

CEA-HOW, Inc. Treasurer's Report Board Meeting 1Q 2026

Executive Summary

QuickBooks Desktop to QuickBooks Online Conversion

QuickBooks Desktop (QBD) has been used by WSO since at least 2010. Over time, Intuit has shifted development toward QuickBooks Online (QBO), with reduced support for QBD. The last version available through TechSoup was 2022.

WSO initially evaluated QBO in 2019 but deferred due to limited functionality. In 2025, WSO decided to transition to QBO to enable multiple users to work in the system simultaneously.

The conversion began in January 2026. While much of the process was automated, verifying completeness along with additional cleanup of accounts and reconstruction of certain reports, such as Contributions by Intergroup and Purchases by Intergroup, has been required and is ongoing.

Back-testing of the 2024 and 2025 Profit & Loss statements showed only nominal variances. This is the first Treasurer's Report prepared using QBO.

Quarter Ending March 31, 2026 vs Quarter Ending March 31, 2025

For the quarter ending March 31, 2026 (1Q 2026), CEA-HOW, Inc.'s income was greater than expenses, resulting in net income of \$14,303, compared to a net loss of (\$10,102) for the quarter ending March 31, 2025 (1Q 2025) This represents a \$24,405 or 242% year-over-year improvement.

Overall	Jan - Mar 26	Jan -Mar 25	\$ Change	% Change
Total Income	\$ 54,572	\$ 33,500	\$ 21,072	63%
Total Expense (1)	\$ 40,269	\$ 43,602	\$ (3,333)	-8%
Net Income	\$ 14,303	\$ (10,102)	\$ 24,405	242%

There were two one-time events in 1Q 2025 that affect comparability. Operations expenses included \$5,550 of non-recurring costs: a partial payment to the website developer (\$4,550) and one of two payments for the external financial review (\$1,000). Adjusting for these one-time occurrences, CEA-HOW would have incurred a loss of (\$4,552) in for 1Q 2025, resulting in an adjusted year-over-year improvement of \$18,855 or a 414% increase over the smaller loss.

Overall	Jan - Mar 26	Jan -Dec 25	\$ Change	% Change
Total Income	\$ 54,572	\$ 33,500	\$ 21,072	63%
Total Expense (1)	\$ 40,269	\$ 38,052	\$ 2,217	6%
Net Income	14,303	(4,552)	\$ 18,855	414%

The following discussion highlights key components of the results.

Gross Income

Overall gross income for the quarter ending March 31, 2026 was 63% above 2025 levels. Notably, contributions, which made up approximately 90% of total gross income in the 1Q, was up 68%. With Literature up 27%. See below for more about what made up these changes.

Gross Income by Class	Jan - Mar 26	Jan -Mar 25	\$ Change	% Change
Contributions	\$ 49,512	\$ 29,504	\$ 20,008	68%
Conference	\$ -	\$ -	\$ -	0%
Convention	\$ -	\$ -	\$ -	0%
Operations	\$ 3	\$ 4	\$ (1)	-19%
Literature	\$ 5,057	\$ 3,992	\$ 1,065	27%
Total Gross Income	\$ 54,572	\$ 33,500	\$ 21,072	63%

Convention income is not reflected on the Statement of Activity (P&L) until it is “earned” which is after the close of the convention and therefore income and expenses are kept on the balance sheet until the convention and then it is moved to the P&L.

Expenses

Expenses were down by 8% in 1Q 2026 vs 1Q 2025. Discussion about class specific expenses are included in their respective sections below.

Expenses by Class	Jan - Mar 26	Jan -Mar 25	\$ Change	% Change
Contributions	\$ 592	\$ 387	\$ 206	53%
Conference	\$ -	\$ -	\$ -	0%
Convention	\$ -	\$ 31	\$ (31)	-100%
Literature (1)	\$ 2,256	\$ 1,112	\$ 1,143	103%
Operations	\$ 37,417	\$ 42,072	\$ (4,655)	-11%
Total Expenses	\$ 40,269	\$ 43,602	\$ (3,337)	-8%

Net Income

Overall Net Income was up \$24,405 or 242% in 1Q 2026 over 1Q 2025. Making up that increase was primarily net income for Contributions which was up 68%. Contributions have very little expense therefore 99% of contributions become net income. Literature on the other hand, has the printing, packaging, postage and PayPal fees. Operations do not directly generate income and therefore expenses flow through to net income.

