

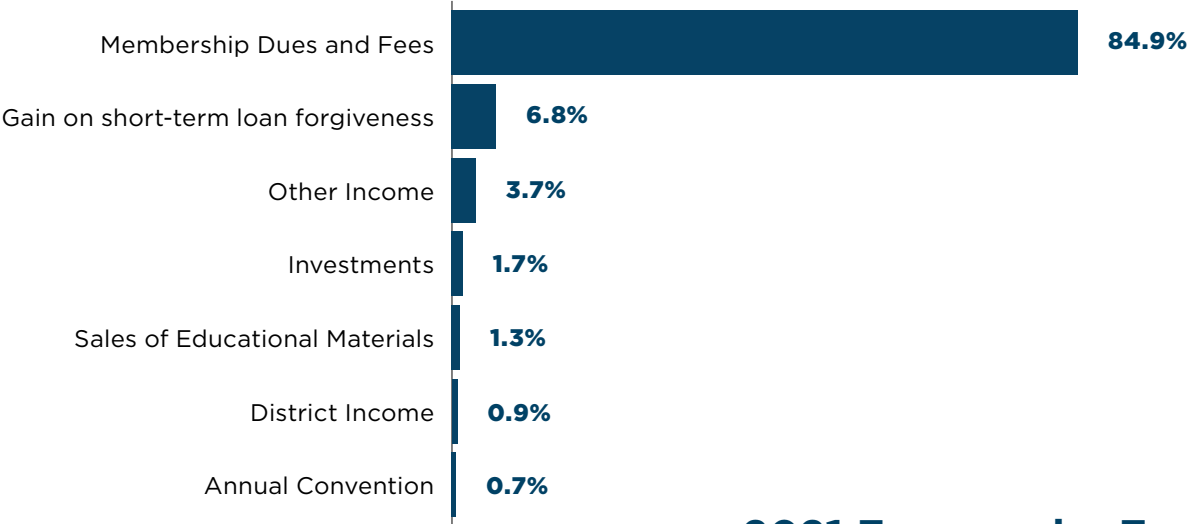
2021 FINANCIAL REPORT

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 2021 consolidated financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

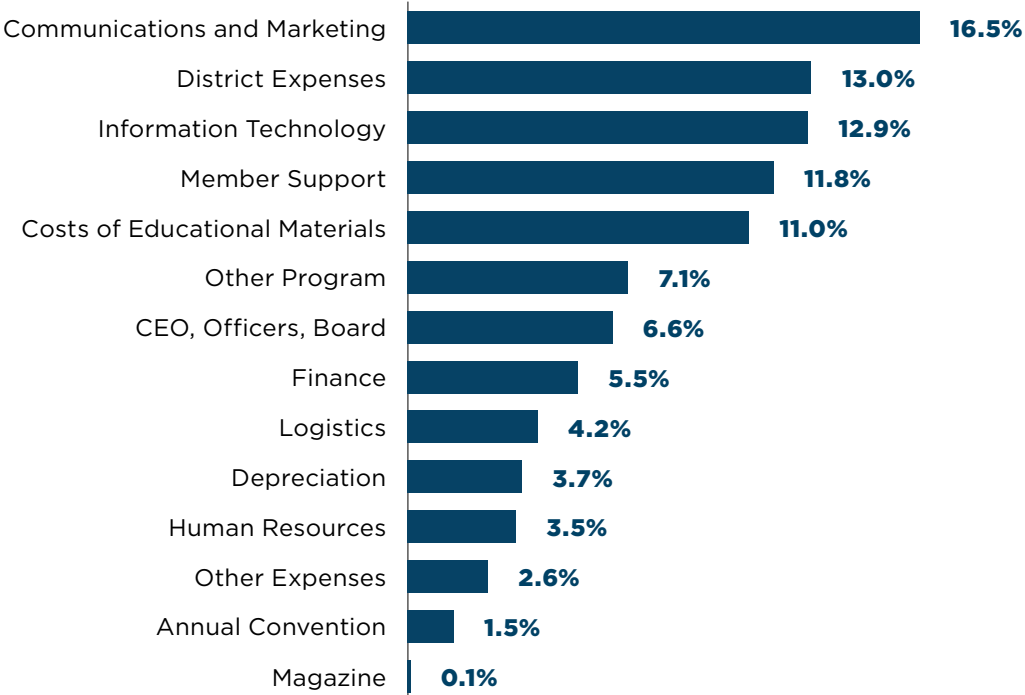
The majority of the organization's revenue is derived from membership dues and fees. This revenue category consists of membership dues, new member fees, and charter fees. Gain on short-term loan forgiveness is the second-largest source of revenue. Other income is the third-largest revenue source which was 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: Communications and Marketing; Information Technology; District Expenses; Member Support; Costs of Educational Materials; Other Program; Chief Executive Officer, Officers, and Board; Logistics; Finance; Depreciation; Human Resources; Magazine; Other Expenses, and Annual Convention. The following graphs provide a percentage breakdown of 2021 revenue and expenses:

2021 Revenue by Category



2021 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 2021 audited consolidated financial statements:

Consolidated Statement of Position as of December 31, 2021

ASSETS

Current assets

Cash and cash equivalents	\$25,450,217
Investments	9,998,819
Inventory, net	434,802
Prepaid expenses and other assets, net	1,623,069
Total current assets	37,506,907

Property and equipment, net

Total assets	<u>\$63,156,289</u>
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LIABILITIES AND NET ASSETS

Current liabilities

Accounts payable and accrued liabilities	\$2,205,205
Deferred membership and other revenue	6,081,042
Lease liability, current portion	27,847
Total current liabilities	8,314,094

Lease liability, non-current portion

Total liabilities	<u>8,372,654</u>
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Net assets

Without donor restrictions	54,753,535
With donor restrictions	30,100
Total net assets	54,783,635

Total liabilities and net assets	<u>\$63,156,289</u>
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Consolidated Statement of Activities for the Year Ended December 31, 2021

Net revenue

Membership dues	\$18,795,665
Membership dues – districts	6,340,735
New member fees	1,931,611
Charter fees	57,340
District income	286,088
Net investment return	535,278
Sales of educational materials	424,234
Annual convention	214,259
Rental and other income	1,140,619
Contributions	55,680
Total net revenue	<u>\$29,781,509</u>

Expenses

Program-related expenses

Member support	\$3,045,905
District expenses	3,366,557
Costs of educational materials	2,844,970
Communications and marketing	4,285,725
Logistics	1,083,302
Magazine	12,803
Annual convention	391,203
Other program	1,850,528
Total program services	<u>\$16,880,993</u>

Support services

Finance	\$1,415,000
Chief executive officer, officers, board	1,722,597
Information technology	3,336,209
Human resources	918,442
Other expenses	684,551
Depreciation	961,904
Total support services	<u>\$9,038,703</u>
Total expenses	<u>\$25,919,696</u>
Change in net assets before gain/loss	3,861,813
Gain on short-term loan forgiveness	2,188,515
Loss on disposal of equipment	(21,539)

Change in net assets (See page 4)	<u>\$6,028,789</u>
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Increase in Net Asset Breakdown

For the Year Ended December 31, 2021 (Unaudited)

For the calendar year ended December 31, 2021, the organization realized an increase of \$6,028,789 in net assets as outlined on the audited statement of activities. An increase in net assets results from revenue exceeding expenses. Areas of the business where revenues exceed expenses are show in the chart below.

