

Mautic's Financial Report - 2023

Executive summary

In 2023, Mautic navigated a transformative year, successfully transitioning to an independent open source project.

With a total income of \$148,948.48 driven primarily by transitional support from Acquia; corporate and individual memberships; and monthly sponsorships, and expenses totaling \$122,047.34, Mautic managed to end the year with a surplus, with cash at the bank standing at \$67,714.82.

Key expenditures included employment, host fees, infrastructure, and legal fees.

Despite falling short of some corporate membership targets, individual memberships exceeded expectations.

Moving forward, Mautic aims to strengthen financial stability through diversified revenue streams and enhanced budgeting practices, targeting an expenditure of \$150,000 and a revenue of \$205,000 for the year 2024.

Income statement

In the year ending December 2023, Mautic received \$148,948.48 in income.

This was distributed as below:

Acquia support	\$80,000.00
Sponsors (monthly)	\$20,111.46
Sponsors (events)	\$13,045.00
Membership (silver tier)	\$10,000.00
Grants - Season of Docs	\$7,667.61
Membership (community tier)	\$6,000.00
Membership (bronze tier)	\$5,000.00
Membership (individual)	\$3,130.00
Event ticket sales	\$3,031.05
Sponsors (one-time)	\$720.00
Refunds	\$243.36

Expense report

In 2023, Mautic spent a total of \$122,047.34.

It's important to remember that Mautic announced that it would become an independent open source project in April 2023, therefore some expenses such as employment only took effect from that point forward.

Brand and trademark expenses (such as the cost of maintaining domain registrations and trademarks) and legal expenses were incurred in the second half of the year which would previously have been covered by Acquia, or which related directly to the process of becoming independent.

Likewise, expenses such as host fees were considerably higher from this point forward due to the increase in incoming revenue.

Expenditure was distributed as follows:

Employment	\$61,039.44
Host fees	\$17,218.74
Infrastructure	\$14,409.72
Legal fees	\$8,287.50
Consultants	\$7,959.00
Events	\$3,830.82
Back your stack	\$3,749.84
Travel and expenditure	\$3,484.33
Marketing	\$1,077.91
Brand & Trademark	\$564.93
Payment processor fees	\$136.49
Admin	\$129.81
Refunds	\$113.00
Swag	\$45.81

Balance sheet

At the end of 2023 the balance of Mautic's accounts stood as below - previous years are provided for reference. Each line item represents an 'account' - either the main collective, a project, or an event. Think of accounts as a ring fenced fund for a specific purpose.

	Balance 31-12-2023	Balance 31-12-2022	Balance 31-12-2021
Main collective	\$55,454.68	\$11,084.85	\$13,336.85

Bounties	\$3,600.00		
Builders initiative	\$1,225.00	\$0.00	\$0.00
Marketing team	\$1,224.01	\$2,103.00	\$3,235.00
Next Generation	\$1,212.39	\$1,212.03	\$1,000.00
Infra working group	\$1,014.81	\$1,052.22	\$3,958.22
Resource management initiative	\$1,000.00	\$1,000.00	\$1,000.00
Composer initiative	\$1,000.00	\$1,000.00	\$1,000.00
Install/Upgrade initiative	\$428.30	\$428.30	\$428.30
Marketplace initiative	\$391.23	\$293.31	\$260.67
LATAM community	\$382.84		
Product Team	\$379.92	\$2,689.92	
Mautic Meetup Valencia	\$217.01		
Community Team	\$167.64	\$144.00	\$2,088.00
Developer Days event	\$16.27		
Education Team	\$0.61		
MautiCon India	\$0.11		
Season of Docs 22		\$7,799.22	
MautiCon Europe			\$1,009.06
MautiCon Global 22			\$4,875.00
Total cash at bank	\$67,714.82	\$28,806.85	\$26,307.04

While there is a healthy balance in the collective and across the different accounts, the generous support from Acquia which supported Mautic in the first eight months of transitioning to independence ceases in December, meaning that fundraising will continue to be a priority in the coming year.

Major financial activities

The primary focus of this year has been developing financial stability and implementing our new governance model. We have seen a good uptake of both corporate and individual memberships, however the number of community tier memberships we sold was lower than what we were projecting.