Net Income by Class	Jan - Mar 26	Jan -Mar 25	\$ Change	% Change
Contributions	\$ 48,920	\$ 29,117	\$ 19,802	68%
Conference	\$ -	\$ -	\$ -	0%
Convention	\$ -	\$ (31)	\$ 31	-100%
Literature	\$ 2,797	\$ 2,880	\$ (82)	-3%
Operations	\$ (37,414)	\$ (42,068)	\$ 4,654	-11%
Net Income	\$ 14,303	\$ (10,102)	\$ 24,405	242%

Contributions

Contributions increased by \$20,008, or 68%, for 1Q 2026 compared with the 1Q 2025. The improvement was driven primarily by an increase in Intergroup contributions of \$13,037, or 128%, and Direct to WSO

contributions of \$12,240, or 109%, over the same period. Intergroups contributed \$2355 designated as “Gratitude Month” vs \$1,384 last year. Also of note was a \$5000 contribution from a member during 1Q 2026.

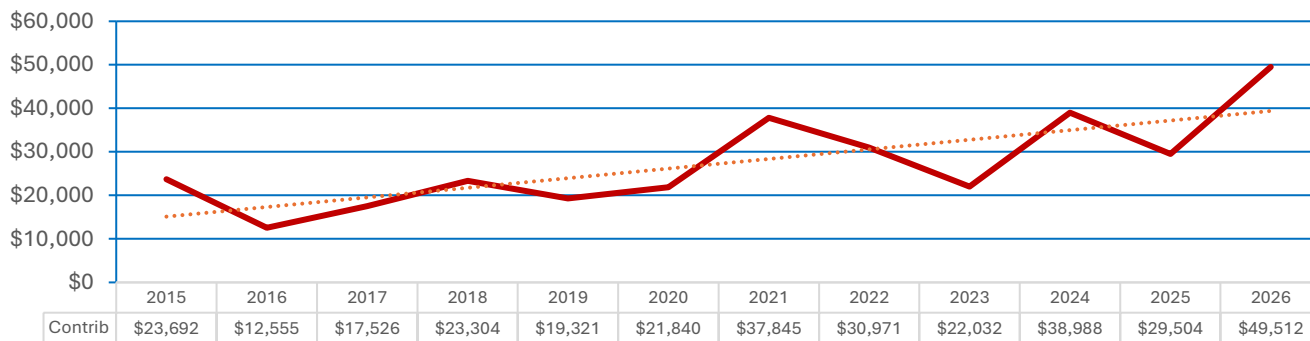
Online recurring contributions increased 71.4%, to \$9,428 in the 1Q 2026 from \$5,500 in the 1Q 2025. We have 133 active recurring contributions. Because online recurring contributions continue each quarter, if members maintain their recurring contributions could translate into nearly \$14,262 of additional contributions compared to 2025. However, these direct recurring contributions may be replacing contributions at the meeting level which would create a reduction in Intergroup Contributions and amounts received by areas from the Intergroups to send delegates to WSBC. Area contributions are one-time in nature and have fluctuated significantly year to year.

Area contributions were down \$5,269 or 66%, between the 1Q 2026 and the 1Q 2025. Area 2 contributed \$2500 and Area 3 4 5 \$231.

Contribution Income	TOTAL		TOTAL	
	Jan - Mar 26	Jan - Mar 25	\$ Change	% Change
In Memory of/Honor of	\$ -	\$ -	\$ -	0%
Intergroup	\$ 23,255	\$ 10,218	\$ 13,037	128%
Area	\$ 2,731	\$ 8,000	\$ (5,269)	-66%
Online Recurring	\$ 9,429	\$ 5,500	\$ 3,929	71%
Gratitude & 7th Trad Contr	\$ 14,097	\$ 5,786	\$ 8,311	144%
Total Contributions Income	\$ 49,512	\$ 29,504	\$ 20,008	68%

Looking at 1Q26 Contributions over the past 10 years. 1Q 2026 was 25% higher than any previous year, and 68% above last year.

