRONIC IG ENGLISH	0.00	623.08	-623.08	0.0%
90152 - UK AND EUROPE INTERGROUP	0.00	0.00	0.00	0.0%
90153 - ELETRONIC INTERGROUP SPANISH	0.00	0.00	0.00	0.0%
TOTAL	79,336.72	118,538.19	-39,201.47	100.0%

CEA-HOW World Service Office
Purchases by Intergroup, Year over Year
January through December 2022

	<u>Jan - Dec 22</u>	<u>Jan - Dec 21</u>	<u>\$ Change</u>	<u>% of Column</u>
60000 - RETAIL LITERATURE FROM PAYPAL	13,273.74	11,656.71	1,617.03	52.3%
60050 - RETAIL E-LITERATURE FROM PAYPAL	3,369.50	3,098.89	270.61	13.28%
60060 - RETAIL LITERATURE FROM CONVENTION	1,820.05	0.00	1,820.05	7.17%
90099 - SOUTHERN CALIFORNIA INTERGROUP	527.75	0.00	527.75	2.08%
90101 - CEA-HOW SAN DIEGO COUNTY IG	520.75	323.75	197.00	2.05%
90102 - NW CEA HOW INTERGROUP	0.00	0.00	0.00	0.0%
90104 - CEA-HOW LAS VEGAS INTERGROUP	502.50	502.25	0.25	1.98%
90106 - S. FLORIDA INTERGROUP CEA-HOW	0.00	0.00	0.00	0.0%
90110 - CEA HOW MEXICO INTERGROUP	0.00	190.00	-190.00	0.0%
90115 - CEA HOW OF GREATER NEW YORK IG	39.00	15.00	24.00	0.15%
90117 - PUGET SOUND CEA-HOW	0.00	23.00	-23.00	0.0%
90117 - PUGET SOUND CEA-HOW INTERGROUP	0.00	0.00	0.00	0.0%
90119 - DALLAS FORT WORTH IG CEA HOW	50.00	0.00	50.00	0.2%
90122 - MICHIANA INTERGROUP	173.50	0.00	173.50	0.68%
90123 - CEA HOW SAN FERNANDO VALLEY IG	25.00	627.75	-602.75	0.1%
90125 - NORTH TEXAS INTERGROUP	0.00	0.00	0.00	0.0%
90126 - CEA HOW OKLAHOMA INTERGROUP	0.00	0.00	0.00	0.0%
90130 - RIO RECOVERY OF NEW MEXICO IG	295.50	27.00	268.50	1.16%
90134 - SAN BERNARDINO/RIVERSIDE COUNTIES	499.00	664.58	-165.58	1.97%
90135 - PENNSYLVANIA INTERGROUP	100.00	0.00	100.00	0.39%
90136 - TIDEWATER VIRGINIA INTERGROUP	0.00	0.00	0.00	0.0%
90137 - NO. CA CENTRAL COASTAL INTERGROUP	429.00	338.75	90.25	1.69%
90139 - CEA HOW LOS ANGELES INTERGROUP	1,294.00	329.75	964.25	5.1%
90140 - CEA HOW PHONE BRIDGE INTERGROUP	1,113.50	1,482.75	-369.25	4.39%
90141 - GREAT LAKES CEA-HOW INTERGROUP	0.00	0.00	0.00	0.0%
90142 - CEA-HOW NORTHERN COLORADO IG	0.00	0.00	0.00	0.0%
90144 - SPANISH PHONE BRIDGE INTERGROUP	843.00	804.75	38.25	3.32%
90145 - UTAH CEA-HOW INTERGROUP	65.00	362.75	-297.75	0.26%
90146 - BUGAMBILIAS GUANAJUATO	135.25	449.25	-314.00	0.53%
90148 - ARIZONA CEA-HOW INTERGROUP	127.50	54.75	72.75	0.5%
90149 - SIERRA NEVADA INTERGORUP	0.00	0.00	0.00	0.0%
90150 - IG ELECTRONICO EN ESPANOL	177.25	360.75	-183.50	0.7%
90151 - ELECTRONIC IG ENGLISH	0.00	0.00	0.00	0.0%
90152 - UK AND EUROPE INTERGROUP	0.00	265.25	-265.25	0.0%
90153 - ELETRONIC INTERGROUP SPANISH	0.00	0.00	0.00	0.0%
TOTAL	<u><u>25,380.79</u></u>	<u><u>21,577.68</u></u>	<u><u>3,803.11</u></u>	<u><u>100.0%</u></u>