We also received the final installment of our Google Season of Docs funding at the beginning of the year - we'd already paid our technical writer from the main collective during the year, however, so this did not result in a net gain overall.

Budget v Actual

Income

Prior to the announcement of becoming an independent project, we were already working on a five-year financial plan to develop less dependence on Acquia and be able to hire our own staff.

When the governance model was proposed, we established some goals for the membership tiers. Below demonstrates performance to those goals :

Annual amount		Planned	Actual
\$100	Individual	15	35
\$1,200	Community	17	5
\$5,000	Bronze	5	1
\$10,000	Silver	2	1
\$15,000	Gold	0	0
\$20,000	Platinum	0	0
\$30,000	Diamond	0	0

As you can see, individual memberships far exceeded our target for the half-year since the new governance model was established, with 35 new members. It should be noted that individual members can pro-rate their membership price using the [Big Mac Index](#), so they may end up contributing less than \$100.

We were somewhat surprised that we didn't see more of our regular monthly sponsors converting into Community Tier members, however in hindsight many of these are smaller companies who simply couldn't afford the expense of the annual membership at such short notice.

We were also quite ambitious as regards to attracting Bronze and Silver Tier members - several of the companies we had pitched at this level instead opted for Community Tier or to remain a monthly sponsor.

Expenditure

A very basic budget was already in place before the announcement of becoming an independent project, which is what we have continued to use this year.

As you can see, there were several expenses which were not covered by specific line items in our budget this year, such as hiring consultants to work on the PHP to Twig migration for Mautic 5 (which was part-funded by contributions from the community to the tune of \$4,000), events (which was an oversight in the budget planning process) and marketing (which was largely associated with events and also an oversight).

We also had not explicitly budgeted for the cost of maintaining our domains and trademarks which became our responsibility post-independence.

Payment processor fees were previously not reported as separate line items but this started to be reported in December 2023, so these were also not part of our budget as we did not have visibility of them in the past.

Previously, administrative expenses were rolled up into a team - for example into Marketing where it related to posting swag to contributors - however now we report these separately for greater visibility, hence why they did not have a separate line item in the budget.

There were some line items which we have budgeted for but not used - such as \$3,600 for bounties and several accounts holding a balance such as the strategic initiatives.

	Total	Budget
Employment	\$61,039.44	\$70,560.00
Host fees	\$17,218.74	\$14,690.00
Infrastructure	\$14,409.72	\$14,560.00
Legal fees	\$8,287.50	\$5,000.00
Consultants	\$7,959.00	
Events	\$3,830.82	
Back your stack	\$3,749.84	\$3,000.00
Travel and expenditure	\$3,484.33	\$6,800.00
Marketing	\$1,077.91	
Brand & Trademark	\$564.93	
Payment processor fees	\$136.49	
Admin	\$129.81	
Refunds	\$113.00	
Swag	\$45.81	\$1,800.00
Total	\$122,047.34	\$116,410.00

Overall, we have come in marginally over budget. Going forward we plan to pay closer attention to detail with our budgeting from the 2025 budget onwards, ensuring that we do capture and plan for all anticipated expenses.

Looking forward to 2024

Future outlook

While we ended the 2023 year with a surplus, we were around \$40,000 short of our fundraising target and around \$6,000 over our planned budget.

Given that we no longer have the financial safety net which we previously benefited from, Mautic has a lot of work to do in order to bring in the funds required to sustain the project in its current status, and in the future to drive the growth that will take Mautic to the next level.

We have learned a lot through the rolling out of the new governance model and implementing the membership tiers, and we're also exploring several other revenue generating streams which could further support the project in the coming years.

Our anticipated expenditure for the coming year (2024) is detailed below - so while we're optimistic about Mautic's future it's clear we have a lot of work to do in order to convert the many 'takers' who just use the project without giving anything back, into 'makers' who financially support Mautic's growth.

Recommendations

Previously budgeting and financial management hasn't been seen as important because we did not have many expenses as a project - many of these were wrapped up in Acquia's internal processes so the community never saw the cost or value thereof.

Going forward, responsible budgeting and financial management must be front and foremost in the minds of the whole organization - Mautic's future depends on it.