1st Quarter Contributions
by Year



Based on past experience, how does the rest of the year look? In five of the past 10 years, 1st Quarter contributions were the highest of the year. That is, in the 2nd quarter contributions were down on average 28% relative to 1st quarter. And in the 3rd quarter down on average 30% from 1st quarter. The 4th quarter usually rebounds relative to the 2nd and 3rd quarters, but is still down on average 9% from 1st quarter.

	1Q	2Q	3Q	4Q
2015	0%	-53%	-56%	-22%
2016	0%	2%	28%	12%
2017	0%	-11%	-47%	-27%
2018	0%	-39%	-55%	-39%
2019	0%	-31%	-43%	35%
2020	0%	-4%	-11%	38%
2021	0%	-48%	-27%	-12%
2022	0%	-46%	-48%	-50%
2023	0%	7%	-29%	3%
2024	0%	-44%	-46%	-47%
2025	0%	-46%	6%	14%
Average		-28%	-30%	-9%

If the average pattern holds, it is estimated that Contributions income would be \$165,000 for 2026 vs \$110,159 for 2025 or a 50% increase. While this is encouraging. Stability of contributions is critical to meet our operating needs.

	1Q	2Q	3Q	4Q	Total Year
Average	\$ 49,512	\$ 35,482	\$ 34,708	\$ 45,294	\$ 164,995
Median	\$ 49,512	\$ 30,240	\$ 27,977	\$ 43,807	\$ 156,058
2025 Actual	\$ 29,504	\$ 15,822	\$ 31,303	\$ 33,530	\$ 110,159

Operating Expenses

Operating expenses reflect the costs of basic operations that keep CEA-HOW functioning and serving the fellowship. Operating expense for the 1Q 2026 was \$37,417 down from \$42,072 in the 1Q 2025. However, as noted in the Executive Summary, the 1Q 2025 included two one-time expenses: \$4,550 for the website update and \$1,000 for the financial review.

After adjusting for these one-time events, operating expenses increased by \$895, or 2%, between the 1Q 2025 and the 1Q 2026. The primary contributors to the increase were a recurring increase in website maintenance costs from \$150 per month with WPTangerine to \$273 for FixRunner; a non-recurring increase of \$200 in Computer Services due to timing of a payment, plus a \$175 purchase of equipment; and, increases in Insurance of \$74, or 8%, and Telephone of \$46, or 9%. Off-setting these increases were a \$622 decrease in Employee Expenses due to timing and a \$150 decrease in Janitorial expense as staff took on office cleaning.

	Jan - Mar 26	Jan -Mar 25	\$ Change	% Change
706 · Web Hosting Expenses	\$ 60	\$ 45	\$ 15	33%
902 · Rent	\$ 3,300	\$ 3,300	\$ -	0%
903 · Janitorial Services	\$ -	\$ 150	\$ (150)	-100%
904 · Bank Service Charges	\$ 50	\$ 47	\$ 3	6%
905 · Merchant Fees (PayPal)	\$ 47	\$ -	\$ 47	--
Total 906 · Employee Expenses	\$ 25,666	\$ 26,289	\$ (622)	-2%
908 · Office Supplies & Expenses	\$ 1,228	\$ 1,175	\$ 53	5%
910 · Insurance	\$ 1,009	\$ 935	\$ 74	8%
915 · Telephone	\$ 565	\$ 520	\$ 46	9%
917 · Tax and Filing Fees	\$ -	\$ -	\$ -	--
932 · Accounting Fees	\$ 2,957	\$ 3,957	\$ (1,000)	-25%
934 · Website Dev and Maint	\$ 1,750	\$ 5,231	\$ (3,481)	-67%
935 · Website Maintenance	\$ -	\$ -	\$ -	#DIV/0!
936 · Computer Service	\$ 775	\$ 400	\$ 375	94%
940 & 802 · Postage & Shipping Exp	\$ 10	\$ 23	\$ (14)	-60%
Other	\$ -	\$ -	\$ -	--
Total Operations	\$ 37,417	\$ 42,072	\$ (4,655)	-11.1%
Adjusted Operations	\$ 37,417	\$ 36,522	\$ 895	2%

