

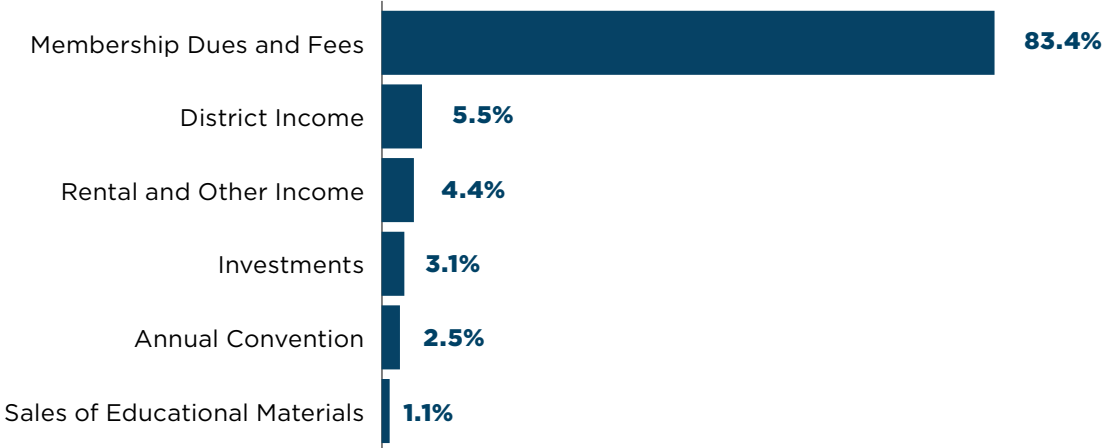
# 2023 FINANCIAL REPORT

The consolidated financial statements of Toastmasters International were audited by the independent certified public accounting firm of Eide Bailly, LLP. The auditors stated that the 2023 consolidated financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

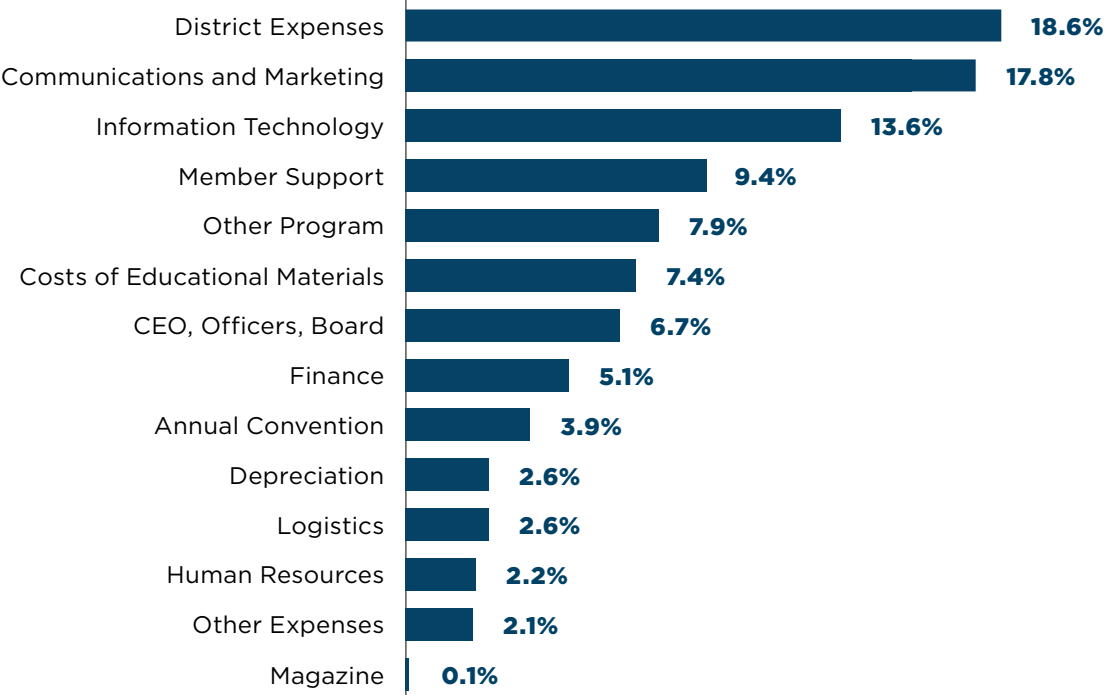
The majority of the organization's revenue is derived from membership dues and fees. This revenue category consists of membership dues, new member fees, and charter fees. District income is the second-largest revenue source; it is earned from registration to District events, sponsorships, donations, District store sales, and fundraising. Rental and other income is the third-largest source, which is derived primarily from rental income from tenants occupying space within the Colorado building owned by the organization.

