

Memo To: ICSB Board
From: Rita Grant
Subject: Financial Statements for Fiscal Year ended 31 March 2021
Date: 30 April 2021

I am attaching a Statement of Revenues and Expenditures (equivalent to an "Income Statement" if we were a for-profit) and a Balance Sheet for the fiscal year ended 31 March 2021. Considering the significant changes in the way the organization is structured and the havoc the pandemic has caused, we have had a year that has kept us afloat. The primary reasons for the positive picture are the new revenue streams the International Office has generated, reduced travel expenditures due to the pandemic, and the creative ways Ayman has lowered administrative costs.

Looking at our revenue stream, I have the following observations:

- a. Knowledge Hubs, Global Certificates, and Surveys were a significant revenue stream.
- b. Membership fees were low, but this is the first year for our new membership structure, and the pandemic undoubtedly influenced the number of members we attracted. As soon as we can offer live meetings again, I expect this number to expand considerably. However, this is an item the board should discuss at our conference and devise a strategy to increase membership.
- c. Journal Royalties were a significant item because we received our signing bonus and better structure under our new contract. As our new journal gains traction, we expect this to continue to be a significant source of revenue for us.
- d. Due to no World Congress last year, we lost a significant revenue source that will hopefully not be the case in the future.

Expenditures were trimmed in every place possible as well as being down because of travel restrictions. Given the revenue side, that was a blessing, but one we hope does not continue.

The Balance Sheet has the following to note:

- a. JSBM continues to be our most valuable asset.
- b. Our liabilities are very low- we are up to date on all our commitments.
- c. We have 2,000 in World Congress for refunds from the 2020 World Congress that was postponed.
- d. In the equity section, we show \$20,000+ in the Wilford White Fellows account. That will be an item for discussion at our board meeting.
- e. We do not have a significant buffer if we have another shutdown, such as what we have experienced recently. We need to develop a strategy that continues to create a revenue stream from certificates, K-hubs surveys, etc. I would hope the board would support the CEO in this endeavor. To protect our sustainability, we should be building a larger cash balance as we go forward to ensure we can weather future storms.