Literature

Overall literature income increased 38% with a 39% increase in English literature and a 30% increase in Spanish literature. As of now, we are attributing the increase to the updated Forever Abstinent and the new large print version of Forever Abstinent. With Shipping Income included the overall increase was 27%. While literature income increased 38%, the Cost of Goods Sold (COGS), increased 130%. As of this writing, I am assuming the COGS was not accurately recorded in one or both of the years.

After deducting the Shipping Expense and PayPal fees, the overall Net Income for Literature was down by 3% or (\$82) for 1Q 2026 compared to 1Q 2025. We expect both revenue and COGS will be higher in 2026 due to a full year of increased Forever Abstinent purchases and coupled with an increase in literature to reflect the 7% estimated increase in the cost of new prints. The increase of cost is, due to a change in printers with the death of the long-time printer who had not increased our cost for many years.

	Electronic Literature			Printed Literature			Total Literature			
	Jan - Mar 26	Jan -Mar 25	\$ Change	Jan - Mar 26	Jan -Mar 25	\$ Change	Jan - Mar 26	Jan -Mar 25	\$ Change	% Change
Literature										
English Literature	\$ 551	\$ 363	\$ 188	\$ 3,247	\$ 2,361	\$ 886	\$ 3,798	\$ 2,724	\$ 1,073	39.4%
Spanish Literature	\$ 4	\$ -	\$ 4	\$ 797	\$ 619	\$ 179	\$ 801	\$ 619	\$ 183	29.5%
Total Literature	\$ 555	\$ 363	\$ 192	\$ 4,044	\$ 2,980	\$ 1,064	\$ 4,599	\$ 3,343	\$ 1,256	37.6%
Shipping Income	\$ -	\$ -	\$ -	\$ 458	\$ 649	\$ (191)	\$ 458	\$ 649	\$ (191)	-29.4%
Total Income	\$ 555	\$ 363	\$ 192	\$ 4,503	\$ 3,629	\$ 873	\$ 5,057	\$ 3,992	\$ 1,065	26.7%
COGS	\$ 4	\$ -	\$ 4	\$ 1,339	\$ 585	\$ 754	\$ 1,343	\$ 585	\$ 758	129.6%
Gross Profit	\$ 550	\$ 363	\$ 187	\$ 3,164	\$ 3,044	\$ 119	\$ 3,714	\$ 3,407	\$ 307	9.0%
Expenses										
Shipping Expense	\$ -	\$ -	\$ -	\$ 508	\$ 500	\$ 8	\$ 508	\$ 500	\$ 8	1.6%
Printing of Literature	\$ -	\$ -	\$ -	\$ 90	\$ -	\$ 90	\$ 90	\$ -	\$ 90	
PayPal Fees	\$ 42	\$ 2	\$ 40	\$ 97	\$ 26	\$ 71	\$ 139	\$ 27	\$ 111	405.1%
Office Supplies	\$ -	\$ -	\$ -	\$ 180	\$ -	\$ 180	\$ 180	\$ -	\$ 180	
Total Expense	\$ 42	\$ 2	\$ 40	\$ 875	\$ 526	\$ 259	\$ 917	\$ 528	\$ 389	73.8%
Net Income	\$ 509	\$ 361	\$ 147	\$ 2,289	\$ 2,518	\$ (140)	\$ 2,797	\$ 2,880	\$ (82)	-2.9%
							\$ -			
% of Gross	11.0%	9.1%		89.0%	90.9%		100.0%	100.0%		
Margin %	91.7%	99.6%		50.8%	69.4%		55.3%	72.1%		
% of Net	18.2%	12.6%		81.8%	87.4%		100.0%	100.0%		

Balance Sheet

As of March 31, 2026, CEA-HOW, Inc. had \$222,732 in assets up from \$213,530 as of March 31, 2025. Liabilities increased by \$12,451 primarily due to the accounting for Convention Revenue which is a liability until the Convention. That is, amounts that we could be at risk returning should the Convention not happen and to cover expenses not yet incurred such as payments for food and beverage(F&B).