The organization's expenses are categorized in 14 functional areas. Each functional area includes all costs associated with operating that particular area, including payroll, supplies, technology, postage, and utilities. The functional expense categories are: District Expenses; Communications and Marketing; Information Technology; Member Support; Other Programs; Costs of Educational Materials, Chief Executive Officer, Officers, and Board; Finance; Annual Convention; Depreciation; Logistics; Human Resources; Other Expenses; and Magazine. The following graphs provide a percentage breakdown of 2023 revenue and expenses:

## 2023 Revenue by Category



## 2023 Expense by Functional Area



The Toastmasters International Board of Directors controls the organization's funds and, with the Chief Executive Officer, is responsible for ensuring fiduciary compliance. The following is condensed information from the 2023 audited consolidated financial statements:

## Consolidated Statement of Financial Position as of December 31, 2023

### ASSETS

#### Current assets

Cash and cash equivalents	\$17,412,763
Investments	9,652,707
Inventory, net	471,970
Prepaid expenses and other assets, net	1,937,957
Total current assets	29,475,397

#### Property and equipment, net

Total assets	<u>\$55,653,151</u>
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### LIABILITIES AND NET ASSETS

#### Current liabilities

Accounts payable and accrued liabilities	\$3,643,924
Deferred membership and other revenue	7,265,125
Total current liabilities	10,909,049

Total liabilities	<u>10,909,049</u>
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#### Net assets

Without donor restrictions	44,703,917
With donor restrictions	40,185
Total net assets	44,744,102

Total liabilities and net assets	<u>\$55,653,151</u>
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## Consolidated Statement of Activities for the Year Ended December 31, 2023

#### Net revenue

Membership dues	\$17,777,615
Membership dues – Districts	5,926,793
New member fees	2,398,380
Annual convention	774,239
District income	1,743,602
Sales of educational materials	353,984
Charter fees	148,785
Net investment return (loss)	970,760
Contributions	65,669
Rental and other income	1,308,694
Total net revenue	<u>\$31,468,521</u>

#### Expenses

##### Program-related expenses

Member support	\$3,537,827
Communications and marketing	6,690,024
District expenses	6,957,358
Costs of educational materials	2,766,039
Annual convention	1,461,722
Logistics	974,842
Magazine	40,450
Other program	2,963,542
Total program-related services	<u>\$25,391,804</u>

##### Support services

Finance	\$1,908,285
Chief executive officer, officers, board	2,519,248
Information technology	5,105,883
Human resources	818,712
Other expenses	786,638
Depreciation	957,264
Total support services	<u>\$12,096,030</u>
Total expenses	<u>\$37,487,834</u>

Change in net assets (See page 4)	<u>\$(6,019,313)</u>
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# Increase/(Decrease) in Net Asset Breakdown

For the Year Ended December 31, 2023 (Unaudited)

For the calendar year ended December 31, 2023, the organization realized a decrease of \$6,019,313 in net assets as outlined on the audited statement of activities. A decrease in net assets results from expenses exceeding revenues. The increase/(decrease) in net assets are shown by areas of the business in the chart below.

