



World Cube Association

Financial Report

For the year ended
December 31st, 2022

Overview

The WCA is in a stronger financial position following 2022 with a significantly increased cash position and a more positive outlook. Revenue was up significantly due to the WCA's sponsorship agreement with Spin Master for the 2022 WCA Continental Championships, alongside the return of WCA competitions worldwide with associated Dues revenue. A total of \$212,910 was spent on furthering the WCA mission, up significantly on 2021.

	Dec-22 (\$US)	Dec-21 (\$US)	Change
Revenue	285,126	43,967	+241,159 (+549%)
Admin and Operating Costs	(7,014)	(3,897)	+3,118 (+80%)
Furtherance Expenses	(212,910)	(14,036)	+198,874
WCA Gear Team	(950)	(70)	-880
Net Income	64,252	25,964	+38,288 (+147%)

Balance Sheet

The WCA's cash balance has been significantly boosted by strong revenue over 2022. Over 2022 the WCA continued to add Trademark assets in various jurisdictions.

	Dec-22 (\$US)	Dec-21 (\$US)	Change
Cash and Cash Equivalents	85,583	32,344	+53,239 (+165%)
Accounts Receivable	6,656	990	+5,666 (+573%)
Trademarks	45,502	40,524	+4,978 (+12%)
Legal Fee Retainer	3,800	3,431	+369 (+11%)
Total Assets	141,541	77,289	+64,252 (+83%)
Accounts Payable	0	0	0
Total Liabilities	0	0	0
Total Equity	141,541	77,289	+64,252 (+83%)
Total Liabilities and Equity	141,541	77,289	+64,252 (+83%)

Revenue

The majority of revenue was sourced from the WCA's sponsorship agreement with Spin Master for the 2022 WCA Continental Championships. WCA competitions were able to return in many regions which boosted WCA Dues income significantly compared with 2021. The outlook for WCA Dues in 2023 is also positive given the updated WCA Dues policy, strong growth in competitions, and anticipated return of more regions to holding competitions.

	Dec-22 (\$US)	Dec-21 (\$US)	Change
Donations	703	1,855	-1,151 (-62%)
WCA Dues Income	81,665	10,072	+71,593 (+711%)
Merchandise	2,059	1,931	+128 (+7%)
Sponsorship	200,000	30,000	+170,000 (+567%)
Other Revenue	699	109	+589 (+539%)
Total Revenue	285,126	43,967	+241,159 (+549%)

Admin and Operating Costs

Administrative and operating costs were up significantly compared to 2021 driven by increased transaction volumes from WCA Dues and Gear Team activity.

	Dec-22 (\$US)	Dec-21 (\$US)	Change
Legal Expenses	0	144	-144 (-100%)
Subscriptions	1,213	1,224	-11 (-1%)
Insurance	1,250	1,250	0 (0%)
Bank and Finance Charges	4,545	863	+3,683 (+427%)
Other Expenses	6	417	-410 (-98%)
Total Admin and Operating Costs	7,014	3,897	+3,118 (+80%)

Furtherance Expenses

Total furtherance expenses increased significantly relative to 2021 from to support competitions in the 2022 Continental Championship cycle, as well as additional championship support funding (such as the WCA run booths present at many competitions). Website costs were up due to significantly increased website demand, and a reduced non-profit credit obtained from AWS. Website costs are anticipated to increase significantly in 2023. The return to competitions saw funding of equipment for developing regions with this (alongside funding of Delegate travel to developing regions) expected to grow further in 2023.

	Dec-22 (\$US)	Dec-21 (\$US)	Change
Website Costs	7,282	3,642	+3,640 (+100%)
Equipment Funding	3,215	0	+3,215
Championship Support	202,413	10,000	+192,413
Other Furtherance	0	395	-395 (-100%)
Total Furtherance	212,910	14,036	+198,874

WCA Gear Team

The WCA Gear Team purchases timing equipment at wholesale rates on behalf of Delegates and Regional Organizations. It is expected the Gear Team will generally break even less timing impacts (purchases made in one year but invoiced to Delegates or Regional Organisations in another). The overall volume of equipment orders coordinated by the Gear Team increased by 767% as competitions returned and continued to grow in size in many areas worldwide.

	Dec-22 (\$US)	Dec-21 (\$US)	Change
Equipment Recharge	45,353	6,024	+39,328 (+653%)
Equipment Purchase	(46,303)	(5,339)	-40,964 (+767%)
International Postage	0	(755)	755 (-100%)
Net Gear Team Contribution	(950)	(70)	-880