There should be a collaborative budgeting process which sees the Council determining the planned revenue and estimated expenditure, and allocating pots of funds for teams to apply to access to.

There should also be due consideration given to the longer term planning of resourcing the Mautic project when it comes to employees and consultants, to ensure that Mautic can continue to drive growth in the areas that really matter to our users.

2024 Budget

When we came into January 2024, we didn't yet have the processes in place to share a formal budget, so one was created based on the known expenditure and projected income from the trials, memberships and sponsorships. This was agreed and adopted by the Leadership Team and is provided below, alongside the current performance up to the end of the first half of 2024. A small sub-committee of the Council reviews the progress towards our goals each month.

It's important to remember that several revenue-generating lines are expected to bring income into the project towards the end of the year, for example the majority of the event-based sponsorship income arises from the in-person Mautic Conference in November.

Projected income

As you can see, we're substantially lower than expected when it comes to new members joining Mautic, event sponsorships and also income from the trials. While we have been

putting a lot of effort into outreach, the concept of membership is still relatively new and many companies require a full budget cycle to be able to allocate funds.

On average our ‘buying cycle’ from first interaction to a new member joining is around 4 months, so it’s a fairly ‘slow burn’ process. Occasionally we get memberships that seemingly come out of nowhere, but the majority have come from direct outreach.

Income source	Total	H1 2024 progress
Members (Individual)	\$5,620.00	\$1,139.45
Members (Community)	\$22,800.00	\$2,400.00
Members (Bronze)	\$20,000.00	\$5,000.00
Members (Silver)	\$30,000.00	\$0.00
Members (Gold)	\$30,000.00	\$15,000.00
Members (Platinum)	\$0.00	\$0.00
Members (Diamond)	\$30,000.00	\$29,972.00
Monthly sponsors	\$9,880.00	\$11,661.87
One-time sponsors	\$600.00	\$10.00
Event sponsors	\$35,000.00	\$7,850.00
Event tickets	\$17,500.00	\$2,070.00
Trials	\$20,592.00	\$440.00
Misc	\$2,200.00	\$0.00
Refunds	\$0.00	\$13.98
Total Incomes	\$224,192	\$75,557.30

Projected expenditure

Generally speaking we’re pretty much on track with our expenditure with the exception of an unplanned admin expense (a virtual postbox for incoming mail) and expenditure for events which covered the deposit for the Mautic Conference India event which was repaid from event proceeds. We also had to refund a membership which was in the wrong tier, which of course isn’t something we can plan for.

We’re getting close to our budget for infrastructure due to some additional expenses incurred from the Community Portal, and also in the legal expenses because we’ve had to cover domain renewals and costs associated with defending a trademark infringement claim in Europe. Likewise the Marketing budget is slightly higher, however their main expense occurs in H1 so this is to be expected.

Outgoings	Total	H1 2024 progress
Employment Project Lead	\$104,223.36	\$62,012.79

Consultants	\$0.00	\$0.00
Payment Processor fees		\$1,013.35
Open Collective host fees	\$22,419.20	\$7,091.94
Infrastructure	\$10,961.64	\$9,697.35
Supporting dependencies	\$22,419.20	\$0.00
Bounties	\$2,952.00	\$0.00
Legal	\$5,004.00	\$4,583.65
Travel & Expenditure	\$7,248.00	\$4,614.34
Administration	\$0.00	\$299.69
Marketing	\$2,472.00	\$1,283.17
Contributor swag	\$480.00	\$80.99
Events	\$500.00	\$1,513.50
Refund	\$0.00	\$100.00
Total Outgoings	\$178,679	\$92,290.77

Approval and sign off

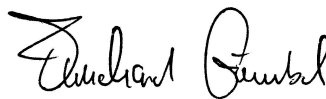
This report has been prepared by Project Lead, Ruth Cheesley, and reviewed by the Fundraising Executive Committee of the Mautic Council.

It will be proposed for adoption by vote in the 2024 General Assembly as the official financial report for the year ending 2023 in accordance with the General Assembly procedures.

Signatures



Ruth Cheesley
Mautic Project Lead



Ekkehard Gumbel
Council Member



Dominique De Cooman
Council member