

Audit of the Midyear Financial Reports for Toastmasters Intl. District 55  
January 15, 2011

District 55 Treasurer: Roger Storer, DTM  
Audit Committee: Susan McClure, CC, ALB, chair  
Cindy Cross, DTM  
Atheria Scott, DTM, PDG

The audit committee met on January 15, 2011 at the First Lutheran Church San Marcos to review the first six months (July 2010-Dec 2010) financial records and complete the midyear audit for Toastmasters International District 55 for the fiscal year 2010-2011.

We reviewed the income statements, balance sheets, bank statements; as well as cash receipts and disbursement documents. We did a random sampling of documents to look for proper approvals and receipts. All required signatures and coding were present.

Below are the other findings and recommendations of the committee:

1. We commend the District Treasurer for his accurate accounting of the District's property. For the first time, district equipment is accounted for as assets on the balance sheet.
2. The Fall Conference did well, with income exceeding expenses by \$439.83. \$3,800 of the conference revenue is attributable to the Spring Conference, as noted on the District Treasurer's records. We did note that conference meals should have been budgeted instead of conference hotel meeting room. We also recommend budgeting for credit card processing fees.
3. Bookstore expenses are high; they more than double the budgeted amount. Revenue does not cover expenses, but we expect it will by the end of the Toastmaster year. As of January 31st, more than \$1,000 of bookstore inventory has been sold at the San Antonio and Austin TLI's.
4. We recommend an inventory tracking system. Promotional items are currently not recorded or expensed to the area in which they were used.
5. We recommend a balanced budget rather than a budgeted loss. We understand that funds leftover from the previous administration were omitted from the budget by Toastmasters International. This creates an unrealistic budget.
6. We recommend that budgeted and unused funds be set aside in a reserve account at the end of the year and be used for such items as future equipment requirements.
7. We found one inappropriate use of funds by the District. District funds are to be used in ways which benefit the members of Toastmasters International within the district, and promote education, growth and development of membership and new clubs. The purchase of flowers for the death of a family member of the Top 3, while a nice gesture, is not within these guidelines.

The audit committee commends and thanks Treasurer, Roger Storer, DTM, for his excellent record keeping. The records were very organized and made the job easy and efficient.

Sincerely,

Susan McClure  
Audit Committee Chair