Statement of Financial Position (Balance Sheet)			
	As of Mar 31, 2026	As of Mar 31, 2025 (PY)	Change
Total Cash	\$ 175,893.54	\$ 192,747.66	-16,854.12
Other Assets	\$ 46,838.73	\$ 20,782.60	26,056.13
Total Assets	222,732.27	213,530.26	9,202.01
Liabilities	48,283.00	35,847.28	12,435.72
Net Equity	174,449.27	177,682.98	-3,233.71
Liabilities + Equity	222,732.27	213,530.26	9,202.01

Total Cash in Bank and PayPal accounts as of March 31, 2026 was \$175,894 down \$16,854 from March 31, 2025, primarily due to the impact of net losses in 2Q and 3Q 2025. After adjusting out Convention income which is to cover Convention and Conference expenses and the prudent reserve of 9 months operating expenses, we have cash to cover ongoing operations of \$22,187 compared to \$13,000 at year end 2025 as previously reported, and down \$12,528 from \$34,906 since March 31, 2025.

Prudent Reserve Assessment			
	As of Mar 31, 2026	As of Mar 31, 2025 (PY)	Change
Total "Cash" (Bank and PayPal accounts)	175,894	192,748	-16,854
Convention Funds	-29,374	-33,520	4,145
Cash for operations	146,519	159,228	-12,709
Prudent Reserve	-124,332	-124,332	0
Operating Funds	22,187	34,896	-16,854

Convention

This section of the balance sheet is a work in progress particularly for 2025 amounts with 2026 amounts more certain. Please take comparisons with that perspective until recognized in July. Convention income on the balance sheet reflects only amounts collected so far. Installment plans are set to complete in April and May, depending on date of initiation of the plan. The amount reflected on the Balance Sheet is the total Registration fees collected to date offset by refunds and Eventbrite and Paypal fees.

Convention net collections are \$38,873 for the period July 22 2025 to March 31 2026. This compares, to a questionable \$31,216 last year or up 25% increase over last year at the same time. While we had a price increase for the 2026 convention due to the 25% increase in food and beverage cost, the majority of the payments so far are at early bird rates which were increased 20% over 2025. With registrations down 5% year over year, from 132 for the 2025 convention vs. 125 for the 2026 convention, it would seem net Registration income would be up between 15-20%.

	Convention			
	As of Mar 31, 2026	As of Mar 31, 2025 (PY)	Change	% Change
Total Registration, net of Refunds and fees	38,873	31,216	7,657	25%
# of Registrations	125	132	-7	-5%

We continue to monitor registration pace. The majority of Registrations in prior years have been at the Early Bird rates available in late July and August. We then have registrations trail off markedly until April-July. We are in the critical period for convention registrations. The cancellation deadline is April 30. After that time, those cancelling can transfer their registrations to another member or donate the amounts paid to Scholarship and Raffle.

We also calculate how we are doing relative to the hotel guaranteed F&B amount, which is \$30,500 before fees or taxes. Based on the contract if our food and beverage consumption based on number of people having meals is less than the hotel guarantee, we will still be charged for the full F&B Guarantee.

We are currently under the Guarantee by \$5,375. This means that we would need to have another 132 meals or 44 full package registrations or combination to breakeven. That is, that we are covering the F&B Guarantee by paid registrations and event tickets, and cost related to WSBC participants.

HOTEL GUARANTEE for F&B

Hotel Meal Guarantee: \$	30,500
Estimated purchased meals \$	25,125
Over/(Under) Guarantee \$	(5,375)

The next 4 months are critical for convention registrations.

In conclusion, while contributions were up markedly in the 1st quarter, the situation is still tenuous unless the giving continues and convention registrations and committee income are at least at 2025 levels.

Respectfully submitted,

Carolyn P.
Treasurer

Footnotes

- 1) The cost of goods sold for literature is included in expenses rather than an offset of gross revenue.