

Finance Update

The following update is based on the unaudited financial statements for the period that ended 06/30/2022.

Revenues (Income)

Revenue consists mainly of literature sales and contributions. Other revenue includes magazine sales and investment gains or losses. Literature sales for June were \$176,684. Contributions for June were \$373,444. See the table below for YTD Actuals vs. YTD Budget, Total Budget, and Revised Budget.

Expenses

The largest categories of expenses consist of WSO Staff salaries and benefits, technology support, Conference costs (including interpretation), and postage. Expenses for June were \$533,547. See the table below for YTD Actuals vs. YTD Budget, Total Budget, and Revised Budget. We continue to monitor all expenses and reduce them wherever possible.

Net Increase/(Decrease)

Change in net assets resulted in a net decrease of (\$354,849) which reflects the decrease in total income.

Year to Date (YTD) June 2022

	YTD Actuals	YTD Budget	Total Budget	Revised Budget
Revenue				
Literature Sales—net	\$1,025,141	\$1,005,215	\$2,057,461	\$2,156,210
Contributions	\$1,324,217	\$1,390,939	\$2,850,000	\$2,917,980
Other Income	\$192,996	\$276,300	\$552,600	\$546,600
Total Revenue	\$2,542,354	\$2,672,454	\$5,460,061	5,620,790
Total Expenses	\$2,897,203	\$2,906,588	\$5,813,175	\$5,953,520
Net Increase/(Decrease)	(\$354,849)	(\$234,134)	(\$353,114)	(\$332,730)

Investments

Our ample reserve is contained mostly in the Reserve Fund under the careful watch of our investment managers. Market conditions in June were unfavorable as the market experienced some losses. We have a YTD loss of \$1,785,741 in the Reserve Fund. Our investment accounts continue to be sensitive to market conditions.

Reflections and Insight

July brought a review of the World Service Office (WSO) finances, and, while not significantly different, we did need to present a Revised Budget. Perhaps your group could revise or create a budget so the members can see what it takes to be fully self-supporting. Knowing how much is needed for group expenses such as rent, Group Representative expenses for attending Area Assemblies and District meetings, and supporting the links of service that support your group—WSO, Area, District and AIS (where applicable)—is the first step. The WSO provides the Delegates each year at the World Service Conference (WSC) with details of how much it spends per group to provide services (\$281.88 for 2021). With the other service arms, if you take the annual expenses and divide the expenses by the number of groups supported by that service arm, you will calculate the amount spent per group. Here is a table with an example:

	Number of groups	Annual Expenses	Annual cost/group
Area	350	\$35,000	\$100
District	20	\$2,000	\$100
AIS	120	\$12,000*	\$100

*excludes literature purchases

For this example, we will round up the WSO's annual cost per group to \$300. To be fully self-supporting, a group would need to send a total of \$600 to the four service arms (\$300 to WSO, \$100 to Area, \$100 to District, and \$100 to AIS) or \$150 per quarter (\$75 to WSO, \$25 to Area, \$25 to District, and \$25 to AIS).

As we continue to focus on “Enhancing Our Recovery through Abundance, Unity, and Understanding,” know that your contributions (which include purchasing literature) are what allows the WSO to continue serving all the groups worldwide. Remember, the WSO is here to serve the fellowship and can only do so if the fellowship supports the WSO. As Tradition Seven states, “Every group ought to be fully self-supporting, declining outside contributions.” Please share with fellow members the different ways to support the WSO: signing up for automatic contributions, buying/gifting a book or magazine to a sponsee or newcomer, or having your group create a budget to know how much to send each service arm. We are grateful for your continued and consistent contributions!